

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: HB 262  
 (S) Publish Date: 3/22/02

Revision Date/Time (Note if correction): 3/19/02 2:38 PM Department: Labor and Workforce Development  
 Title: Building Safety BRU: Labor Standards and Safety  
 Component: Mechanical Inspection  
 Sponsor: House L&C  
 Requester: Senate L&C Component No. 346

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	173.1	35.4			(70.2)	
Travel	30.0	6.0			(12.0)	
Contractual	22.5				(7.5)	
Supplies	9.0				(3.0)	
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>234.6</b>	<b>41.4</b>	<b>0.0</b>	<b>0.0</b>	<b>(92.7)</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( 1172 )</b>	<b>242.8</b>	<b>49.7</b>			<b>(112.5)</b>	
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(345.7)					
1005 GF/Program Receipts	(695.5)					
1037 GF/Mental Health						
1172 Building Safety Account	1,275.8	41.4			(92.7)	
<b>TOTAL</b>	<b>234.6</b>	<b>41.4</b>	<b>0.0</b>	<b>0.0</b>	<b>(92.7)</b>	<b>0.0</b>

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time	3				(1)	
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The bill creates the Building Safety Account in the state treasury, and designates certain fees collected by the Department of Labor and Workforce Development to be deposited into the fund. These fees include fees collected for boiler inspections, elevator inspections, and electrical and plumbing worker certificates of fitness. The Mechanical Inspection program within the Division of Labor Standards and Safety has collected program receipts in excess of appropriated authority for a number of years, while at the same time funding part of the program with general funds. Creating the Building Safety Account would consolidate collections into a single account and allow replacement of all program receipt and most general fund authorization. The division proposes establishing two additional Boiler/Pressure Vessel inspectors and an additional Elevator Inspector, which would generate additional operating funds to the Building Safety Account while addressing the inspection backlog that currently exists within the program.

Prepared by: Richard Mastriano, Director Phone 269-4900  
 Division: Labor Standards and Safety Date/Time 3/19/02 2:38 PM  
 Approved by: Ed Flanagan, Commissioner Date 3/19/2002  
 Agency: Department of Labor and Workforce Development

**ANALYSIS CONTINUATION**

The change in personal services costs from FY03 to FY04 is due to the anticipation that the newly created positions will remain vacant for approximately two months at the beginning of FY03. The increase in FY04 is the annualization of position costs for twelve months. Travel costs reflect the additional working months in FY04.

The increase in revenues for FY04 is directly related to an increased number of inspections being completed and the fees collected respectively.

In FY07 the department anticipates that the inspectors will no longer have a backlog and that one Boiler/Pressure Vessel Inspector position will no longer be needed. A reduction in operating expenditures and the revenues collected are shown in the FY07 column of this fiscal note.