

# FISCAL NOTE

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

Fiscal Note Number: 2  
 Bill Version: HB 520  
 (H) Publish Date: 4/23/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
 Title Business License Fees/Business BRU Community Assist & Econ. Dev. (405)  
Development Fund Component International Trade & Market  
 Sponsor House Labor & Commerce Development  
 Requester House Labor & Commerce Component No. 2551

**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	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	(196.4)	(196.4)	(196.4)	(196.4)	(196.4)	(196.4)
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(1,200.0)	(1,200.0)	(1,200.0)	(1,200.0)	(1,200.0)	(1,200.0)
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1115 International Trade & Business Endowment	(496.4)	(496.4)	(496.4)	(496.4)	(496.4)	(496.4)
Trade & Business Development Fund	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0
<b>TOTAL</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>	<b>(196.4)</b>

Estimate of any current year (FY2002) cost: 0.0

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

**POSITIONS**

Full-time	0.0	0.0	0.0	0.0	0.0	0.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0

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

Please see second page.

Prepared by: Lena Simmons, Budget Analyst Phone 907-465-2587  
 Division: Administrative Services Date/Time 4/19/02 3:07 PM  
 Approved by: Deborah B. Sedwick, Commissioner Date 4/19/2002  
 Agency: Department of Community & Economic Development

## FISCAL NOTE

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2002 LEGISLATIVE SESSION

BILL NO. HB 520 - FN#2

### ANALYSIS CONTINUATION

There are approximately 76,000 active business licenses. The business license fee is \$50.00 for a two year license. Approximately half of the licenses are up for renewal each year, so \$1.9 million in fees are generated annually. The business license fee of \$25 per year has remained unchanged since 1949. With the doubling of the fee a small reduction in total licensees is anticipated, but \$3.6 million in revenue per year is estimated.

In creating the new Trade and Business Development fund into which all business license fees are deposited, we would ask for appropriations from the fund for: 1.) administrative expenses for running the business license program (\$554.7) and 2.) operating the department's business development and international trade activities (\$3,045.3). This fiscal note shows the fund source changes in the Division of International Trade and Market Development, which would be used to fund international trade activities in the division. Since International Trade & Business Endowment earnings are not anticipated to be sufficient to fully fund the current authorization, we are replacing only \$300.0 of the International Trade & Business Endowment authorization with the Trade & Business Development fund.

This bill also eliminates the International Trade and Business Endowment and deposits the balance into the general fund (\$4,962.5 as of 3/30/02). There are also fiscal notes for the Division of Occupational Licensing and the Division of Community and Business Development.