

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB 378  
 (H) Publish Date: 2/9/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Environmental Conservation  
 Title An Act Relating to Food, Drug and Cosmetics RDU Environmental Health  
 Component Food Safety and Sanitation  
 Sponsor Representative Bill Williams  
 Requester House HESS Committee Component No. 2343

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

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	106.7	106.7	106.7	106.7	106.7	106.7
Travel	5.0	5.0	5.0	5.0	5.0	5.0
Contractual	13.2	13.2	13.2	13.2	13.2	13.2
Supplies	72.0	2.0	2.0	2.0	2.0	2.0
Equipment	13.8	2.0	2.0	2.0	2.0	2.0
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>210.7</b>	<b>128.9</b>	<b>128.9</b>	<b>128.9</b>	<b>128.9</b>	<b>128.9</b>

CAPITAL EXPENDITURES						
<b>CHANGE IN REVENUES (1005/1156)</b>	<b>80.0</b>	<b>157.0</b>	<b>77.0</b>	<b>157.0</b>	<b>157.0</b>	<b>77.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
1156 Receipt Supported Services	210.7	128.9	128.9	128.9	128.9	128.9
<b>TOTAL</b>	<b>210.7</b>	<b>128.9</b>	<b>128.9</b>	<b>128.9</b>	<b>128.9</b>	<b>128.9</b>

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time	2	2	2	2	2	2
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

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

See Attached

Prepared by: Kristin Ryan, Director Phone 269-7645  
 Division Division of Environmental Health Date/Time 1/14/04 12:00 AM  
 Approved by: Kurt Fredriksson, Deputy Commissioner Date 1/14/2004  
 Agency Department of Environmental Conservation

## FISCAL NOTE #2

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

BILL NO. HB 378

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### ANALYSIS

This bill authorizes the department to implement key elements of the new food safety program called - Active Managerial Control (AMC). This includes certification requirements for food service managers, separate food worker certification and testing, and authority to issue civil fines.

### REVENUES

Food Worker Certification: Regulations will be implemented that require food workers to pass an exam administered by the department. A \$10.00 fee will be assessed for a three-year certification with a \$10.00 fee for each re-certification. There are approximately 16,000 food workers employed in the state.

- FY2005 – Half of the food workers will be certified in the first year of implementation producing \$80.0 in receipts. (There is a one-year grace period in effect that extends into FY2006).
- FY2006 – The other half of food workers will be certified plus 45% in new certifications representing estimated industry turnover for seasonal workers generating revenue estimated at \$152.0.
- FY2007 – Third year revenue is from turnover certification only.

Revenues continue in this pattern with a three-year re-certification cycle.

Civil Fines: Revenue projections include a minimal amount for civil fines at a rate of \$5.0 per year. The department will impose fines for failure to comply with the food safety system requirements or repeat or serious food safety violations. Food establishments will have a one year grace period for the necessary training and to implement the AMC system. Revenue from fines will not begin until after the grace period has expired (FY2006 or later) and are, at this point, difficult to estimate.

### OPERATING COSTS

Personal Services: An Environmental Health Technician, will track compliance, deposit payments, issue certifications, and distribute training materials. An Environmental Health Officer will supervise Train-the-Trainer instruction on the requirements for food worker training and will coordinate with state and national providers of training for the Certified Food Protection Manager (CFPM) certification requirement in conjunction with state proctored exams.

Travel: Cost of conducting training, audits and to provide technical assistance.

Contractual: Funding for maintenance and support of the certification system and basic position support costs.

Supplies: Costs include a first year, one-time expenditure of \$70.0 for the purchase and implementation of a Food Safety System (software) that will provide food worker training and testing on-line and in multiple languages. Training and certification will be available in remote as well as urban areas, and to workers for whom English is not the primary language.

Equipment: Standard equipment purchases in the first year with ongoing maintenance costs.

### FUNDING

Receipts from annual food establishment permit fee collections will be used to fund AMC activities.

## Personal Services New Position Detail

### Department of Environmental Conservation

**Scenario:** A Scenario for FY2005 Fiscal Notes (3605)  
**Component:** Food Safety & Sanitation (2343)  
**RDU:** Environmental Health (207)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#015	Environmental Health Tech.	FT	A	GP	Anchorage	2A	12 B	12.0		31,308	0	0	15,944	47,252

**Justification:**

This position will be responsible for tracking compliance with the food worker certification requirement, deposit of the certification fees, issuance of the certifications and the distribution of training materials.

**Funding Detail:**

1156	Receipt Supported Services	100.00%	47,252
<b>Total Funding:</b>		100.00%	47,252

18-#016	Environmental Health Officer	FT	A	GP	Anchorage	2A	16 B	12.0		41,136	0	0	18,257	59,393
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**Justification:**

This position will be responsible for providing food worker and Active Managerial Control (AMC) training, proctoring certification exams and "training the trainer" for 3rd party trainers in food worker and AMC requirements.

**Funding Detail:**

1156	Receipt Supported Services	100.00%	59,393
<b>Total Funding:</b>		100.00%	59,393

**Component Summary:**

**Total New Positions: 2**

Fund Description	Fund Percent	Fund Amount
1156 Receipt Supported Services	100.00%	106,645
<b>Total Funding:</b>	100.00%	106,645

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column.