

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 538
 (H) Publish Date: 3/18/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title Cigarette and Tobacco Products Tax Increase RDU Alaska State Troopers
 Sponsor Rules Committee Component Alaska Bureau of Alcohol and
 Requester Governor Component No. 2745
Drug Enforcement

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	171.4	171.4	171.4	171.4	171.4	171.4
Travel	20.0	20.0	20.0	20.0	20.0	20.0
Contractual	15.0	15.0	15.0	15.0	15.0	15.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	206.4	206.4	206.4	206.4	206.4	206.4

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1007 Interagency Receipts	206.4	206.4	206.4	206.4	206.4	206.4
TOTAL	206.4	206.4	206.4	206.4	206.4	206.4

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						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill will increase the cigarette tax from \$1 per pack of twenty cigarettes to \$2 per pack and the tobacco products tax (OTP) from 75% to 100% of the wholesale cost. This bill also provides for the Department of Public Safety to seize and dispose of assets used in illegal activities related to tobacco product statutes.

The Department of Public Safety at the request of the Department of Revenue, Tax Division will provide investigative support through a reimbursable services agreement (RSA). This fiscal note requests funding for the equivalent of two full-time investigators, field travel, training, communication and vehicle usage. The use of those investigative assets will be coordinated between the two agencies and reimbursed on actual cost.

Prepared by: Lieutenant Al Storey Phone 269-4532
 Division: Alaska State Troopers Date/Time 1/9/04 3:45 PM
 Approved by: Commissioner William Tandeske Date 1/9/2004
 Agency: Department of Public Safety