

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: CSHB 111(L&C)  
 (H) Publish Date: 2/14/07

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Commerce  
 Title Business License Fee Decrease RDU Comm Assist & Ec Dev (405)  
 Component Office of Economic Development  
 Sponsor Rules Committee  
 Requester Governor Component No. 2743

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

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</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>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( 1175 )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	404.8	404.8	404.8	404.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Business License & Corp (1175)	0.0	0.0	(404.8)	(404.8)	(404.8)	(404.8)
<b>TOTAL</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>

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This legislation reduces the Business License fees back to FY03 cost of \$25 per year with an effective date of 1 October 2008.

The Office of Economic Development operating expenses are partially funded with business license fees of \$1,173.8. No fund source change is anticipated in FY 2009 since business license fees will continue to cover operating expenditures to manage this function. Starting in FY 2010, the department estimates a loss of business licenses revenue of \$4,455.0. As a result of this legislation, revenues are not sufficient to fully fund the Office of Economic Development's operating expenses. The additional \$404.8 needed for operating costs is assumed to be funded with general funds.

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 Agency: Commerce, Community, and Economic Development

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