

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 236(MLV)
 (H) Publish Date: 5/4/07
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction):

Title: DECEASED VETERAN DEATH
 CERTIFICATE/HONOR

RDU: Public Health

Component: Bureau of Vital Statistics

Sponsor: HOUSE (STA)

Requester: HOUSE (MLV)

Component No.: 961

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 | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES (0) | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE

(Thousands of Dollars)

| | | | | | | |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 50.0 | 60.0 | 75.0 | 90.0 | 90.0 | 90.0 |
| 1037 GF/Mental Health | | | | | | |
| 1156 (Receipt Svcs) | (50.0) | (60.0) | (75.0) | (90.0) | (90.0) | (90.0) |
| Other(Specify Type-do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2007) cost: _____

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)*

Under this bill family members or representatives (executors, etc.) of deceased veterans may each request one free copy of the veteran's certified death certificate. Because the Bureau of Vital Statistics (BVS) relies substantially on fee revenues to cover its operating costs, any loss of these revenues will have an immediate impact on staffing and quality of service to the public if not replaced by general funds.

About 10% of the proposed FY08 budget for BVS is GF (\$266.6). In contrast, 65% of the BVS budget proposed for FY08 comes from Receipt Supported Services (RSS). Limited flexibility in the BVS budget compounds the problem of relying on fees for operating costs. (Continued on Page 2)

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 Approved by: Karleen Jackson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-3090
 Date/Time 04/30/2007
 Date 05/01/2007

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FN # 2 - CSHB 236(MLV)

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ANALYSIS CONTINUATION
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One-third of BVS's annual expenses are fixed costs for items such as lease space, telecommunications services and paper for certificates. Areas where there is some flexibility, such as travel, have been reduced in recent years due to "belt tightening" budget reductions and loss in buying power. Nearly two-thirds of the BVS budget covers personal services.

We project this bill will cost BVS \$50.0 in lost revenue in FY08, increasing to a loss of \$90.0 by FY11. The estimates are based on the \$20 fee for a certified copy of a death certificate and the approximately 900 deaths per year where the decedent was a veteran. Under this version of the bill, receipt of free copies is not restricted - each family member or representative may request one free copy but any number of family members or representatives may request a free copy. It is estimated that veterans' families and representatives will request, on average, five free copies (families have been known to request as many as 30 copies of a death certificate). The fiscal impact will be approximately \$50.0 for the first year the legislation is in effect (\$20 x 2,500 certified copies, assuming just 500 families will request 5 certificates each in the first year), increasing to \$90.0 by FY10 (\$20 x 4,500 certified copies) as more people become aware of the new benefit provided by this law. The Bureau will experience a greater loss of revenue if this bill generates more than five requests per death, or if the number of decedents who are veterans exceeds 900 in a year.

This projected loss of revenue to BVS appears in the Receipt Supported Services line and, if the current level of staffing and service to the public is to be maintained, this lost revenue will have to be replaced with GF. If new GF is not received to offset the lost revenue, the Bureau will have to eliminate one position the first year this bill is in effect, and a second position within the subsequent one to two years. The loss of these positions will limit the Bureau's ability to process requests for vital records in a timely manner by limiting the number of requests that can be processed daily. Previous experience has shown that when BVS is understaffed, the public can expect delays of up to eight weeks for processing vital record requests. At current staffing levels, the average turnaround time is two to three days.