

# FISCAL NOTE

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

Fiscal Note Number: 1  
 Bill Version: CSSB 116(L&C)  
 (S) Publish Date: 4/4/07

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Commerce  
 Title Uniform Money Services Act RDU Banking & Securities (536)  
 Component Banking & Securities  
 Sponsor Elton  
 Requester Senate Labor & Commerce Component No. 2808

**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	46.5	46.5	46.5	46.5	46.5	46.5
Travel	2.5	2.5	2.5	2.5	2.5	2.5
Contractual	28.0	28.0	28.0	28.0	28.0	28.0
Supplies	1.0	1.0	1.0	1.0	1.0	1.0
Equipment	2.0	2.0	2.0	2.0	2.0	2.0
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( 1156 )</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 Receipt Supported Services	80.0	80.0	80.0	80.0	80.0	80.0
<b>TOTAL</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</b>	<b>80.0</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	1	1	1	1	1	1
Temporary						

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

This legislation would require the licensing and regulation of entities involved with the transmission of money or currency exchanges. The division estimates there will be about 40 businesses subject to licensure and examination each year under the bill. The division assumes that many of the money transmitter businesses operating in the state will be subject to dual licensure as they are affiliated with a large national money transmitter company, such as Western Union. Alaska currently does not regulate this industry. The division anticipates the need for the addition of one-half of a new Investigator II position to carry out regulatory duties mandated by the Act, such as, licensing, complaint investigations and conducting on-site examinations. Travel funds would cover cost of the travel associated with examinations and training. Contractual expenses include funds for the Department of Law to draft legal documents, represent the division at administrative hearings resulting from license revocations/disciplinary actions, and enforcement orders.

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 Approved by: Emil Notti, Commissioner  
 Agency Commerce, Community, and Economic Development

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 Date/Time 3/26/07 12:59 PM  
 Date 3/26/2007

**ANALYSIS CONTINUATION**

**Revenue:** The division estimates this legislation would generate \$80.0 in each of the first two years due to the initial licensing of an estimated 40 licensees at \$2.0 per licensee. In years 3 and 4, it is estimated there will be an increase in the number of licensees from 40 to 50. In years 5 and 6, it is estimated there will be an increase in the number of licensees from 50 to 60. Because this legislation would require the department to establish fee levels so that the total amount of fees collected would approximately equal total regulatory costs, licensing fees would be expected to drop after the first two years.