

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: SB 193
Fiscal Note Number: 1
(S) Publish Date: 4/11/14

Identifier: SB193-DCCED-CBPL-02-21-14
Title: CONTRACTORS: BONDS; LICENSING
Sponsor: MICCICHE
Requester: Senate Labor and Commerce

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates				
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	***	***	***	***	***	***	***
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	***	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	***	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
---------------------------	--	--	--	--	--	--	--

Estimated SUPPLEMENTAL (FY2014) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable, initial version

Prepared By:	Don Habeger	Phone:	(907)465-2536
Division:	Corporations, Business and Professional Licensing	Date:	02/21/2014 06:30 PM
Approved By:	Jeanne Mungle, Director	Date:	02/22/14
Agency:	Administrative Services		

FISCAL NOTE ANALYSIS #1

**STATE OF ALASKA
2014 LEGISLATIVE SESSION**

BILL NO. SB 193

Analysis

SB 193 would require all construction contractors to obtain a license through the elimination of the "handyman" exemption. SB 193 also increases the amount of the bond for general, specialty, and mechanical contractors, creates a new category of bonding for residential contractors at \$20,000, requires "handymen" who do work valued under \$10,000 to post a \$5,000 bond, and amends insurance requirements so that any contractor who does work valued at \$2,500 or less is not required to obtain liability and property insurance.

An indeterminate fiscal note is assigned to SB 193 as the division is unable to quantify how many "handymen" might apply for a construction contractor's license. "Handyman" business activity is not distinguishable from licensed construction or services lines of business. Without an estimated number of potential "handymen" needing to be newly licensed, the division is unable to determine revenue and cost impacts associated with SB 193.