

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: HCS SB 193(FIN)
Fiscal Note Number: 5
(H) Publish Date: 4/19/14

Identifier: SB193-DCCED-CBPL-04-16-14
Title: CONTRACTORS: BONDS; LICENSING
Sponsor: MICCICHE
Requester: House 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	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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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? **Yes**
If yes, by what date are the regulations to be adopted, amended or repealed? **07/01/15**

Why this fiscal note differs from previous version:

updated after further review and discussion with the sponsor to reflect no fiscal impact.

Prepared By: <u>Sara Chambers, Director</u>	Phone: <u>(907)465-2536</u>
Division: <u>Corporations, Business and Professional Licensing</u>	Date: <u>04/16/2014 06:00 PM</u>
Approved By: <u>Jeanne Mungle, Director</u>	Date: <u>04/16/14</u>
Agency: <u>Administrative Services</u>	

FISCAL NOTE ANALYSIS #5

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. HCS SB 193(FIN)

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.

The division does not anticipate any fiscal impact from this legislation. It will likely increase the number of licensees, but any additional workload would be absorbed by existing staff.

While regulations are required to comply with this bill, the impacted regulations are currently being updated so there would be no additional cost.