

# Fiscal Note

State of Alaska  
2015 Legislative Session

Bill Version:	CSHB 81(L&C)
Fiscal Note Number:	2
(H) Publish Date:	2/23/2015

Identifier: HB081-DCCED-CBPL-02-06-15  
 Title: EXEMPTION: LICENSING OF CONTRACTORS  
 Sponsor: TILTON  
 Requester: (H) 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)

	FY2016	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2016 Request	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>OPERATING EXPENDITURES</b>	<b>FY 2016</b>	<b>FY 2016</b>					
Personal Services							
Travel							
Services	2.5						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>2.5</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>

## Fund Source (Operating Only)

1156 Rcpt Svcs	2.5						
<b>Total</b>	<b>2.5</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>

## Positions

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>	2.5						
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**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2016) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/16

## Why this fiscal note differs from previous version:

Not applicable, initial version.

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Division:	Corporations, Business, and Professional Licensing	Date:	02/04/2015 10:11 PM
Approved By:	Catherine Reardon, Director	Date:	02/06/15
Agency:	Division of Administrative Services		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2015 LEGISLATIVE SESSION**Analysis**

HB81 proposes to close a loophole in construction contractor licensing exemptions that allows those owning property, residences, or commercial buildings to act as their own contractor without meeting licensure standards. A property owner who acts as their own contractor may build or remodel without obtaining a contractor license if the structure is not advertised for sale or sold within two years after the construction period has ended.

The bill places the burden on the owner-contractor to prove to the Department of Commerce, Community, and Economic Development that their work under this exemption was not an attempt to circumvent the requirements of AS 08.18.

If the bill passes the following expenses will be incurred:  
Services: \$2.5 (legal services and postage to amend regulations)

Professional licensing programs within the Division of Corporations, Business and Professional Licensing are funded by Receipt Supported Services, fund source 1156 Rcpt Svcs (DGF). Licensing fees for each occupation are set per AS 08.01.065 so the total amount of revenue collected approximately equals the occupation's actual regulatory costs.