

Fiscal Note

State of Alaska
2018 Legislative Session

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|---------------------|--------------|
| Bill Version: | CSHB 91(FIN) |
| Fiscal Note Number: | 3 |
| (H) Publish Date: | 2/7/2018 |

Identifier: HB091CS(STA)-DOA-APOC-02-07-18
 Title: APOC REGISTRATION FEES; LOBBYIST TAX
 Sponsor: KITO
 Requester: House Finance

Department: Department of Administration
 Appropriation: Alaska Public Offices Commission
 Allocation: Alaska Public Offices Commission
 OMB Component Number: 70

Expenditures/Revenues

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

| | FY2019 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|
| | Appropriation Requested | Governor's FY2019 Request | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| OPERATING EXPENDITURES | FY 2019 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Personal Services | 198.3 | | 198.3 | 198.3 | 198.3 | 198.3 | 198.3 |
| Travel | | | | | | | |
| Services | 25.4 | | 25.4 | 25.4 | 25.4 | 25.4 | 25.4 |
| Commodities | 2.9 | | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 226.6 | 0.0 | 226.6 | 226.6 | 226.6 | 226.6 | 226.6 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|
| 1005 GF/Prgm (DGF) | 226.6 | | 226.6 | 226.6 | 226.6 | 226.6 | 226.6 |
| Total | 226.6 | 0.0 | 226.6 | 226.6 | 226.6 | 226.6 | 226.6 |

Positions

| | | | | | | | |
|-----------|-----|--|-----|-----|-----|-----|-----|
| Full-time | 2.0 | | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|----------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|
| 1251 Non-UGF (Other) | 252.0 | | 252.0 | 252.0 | 252.0 | 252.0 | 252.0 |
| Total | 252.0 | 0.0 | 252.0 | 252.0 | 252.0 | 252.0 | 252.0 |

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) 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/comments:

Updated for CS. This revised fiscal note reflects the additional GF/PR receipt authority for candidate/group fees and lobbyist fees according to a new sliding scale structure reflected in this bill as amended.

Prepared By: Heather Hebdon, Executive Director
 Division: Alaska Public Offices Commission
 Approved By: Cheri Lowenstein, Administrative Services Director
 Agency: Administration

Phone: (907)334-1724
 Date: 02/06/2018 01:00 PM
 Date: 02/07/18

REPORTED OUT OF
HFC 02/07/2018

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

HB 91 creates two new/increased revenue sources, one from candidates/groups/public officials and the other for lobbyists and replaces fees historically collected. The projected revenues for each are detailed below:

NON-LOBBY SOURCES

| | | |
|----------------------|---------------------|-----------------|
| Candidates - | 150 x \$100 = | \$ 15,000 |
| Groups - | 180 x \$100 = | \$ 18,000 |
| Entities - | 30 x \$100 = | \$ 3,000 |
| Public Officials - | 1,352 x \$ 50 = | \$ 67,600 |
| <u>Legislators -</u> | <u>60 x \$ 50 =</u> | <u>\$ 3,000</u> |
| TOTAL | | \$106,600 |

LOBBY SOURCES

Under the CS's new sliding scale lobbyist fee structure, the following estimated fees would be generated:

| | | |
|---|----------------------|------------------|
| Estimated lobbyist contracts under \$10,000 = | 63 x \$150 = | \$ 9,450 |
| Estimated lobbyist contracts \$10,000 – 24,999 = | 108 x \$350 = | \$ 37,800 |
| Estimated lobbyist contracts \$25,000-\$44,999 = | 125 x \$650 = | \$ 81,250 |
| <u>Estimated lobbyist contracts \$45,000 and over =</u> | <u>161 x \$850 =</u> | <u>\$136,850</u> |
| TOTAL | | \$265,350 |

Total estimated new fees from both sources = \$371,950

Minus current fee collections \$120,000

Net increase in GF/PR revenue \$251,950

Minus excess GF/PR authorization \$ 25,300

TOTAL \$226,650

This revised fiscal note reflects the additional GF/PR receipt authority required by the APOC to collect and expend candidate/group fees and lobbyist fees according to a new sliding scale structure reflected in this legislation. Given the existing GF/PR authority in the current FY19 Governor's request of \$145.3, the additional fiscal note authority will bring the total APOC GF/PR to \$372 for FY19 and future fiscal years.

Additional funding would be used primarily for two full-time staff positions; an associate attorney in Juneau and a paralegal in Anchorage. Additional staff will assist the agency in meeting its statutory requirements by: providing better service to the public; resuming its focus on routine audits; continuing compliance training and education efforts; conducting timely complaint investigations; and issuing timely advisory opinions.