

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version:	CSHB 299(L&C)
Fiscal Note Number:	1
(H) Publish Date:	2/16/2018

Identifier: HB299-DCCED-AMCO-01-27-18  
 Title: EXTEND: ALCOHOLIC BEVERAGE CONTROL BOARD  
 Sponsor: WOOL  
 Requester: (H) LABOR & COMMERCE

Department: Department of Commerce, Community and Economic Development  
 Appropriation: Alcohol and Marijuana Control Office  
 Allocation: Alcohol and Marijuana Control Office  
 OMB Component Number: 3119

## 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 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>OPERATING EXPENDITURES</b>	<b>FY 2019</b>	<b>FY 2019</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Personal Services		765.5	765.5	765.5	765.5	765.5	765.5	765.5
Travel		73.5	73.5	73.5	73.5	73.5	73.5	73.5
Services		750.0	750.0	750.0	750.0	750.0	750.0	750.0
Commodities		71.6	71.6	71.6	71.6	71.6	71.6	71.6
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>

## Fund Source (Operating Only)

1005 GF/Prgm (DGF)		1,660.6	1,660.6	1,660.6	1,660.6	1,660.6	1,660.6
<b>Total</b>	<b>0.0</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>	<b>1,660.6</b>

## Positions

Full-time		8.0	8.0	8.0	8.0	8.0	8.0
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</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>	<b>0.0</b>

**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 If yes, by what date are the regulations to be adopted, amended or repealed?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:

Not applicable, initial version.

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 Agency: Division of Administrative Services, DCCED

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 Date: 01/27/2018 05:15 PM  
 Date: 01/27/18

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

## Analysis

HB 299 extends statutory authorization for the existing Alcoholic Beverage Control Board (ABC) through June 30, 2022. Adoption of the bill will continue existing activities of the board, and administration by the agency director and staff. Failure to adopt the bill would cause operations of the ABC Board to cease as of June 30, 2018.

The ABC Board's mission is to control the manufacture, barter, possession, and sale of alcoholic beverages in the state. The ABC Board and its agency staff, housed in DCCED, issue liquor licenses and permits and enforce laws and regulations regarding alcohol in Alaska. There are currently 1,905 alcohol licenses issued in the state of Alaska. Licenses are valid for a two year period, renewing biennially. Each of these licensees relies on the ABC Board and agency for administration of and renewal of the licenses that enable them to continue the operation of their business.

If the bill passes the following expenses will be incurred:

Personal Services: \$765.5 (eight full time agency staff: 3 Special Investigator I, Records and Licensing Supervisor, 2 Occupational Licensing Examiner, Administrative Assistant I, Criminal Justice Technician I)

Travel: \$73.5 (board members attend at least five board meetings per year; board is required to meet in each judicial district at least once per year; agency director and occasionally board chair or other agency management staff travel for conferences and/or training; enforcement staff travel throughout state for inspections and investigations)

Services: \$750.0 (includes information technology and department support for deleted positions; support from the Department of Law; hearing services; building leases; meeting advertising; meeting space rental; and other reimbursable services agreements with other agencies)

Commodities: \$71.6 (supplies including printing statute/regulation books; required signs for licensees; ammunition and other enforcement training supplies; office supplies)

The ABC Board's work is funded by program receipts. Fees for applicants and licensees for new licenses, renewal of licenses, or transfer of licenses include an application fee set in regulation, a license fee mostly set in statute (a few license types are established in regulation along with their license fee), and a background check fee set by the Department of Public Safety. Permit fees are set in statute for permits established in statute, and set in regulation for permits established in regulation. The total amount of revenue collected approximately equals the actual regulatory costs.