

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version:	HB 64
Fiscal Note Number:	2
(H) Publish Date:	2/20/2019

Identifier: 2019200104-DOR-TAX-2-12-2019
 Title: ALCOHOL TAX: APPROP TO COMMUNITY ASSIST.
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Revenue
 Appropriation: Taxation and Treasury
 Allocation: Tax Division
 OMB Component Number: 2476

Expenditures/Revenues

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

	FY2020	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2020 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
OPERATING EXPENDITURES	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
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

1004 Gen Fund (UGF)	(20,100.0)		(20,400.0)	(20,600.0)	(20,900.0)	(21,200.0)	(21,500.0)
Total	(20,100.0)	0.0	(20,400.0)	(20,600.0)	(20,900.0)	(21,200.0)	(21,500.0)

Estimated SUPPLEMENTAL (FY2019) cost: 50.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2020) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - 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 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/19

Why this fiscal note differs from previous version/comments:

Not applicable, initial version based on the 2-13-19 Governor's FY2020 request.

Prepared By:	Brandon Spanos, Deputy Director	Phone:	(907)269-1033
Division:	Tax Division	Date:	02/15/2019 09:00 AM
Approved By:	Brad Ewing, Administrative Services Director	Date:	02/15/19
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2019 LEGISLATIVE SESSION**Analysis****Background**

This bill would amend existing alcoholic beverage tax statutes to allow the legislature to appropriate half of the alcoholic beverage tax receipts for the purpose of community assistance. Currently half of the alcoholic beverages tax receipts are deposited into the alcohol and other drug abuse treatment and prevention fund and the other half are deposited into the general fund. This bill affects the half that is currently deposited into the general fund. There would be no change to the deposit into the alcohol and other drug abuse treatment and prevention fund which the current statute permits the legislature to appropriate to the Department of Health and Social Services "for the prevention and treatment of alcoholism, drug abuse, and misuse of hazardous volatile materials and substances by inhalant abusers."

Revenue Impact

The Department of Revenue estimates that this legislation would permit the appropriation of \$20.1 million in FY20 for the purpose of community assistance.

Implementation Cost

This legislation would require the Department of Revenue to update its Tax Revenue Management System (TRMS). The update would consist of reprogramming the sharing rules in TRMS and the interface between TRMS and IRIS. We would need to test the new rules and interface thoroughly to verify that they function as expected. The supplemental fiscal note figure of \$50.0 in FY19 is to cover the costs of having our contractor update TRMS. We do not anticipate any continuing costs or additional staff needs. After the implementation of the changes, this legislation would not cause any additional administrative burden on the Tax Division.