

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version:	HB 216
Fiscal Note Number:	3
(H) Publish Date:	1/27/2020

Identifier: LL0142-5-DCCED-CBPL-1-15-20
 Title: LICENSING: TEMP., ELIG., BONDS, REPEALS
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

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)

	FY2021	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2021 Request	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
OPERATING EXPENDITURES	FY 2021	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Personal Services							
Travel							
Services	127.1						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	127.1	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	127.1						
Total	127.1	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2020) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2021) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/22

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Corporations, Business and Professional Licensing	Date:	01/15/2020 11:00 AM
Approved By:	Micaela Fowler, Administrative Services Director for DCCED	Date:	01/15/2020
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION

Analysis

This legislation reduces barriers to practice for professions licensed by the Division of Corporations, Business, and Professional Licensing (Division). Amongst other elements, it grants the Division the ability to issue 180-day temporary licenses to qualified individuals. Updates are also made to the licensing of several professions to comply with federal law.

Further, this legislation repeals licensure requirements for several defunct or uneconomic programs:

The Athletic Commission and the regulation of boxing and wrestling by the Division is repealed. Athletic Commission fees were set in statute in 1960 under AS 05.10. The division does not have the authority to adjust the fees by regulation to comply with AS 08.01.065 that requires fees be set at the approximate cost of regulating a profession. Past attempts to increase the fees via statute were unsuccessful. The Athletic Commission carries a historical deficit estimated to be \$15.1.

The regulation of professional geologists (Geologist) is repealed. Alaska's current Geologist certification is based solely upon the registration requirements of the American Institute of Professional Geologists. The State certification does not expire or require renewal. Between 10 and 25 new certifications are processed each year. Because there are no renewal requirements, there is not a reasonable expectation that the program will pay down the deficit over time. The Geologists carry a historical deficit estimated to be \$110.0.

The regulation of Concert Promoters is repealed. Concert promoters do not carry a deficit.

\$125.1 Unrestricted General Fund (UGF) is required to retire the deficits for the Athletic Commission and geologists for FY2021. If general funds are not used to retire the deficits the Division will either continue to carry the deficits in perpetuity or will spread the costs among the other licensing programs. This would require the division to raise fees for licensees of other programs to neutralize the Athletic Commission and geologist deficits.

The division will also require \$2.0 Unrestricted General Fund (UGF) to cover legal costs to amend regulations, printing, and postage in the first year. There are no ongoing costs associated with this legislation.

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.