

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	CSHB 150(L&C)
Fiscal Note Number:	2
(H) Publish Date:	4/24/2024

Identifier: HB150-DOR-AHFC-03-25-24
 Title: RESIDENTIAL BUILDING CODE
 Sponsor: SUMNER
 Requester: HOUSE LABOR & COMMERCE

Department: Department of Revenue
 Appropriation: Alaska Housing Finance Corporation
 Allocation: AHFC Operations
 OMB Component Number: 110

Expenditures/Revenues

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

	FY2025	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2025 Request	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services	200.0		200.0	200.0	200.0	200.0	200.0	200.0
Travel	10.0		10.0	10.0	10.0	10.0	10.0	10.0
Services	30.0		30.0	30.0	30.0	30.0	30.0	30.0
Commodities	10.0		10.0	10.0	10.0	10.0	10.0	10.0
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	250.0	0.0	250.0	250.0	250.0	250.0	250.0	250.0

Fund Source (Operating Only)

1103 AHFC Rcpts (Other)	250.0		250.0	250.0	250.0	250.0	250.0	250.0
Total	250.0	0.0	250.0	250.0	250.0	250.0	250.0	250.0

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0	1.0
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) 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 If yes, by what date are the regulations to be adopted, amended or repealed? **01/01/25**

Why this fiscal note differs from previous version/comments:

House Labor and Commerce is expected to adopt a CS of HB 150 that incorporates the Senate version of the building code bill (SB 197). In light of this change, HB 150 fiscal note is also updated to reflect consistency with the fiscal note provided for SB 197.

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Division:	AHFC	Date:	03/25/2024 01:00 PM
Approved By:	Adam Bryan, Division Operations Manager	Date:	03/25/24
Agency:	Department of Revenue		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION**Analysis**

HB150 requires Alaska Housing Finance Corporation to adopt and administer a statewide residential building code that follows national standards and creates a statewide minimum for new habitable housing construction on 1-4 units, excluding owner-built homes and recreational cabins.

HB 150 modifies AHFC's statutes by stipulating AHFC use the 2018 International Residential Building Code by the International Code Council or a later as the basis for its code adoption. It further requires as an allowable use, load-bearing dimensional lumber that is graded and certified in Alaska on one-, two- and three- family dwellings.

The adoption of such a building code does not change AHFC's building or energy code lending requirements.

The legislation establishes a State Building Code Council as an advisory council to Alaska Housing Finance Corporation to provide analysis and advice to the its Board of Directors during the process of formulating, adopting, and updating the state residential building code.

AHFC anticipates an annual operating cost of approximately \$250,000. The projected funding one individual to spearhead development of building code amendments, oversee the regulatory process, serve as the liaison to and provide support for the newly established State Building Code Council, be the singular point of contact for contractors, local governments and other stakeholders to interpret building code impact and other determinations related to the administration of a statewide residential building code. Funding will further be required to cover necessary travel and other expenses for the newly established State Building Code Council and to pay for contractual services and other miscellaneous expenses as required. State Building Code Council Members are entitled to per diem and reimbursement for travel expenses.

The bill has an effective date of Jan. 1, 2025. AHFC will be required to adopt regulations consistent with the intent of the legislation.