

# Fiscal Note

State of Alaska  
2024 Legislative Session

Bill Version:	CSHB 277(W&M)
Fiscal Note Number:	1
(H) Publish Date:	4/17/2024

Identifier: HB277-DCCED-CBPL-03-15-24  
 Title: LICENSING RECIPROCITY; FEES  
 Sponsor: WAYS & MEANS  
 Requester: (H) WAYS & MEANS

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)

	FY2025	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2025 Request	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>OPERATING EXPENDITURES</b>	<b>FY 2025</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>
Personal Services	***	***	***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	***	***	***	***	***	***

**Fund Source (Operating Only)**

None							
<b>Total</b>	***	***	***	***	***	***	***

**Positions**

Full-time							
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 (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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/25

**Why this fiscal note differs from previous version/comments:**

Not applicable, initial version.

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Division:	Division of Corporations, Business and Professional Licensing	Date:	03/15/2024
Approved By:	Hannah Lager, Administrative Services Director	Date:	03/15/24
Agency:	Commerce, Community, and Economic Development		

## FISCAL NOTE ANALYSIS

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2024 LEGISLATIVE SESSION

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## Analysis

HB 277 allows licensure by reciprocity for some license types and proposes evaluation of licensure fees for all license types based on national average of the total fees collected for each occupation respectively.

The costs of this bill are indeterminate at this time, as multiple factors cannot yet be accurately estimated. The division would need to determine the national average of the total fees collected for each occupation. Significant research would likely be required each time the fee analyses occur to determine these national averages. Additionally, this would likely create the need for fee changes more often, which creates significantly more regulations projects and changes to forms and online applications. This additional work will require additional staff in the division for regulations, accounting, and publications support. However, the number of new positions cannot be determined because the division is not yet able to evaluate the method for determining national averages and so cannot yet estimate the level of staff support needed. Currently, analysis of fees occurs annually, however, additional and more extensive analysis would be required to collect and calculate national averages of fees for each license type.

If the national averages are lower than Alaska's total fees collected for a specific occupation, the division would require alternative funding to cover the difference in the regulatory cost of the program compared to the national average. According to AS 08.01.065, licensure fees collected for an occupation must approximately equal the actual regulatory costs for that occupation.

The division cannot yet determine if the necessary data are publicly available for all jurisdictions, as states structure their professional licensing programs differently and not all are receipt supported, nor do all fees contain the same costs. For instance, Alaska has separate fees for applications versus licenses versus examinations, etc. whereas other states incorporate all these fees into one. Due to all the variables and unknowns, legal costs related to these regulations projects are unknown. Regulations projects take time for processing, and it is the division's policy to change fees at the time of renewal.

*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. The total amount of revenue collected approximately equals each occupation's actual regulatory costs.*