

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	HB 290
Fiscal Note Number:	2
(H) Publish Date:	3/21/2024

Identifier: HB290-DOLWD-MI-02-29-24
 Title: CERT. OF FITNESS: PLUMBERS/ELECTRICIANS
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: (H) L&C

Department: Department of Labor and Workforce Development
 Appropriation: Labor Standards and Safety
 Allocation: Mechanical Inspection
 OMB Component Number: 346

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
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services							
Travel	9.8		9.8	9.8	9.8	9.8	9.8
Services	86.0		86.0	86.0	86.0	86.0	86.0
Commodities	10.0		10.0	10.0	10.0	10.0	10.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	105.8	0.0	105.8	105.8	105.8	105.8	105.8

Fund Source (Operating Only)

1049 Trng Bldg (DGF)	105.8		105.8	105.8	105.8	105.8	105.8
Total	105.8	0.0	105.8	105.8	105.8	105.8	105.8

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1049 Trng Bldg (DGF)	105.8		105.8	105.8	105.8	105.8	105.8
Total	105.8	0.0	105.8	105.8	105.8	105.8	105.8

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? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Revised fiscal note to add expenditure authority for the increased revenue.

Prepared By:	Scott Damerow, Mechanical Inspection Manager	Phone:	(907)269-4931
Division:	Labor Standards & Safety	Date:	02/28/2024 12:00 PM
Approved By:	Dan DeBartolo, Director	Date:	02/29/24
Agency:	DOLWD Administrative Services Director		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

Analysis

Currently Mechanical Inspection (MI) is processing the Certificate of Fitness (COF) for both trainees and journeyman on a two-year cycle. This legislation changes the trainee COF to a six-year cycle, and adjusts the fees for inflation on the journeyman COF. This change would allow for trainees to complete their training program under one COF, which ensures the trainee will get credit for all of their training hours.

This legislation is not expected to have a cost to the department as it does not change the process or costs for issuing the COFs. The estimated net increase in receipts as a result of this legislation would be approximately \$105.8 annually. This legislation would result in a change in revenue based on an average of 2018-2023 licensing data as follows (\$ in thousands):

Reduced number of Trainee License fees:	(\$58.7)
Increase in other license fees:	\$164.5
Total Revenue Change:	\$105.8

Note that Mechanical Inspection is funded through receipts entered into the Building Safety Account. The fee increase is critical for maintaining statewide licensing and enforcement services.

Allocation for spending increases requested as follows (\$ in thousands):

- \$9.8 Travel cost of six visits per year for training and enforcement
- \$8.0 Training, education, memberships
- \$20.0 Software for Certificate of Fitness database upgrade
- \$8.0 Equipment/machinery
- \$8.0 Credit card processing (online processing fees)
- \$42.0 State Equipment Fleet (one car per year and additional fuel costs)
- \$10.0 Computers, monitors

Total: \$105.8