

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version:	CSHB 30(STA)
Fiscal Note Number:	3
(H) Publish Date:	3/12/2025

Identifier: HB030-DCCED-CBPL-02-14-25
 Title: OFFICE OF ENTREPRENEURSHIP
 Sponsor: HOLLAND
 Requester: (H) STATE AFFAIRS

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)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates					
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
OPERATING EXPENDITURES								
Personal Services	101.7		101.7	101.7	101.7	101.7	101.7	101.7
Travel								
Services	113.3		25.0	25.0	25.0	25.0	25.0	25.0
Commodities	12.0		2.0	2.0	2.0	2.0	2.0	2.0
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	227.0	0.0	128.7	128.7	128.7	128.7	128.7	128.7

Fund Source (Operating Only)

1005 GF/Prgm (DGF)	227.0		128.7	128.7	128.7	128.7	128.7	128.7
Total	227.0	0.0	128.7	128.7	128.7	128.7	128.7	128.7

Positions

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

Change in Revenues

1005 GF/Prgm (DGF)	(2,020.3)		(2,020.3)	(2,020.3)	(2,020.3)	(2,020.3)	(2,020.3)	(2,020.3)
Total	(2,020.3)	0.0	(2,020.3)	(2,020.3)	(2,020.3)	(2,020.3)	(2,020.3)	(2,020.3)

Estimated SUPPLEMENTAL (FY2025) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2026) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/26

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By:	Sylvan Robb, Director	Phone:	(907)465-2524
Division:	Division of Corporations, Business and Professional Licensing	Date:	02/14/2025
Approved By:	Hannah Lager, Administrative Services Director	Date:	02/14/25
Agency:	Commerce, Community, and Economic Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
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Analysis

This legislation will waive business license fees for the first five years if a business has its principal place of business in Alaska. This will result in significantly reduced revenue for the general fund and increased paperwork to process related to the exemptions. The Business Licensing database would need system changes to collect additional information and appropriate fees. The Division of Corporations, Business and Professional Licensing (CBPL) estimates over 17,000 business would qualify for a free new business license each year, resulting in \$883.7 in lost revenue per year for initial applications. It also estimates up to 92% of current license holders may be principally located in Alaska. This would result in an additional \$1,136.6 in lost revenue to the general fund related to business license renewals.

If the bill passes, the following expenses will be incurred and paid from General Fund/Program Receipts, fund code 1005, as noted below:

Personal Services:

\$101.7	One full-time Licensing Examiner 2 (range 15) located in Juneau.
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Services:

\$88.3	One-time legal costs to amend regulations, printing, and postage in FY2026 only.
\$25.0	Annual statewide and allocated core services costs for one position.

Commodities:

\$10.0	One-time set up costs for equipment and space for one position.
\$2.0	Ongoing supply and equipment costs for one position.

Business licensing at CBPL is funded by General Fund/Program Receipts fund source 1005 GF/Prgm (DGF). Business licensing fees are set per AS 43.70, and revenue in excess of authorized budgeted expenses reverts to the State of Alaska general fund.