

# Fiscal Note

State of Alaska  
2026 Legislative Session

Bill Version:	SB 129
Fiscal Note Number:	1
(S) Publish Date:	2/4/2026

Identifier: SB129-DPS-AS-1-29-26  
 Title: PAYMENT OF CONTRACTS  
 Sponsor: KAWASAKI  
 Requester: (S) Community & Regional Affairs

Department: Department of Public Safety  
 Appropriation: Statewide Support  
 Allocation: Administrative Services  
 OMB Component Number: 525

**Expenditures/Revenues**

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

	FY2027	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2027 Request	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>OPERATING EXPENDITURES</b>	<b>FY 2027</b>	<b>FY 2027</b>					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</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>

**Fund Source (Operating Only)**

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>

**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 (FY2026) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2027) 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 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

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

Not applicable, initial version.

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Division:	Administrative Services	Date:	01/29/2026
Approved By:	Dianna Thornton, Director	Date:	01/29/26
Agency:	Administrative Services		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2026 LEGISLATIVE SESSION**Analysis**

SB 129 establishes statutory payment deadlines and interest requirements for state agencies related to contracts, grants, and reimbursement agreements. The bill requires agencies to pay contractors within 30 calendar days of receiving a compliant payment request for satisfactory performance and establishes interest penalties when payment deadlines are not met. Similar payment timelines and interest provisions are established for grants and reimbursement agreements with nonprofit organizations, municipalities, and Alaska Native organizations, including shortened timelines when federal funds are used. The bill also requires agencies to issue written notice within eight working days when payment is withheld due to noncompliance or performance deficiencies and to make payment within 21 calendar days after corrective actions are completed.

The Department of Public Safety administers a range of contracts, grants, and reimbursement agreements across its divisions. The department currently processes payments in accordance with existing state and federal requirements and makes reasonable efforts to issue timely payments once compliant documentation is received and performance requirements are met.

SB 129 does not create new programs, expand enforcement responsibilities, or require additional services to be delivered by the department. The bill formalizes payment timelines and notice requirements that are largely consistent with existing administrative practices. While the bill places these requirements into statute and introduces interest obligations for missed deadlines, the department anticipates that any additional administrative effort associated with compliance can be absorbed within existing resources.

Based on current operations and anticipated implementation, the Department of Public Safety does not expect this legislation to result in additional costs requiring an appropriation. Therefore, this fiscal note reflects no fiscal impact to the department at this time.