

SB

278

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 4 *CORRECTED*
Bill Version: CSSB 278(FIN)
(S) Publish Date: 4/29/04

Revision Date/Time: 04-27-04 1:30 PM
Title: Labor & Workforce Development Fees

Department: Labor and Workforce Development
BRU: Labor Standards & Safety
Component: Mechanical Inspection

Sponsor: Rules Committee
Requester: Senate FIN

Component Number: 346

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	80.8	80.8	80.8	80.8	80.8	80.8
Travel	22.0	22.0	22.0	22.0	22.0	22.0
Contractual	37.7	37.7	37.7	37.7	37.7	37.7
Supplies	1.5	1.5	1.5	1.5	1.5	1.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	142.0	142.0	142.0	142.0	142.0	142.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1172)	218.4	218.4	218.4	218.4	218.4	218.4
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1172 Building Safety Account	142.0	142.0	142.0	142.0	142.0	142.0
TOTAL	142.0	142.0	142.0	142.0	142.0	142.0

Estimate of any current year (FY2004) cost: None

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See Attached.

Prepared by: Grey Mitchell, Director
Division: Labor Standards & Safety
Approved by: Greg O'Claray, Commissioner
Agency: Department of Labor and Workforce Development

Phone 465-4855
Date/Time 4/27/04 1:32 PM
Date 4/27/2004

FISCAL NOTE # 4

STATE OF ALASKA
2004 LEGISLATIVE SESSION

BILL VERSION: CSSB 278(FIN)

ANALYSIS: (continued)

The bill creates two new fees and increases an existing fee charged by the department:

Section 1: This section creates a \$200.00 fee for recreational devices inspected by the department. This fee is intended to cover costs associated with inspector certification and travel. Estimated receipts are \$10.0 annually.

Section 2: This section creates a \$200.00 certification fee for boiler operator licenses. This fee is intended to cover existing administrative costs associated with issuing the licenses. Positions have currently been held vacant due to lack of revenue. Estimated receipts are \$76.4 annually.

Section 3: This section increases the fees for electrical and plumbing certificates of fitness from \$160.00 to \$200.00. This increase is expected to generate sufficient revenues to add an Electrical Inspector position and associated costs to enforce certificate of fitness requirements and perform inspections. Estimated receipts are \$132.0 annually.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 3
Bill Version: CSSB 278(FIN)
(S) Publish Date: 4/27/04

Revision Date/Time: 04-26-04 2:58 PM Department: Labor and Workforce Development
Title: Labor & Workforce Development Fees BRU: Labor Standards & Safety
Sponsor: Rules Committee Component: Wage and Hour
Requester: Senate FIN Component Number: 345

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: None
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

POSITIONS	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Senate Finance Committee substitute eliminates the proposed \$100 flexible work plan filing fee. The estimated cost to administer the flexible work plan program is \$2.5. This is calculated based on 240 flexible work plans filed annually whose review takes approximately 40 hours for an Investigator II (\$1.6) and 20 hours for an Administrative Clerk III (\$0.5). The non-personal services costs are \$0.4. The Governor's budget includes the cost of administering this program, which is funded with general fund dollars.

Prepared by: Grey Mitchell, Director Phone 465-4855
Division: Labor Standards & Safety Date/Time 4/26/04 2:57 PM
Approved by: Grog O'Claray, Commissioner Date 4/26/2004
Agency: Department of Labor and Workforce Development

38278

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January 22, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 107
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to fees for the inspection of recreational devices, for inspection and issuance of certificates of fitness for electrical wiring and plumbing, for filing of voluntary flexible work hour plans, and for licenses for boiler operators. The Department of Labor (Department) spends time and state funds inspecting, reviewing, approving, or denying all of the above activities. It is only fair that the individuals receiving the benefit of the Department's efforts pay for those services.

Under AS 05.20.060, the Department conducts inspections of recreational devices to ensure public safety. Recreational devices include, but are not limited to, ski tows, roller coasters, merry-go-rounds, and ferris wheels. If an inspection reveals a defect that is an immediate safety hazard, the Department can shut down the device until the problem is fixed. This bill would allow the Department to collect an inspection fee of \$200 from the owner or operator for each recreational device inspected.

Under AS 18.60.395, a person can apply to the Department for a boiler operator license. The Department reviews the application for compliance with its regulations and standards for boiler operators. This bill would allow the Department to collect an application fee of \$200 when a person applies for a boiler operator license.

Under AS 18.62.030, except in limited situations, a person is required to obtain a certificate of fitness from the Department before the person can perform work under AS 18.50.580 (Electrical Safety Code) or AS 18.60.705 (Plumbing Code). Currently, an applicant for a certificate of fitness must pay a biennial application fee of \$160. This bill would increase the fee to \$200.

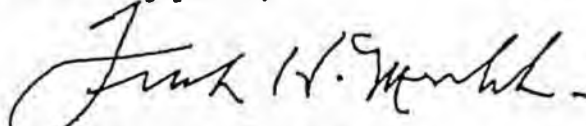
GOVERNOR'S TRANSMITTAL LETTER

The Honorable Gene Therriault
January 22, 2004
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Under AS 23.10.060(d)(14), an employer is required to obtain Department approval of the employer's proposed voluntary flexible work hour plan. Flexible work hour plans, for example, allow an employee to work 4 days of 10 hours each rather than 5 days of 8 hours each without additional overtime expense to the employer. The Department reviews the plan to make sure it meets certain requirements of Alaska's wage and hour laws. The bill would require an employer to pay a \$100 fee when it files a plan for Department approval.

I urge your prompt and favorable action on this measure.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Frank H. Murkowski". The signature is written in a cursive style with a long horizontal stroke at the end.

Frank H. Murkowski
Governor

Enclosure



ALASKA

April 19, 2004

Senator Gary Wilken
Co-Chairman, Senate Finance Committee
State Capitol Room 518
Juneau, Alaska 99801-1182

Dear Senator Wilken,

NFIB/Alaska is seeking your support for removal of Section 4 of CSSB 278 (L&C). This section creates a \$100 fee for each voluntary flexible work plan filed with the Department of Labor.

Alaska law provides for a voluntary flexible work plan agreed on by the employer and the employee that allows for a 40-hour work week with 10-hour days without overtime. Current law requires the Department of Labor to issue a certificate approving the plan. On the 2004 NFIB member ballot, 76 percent of the members responding voted in favor of removing the Department of Labor Certificate and simply require a signed, written agreement between the employee and the employer.

State law allows a 40 hour work week consisting of 4 ten hour days. The extra time and paperwork involved with approving the plan and issuing a certificate is unnecessary. Charging \$100 for each plan is strongly opposed by NFIB.

Removing Section 4 (page 2, lines 7-10) in SB 278 removes the new \$100 fee, not the requirement for the certificate.

Sincerely,

Thyes J. Shaub
NFIB/Alaska