Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: HCS SB 64(L&C)
Fiscal Note Number: 3
(H) Publish Date: 2/7/2018

Identifier: SB064-DEC-SPAR-02-02-2018
Department: Department of Environmental Conservation
Title: ADOPT UNIFORM ENVIRONMENTAL COVENANTS ACT
Appropriation: Spill Prevention and Response
Allocation: Spill Prevention and Response
Sponsor: MICCICHE
OMB Component Number: 3094
Requester: House Labor & Commerce Committee
Agency: Department of Environmental Conservation

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

<table>
<thead>
<tr>
<th>OPERATING EXPENDITURES</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>0.0</td>
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<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Travel</td>
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<tr>
<td>Services</td>
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<td>Commodities</td>
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<tr>
<td>Capital Outlay</td>
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<tr>
<td>Grants &amp; Benefits</td>
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<tr>
<td>Miscellaneous</td>
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<tr>
<td><strong>Total Operating</strong></td>
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<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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</tr>
</tbody>
</table>

Fund Source (Operating Only)
None

Positions
None

Change in Revenues
None

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
(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If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/19

Why this fiscal note differs from previous version/comments:
Updated to reflect the new fiscal year.

Prepared By: Kristin Ryan, Director
Division: Spill Prevention and Response
Approved By: Alice Edwards, Deputy Commissioner

Printed 2/7/2018 Page 1 of 2 Control Code: GxypG
Analysis

The proposed legislation establishes the ability to create environmental covenants for property with contamination remaining above cleanup levels. A covenant would restrict some activities from occurring on the property to avoid releasing the contamination but allow other uses to occur. It allows for transparency in real estate transactions and assurance to sellers that remaining contamination will be effectively managed. The Division currently maintains the contaminated sites database which contains deed notices. Environmental covenants will replace deed notices since they are sometimes lost as ownership turns over. The Division will modify this database to track environmental covenants with existing personnel resources. The database already has a public access webpage so there is no additional cost for adding a searchable element for environmental covenants. Staff already spend time creating and maintaining deed notices, and this effort will be replaced by similar effort to create and maintain environmental covenants. Increased personnel costs are not expected.