

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version: SB 64  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB064-DEC-SPAR-02-02-2018  
Title: ADOPT UNIFORM ENVIRONMENTAL  
COVENANTS ACT  
Sponsor: MICCICHE  
Requester: House Labor & Commerce Committee

Department: Department of Environmental Conservation  
Appropriation: Spill Prevention and Response  
Allocation: Spill Prevention and Response  
OMB Component Number: 3094

## Expenditures/Revenues

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

(Thousands of Dollars)

|                        | FY2019<br>Appropriation<br>Requested | Included in<br>Governor's<br>FY2019<br>Request | Out-Year Cost Estimates |            |            |            |            |
|------------------------|--------------------------------------|--|-------------------------|------------|------------|------------|------------|
| OPERATING EXPENDITURES | FY 2019                              | FY 2019  | FY 2020                 | FY 2021    | FY 2022    | FY 2023    | FY 2024    |
| 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 (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.

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Approved By: Alice Edwards, Deputy Commissioner  
Agency: Department of Environmental Conservation

Phone: (907)269-7604  
Date: 02/02/2018 10:30 AM  
Date: 02/02/18

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. SB 64

### 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.