

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: HB 173
Fiscal Note Number: _____
() Publish Date: _____

Identifier:
Title: CLIMATE CHANGE COMMISSION
Sponsor: JOSEPHSON
Requester: House Resources

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 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							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1250 UGF Rev (UGF)	1,771.0		1,802.0	1,755.0	1,694.0	1,651.0	1,641.0
Total	1,771.0	0.0	1,802.0	1,755.0	1,694.0	1,651.0	1,641.0

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

Estimated CAPITAL (FY2019) cost: 50.0 (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? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Updated to reflect the spring 2018 revenue forecast and the T version of the bill.

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Agency: DOR

Phone: (907)465-3279
Date: 03/26/2018 12:00 AM
Date: 03/26/18

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

BILL NO. HB 173 \T

Analysis

Bill Overview

This bill would create the Alaska Climate Change Response Commission, which would administer the Climate Change Response Fund, a new subfund of the general fund.

Under this bill, an additional "conservation surcharge" of \$0.01 would be levied on each taxable barrel of oil produced in the state. The legislature may appropriate revenue from this surcharge to the climate change response fund established in this bill. This surcharge would be an increase to the existing \$0.05 per barrel of conservation surcharges collected by the Tax Division along with the oil and gas production tax. The existing surcharges are levied to help fund prevention and response of oil and other hazardous substance releases, and would not be impacted by this bill.

Revenues

Based on the spring 2018 revenue and production forecast, an additional \$1.6 to \$1.8 million annually would be generated by the conservation surcharge increase in this bill. This revenue is shown as General Fund, and may be appropriated each year for the desired purpose by the legislature. The estimated revenue is tied to the oil production forecast and under the spring 2018 forecast, and assumes a July 1, 2018 effective date.

Expenditures

The Tax Division would incur one-time costs of approximately \$50,000 for contractual costs for reprogramming of the Tax Revenue Management System.