

# Fiscal Note

State of Alaska  
2026 Legislative Session

Bill Version:	SB 224
Fiscal Note Number:	1
(S) Publish Date:	1/23/2026

Identifier: 0533-DNR-DMLW-1-22-26  
 Title: PUBLIC LAND:SALE/LEASE/COMMERCIAL DEVELOP  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: GOVERNOR

Department: Department of Natural Resources  
 Appropriation: Fire Suppression, Land & Water Resources  
 Allocation: Mining, Land & Water  
 OMB Component Number: 3002

**Expenditures/Revenues**

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

	FY2027 Appropriation Requested	Included in Governor's FY2027 Request	Out-Year Cost Estimates					
			FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>OPERATING EXPENDITURES</b>								
Personal Services	273.8		273.8	273.8	273.8	273.8	273.8	273.8
Travel								
Services	55.0		55.0	55.0	55.0	55.0	55.0	55.0
Commodities	10.0							
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>338.8</b>	<b>0.0</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>

**Fund Source (Operating Only)**

1004 Gen Fund (UGF)	338.8		328.8	328.8	328.8	328.8	328.8	328.8
<b>Total</b>	<b>338.8</b>	<b>0.0</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>	<b>328.8</b>

**Positions**

Full-time	2.0		2.0	2.0	2.0	2.0	2.0
Part-time							
Temporary							

**Change in Revenues**

None	***		***	***	***	***	***
<b>Total</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? Yes  
 If yes, by what date are the regulations to be adopted, amended or repealed? 12/30/28

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

Not applicable, initial version.

Prepared By: Christy Colles, Director	Phone: (907)269-8625
Division: Mining, Land and Water	Date: 01/22/2026 01:00 PM
Approved By: Melissa Hurley-Marvin, Division Operations Manager	Date: 01/22/26
Agency: Natural Resources	

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2026 LEGISLATIVE SESSION

## Analysis

This proposed bill creates a new statute providing for the disposal of state lands deemed suitable for commercial development through a lease to sale program. To implement the new commercial leasing/disposal program, the Department of Natural Resources (DNR) will need to evaluate land nominations, identify land offering areas, prepare documents relating to planning and classification/reclassification of lands to be offered, prepare best interest findings under AS 38.05.035(e), title due diligence and title report issuance, and provide appraisal of the land under AS 38.05.840.

This will require a minimum of:

**Personal Services \$273.8**

Two permanent Full-Time Natural Resource Specialists 3, range 18, Anchorage (\$136.9 per PCN)

**Travel: \$0****Services \$55.0**

Core costs by position (\$15.0 each annually)

If the program is popular, the department will need to contract appraisal services on an annual basis to successfully implement the program. (\$25.0)

**Commodities \$10.0**

Initial position setup (\$5.0 each one time costs)

If program changes from this fiscal note create an increase to revenues over time, the fund source may be adjusted to 1153 Land Disposal Income Fund (LDIF) in outlying years. LDIF is a sweepable fund and currently, cannot support increased costs without ensured revenue.

Regarding associated regulations: The Division of Mining, Land, and Water would aim to adopt regulations by December 2028.

**Change in Revenues:**

Revenues generated from the disposal of state land are deposited into the 1153 Land Disposal Income Fund (LDIF). As the department cannot predict by what amount the proposed commercial lease or sale program will be utilized, the additional LDIF revenue beginning in FY2027 is indeterminate.

Estimating revenue from leasing and conveying lands for commercial development is difficult as the department does not have regulations developed for this program. This bill requires the department to develop regulations implementing statutes under AS 38.05.400. Until such time as the regulations are developed, any estimate of potential revenue related to leasing and conveying land for commercial development is speculative.