

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: SB 275
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB275-DCCED-AGDC-03-09-26
Title: NATURAL GAS PROJECTS/INCOME
TAX/SURCHARGE
Sponsor: RESOURCES
Requester: Senate Resources

Department: Department of Commerce, Community and
Economic Development
Appropriation: Alaska Gasline Development Corporation
Allocation: Alaska Gasline Development Corporation
OMB Component Number: 2986

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
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services	1,950.0		1,725.0	1,725.0	1,725.0	925.0	925.0	
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	1,950.0	0.0	1,725.0	1,725.0	1,725.0	925.0	925.0	

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	1,950.0		1,725.0	1,725.0	1,725.0	925.0	925.0
Total	1,950.0	0.0	1,725.0	1,725.0	1,725.0	925.0	925.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0						

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? Yes
(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? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By: <u>Frank Richards, President</u>	Phone: <u>(907)330-6352</u>
Division: <u>Alaska Gasline Development Corporation</u>	Date: <u>03/07/2026</u>
Approved By: <u>Hannah Lager, Administrative Services Director</u>	Date: <u>03/09/26</u>
Agency: <u>Department of Commerce, Community, and Economic Development</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. SB 275

Analysis

This bill requires the Alaska Gasline Development Corporation (AGDC) to have legislative approval to transfer, sell or otherwise dispose of ownership; to acquire ownership in a project; as well as approval of relationships directly or indirectly with a foreign entity. The only way for legislature to approve of an action is to pass a bill. AGDC will need increased support to help develop and pass legislation in a timely manner, to coordinate numerous hearings, requests for information and to assist the legislature in understanding financial implications as well as to ensure all required notifications to the legislature are timely. AGDC will use contracted support to complete these tasks as it fulfills its legislative mandate to keep corporation employees to a minimum. Additionally, accounting support will be needed to develop required information and respond to Legislative Budget and Audit Committee inquiries.

AGDC will need contractual support to develop a searchable public internet site containing required information on owners, investors, lenders, creditors and foreign entities as well as information on gas sales agreements going back to 2024. This web site is to be up and running by January 1, 2027. A secure data room will be established to share confidential information with legislators and or their agents. The data room will require continual maintenance while the web site will need to be updated at a minimum every quarter and require annual maintenance.

AGDC will establish a reimbursable services agreement with the Department of Law for assistance in developing and monitoring legislation and compliance agreements. The Transition Language at the end of the bill requires AGDC to publish confidential information going back to July 2024. Breaching signed contracts and confidential agreements will require significant legal expertise to protect the state, the corporation and its employees. Outside legal services are estimated to cost \$1,000.0 annually for the first four years, after which it is estimated that \$200.0 will be needed for final legal cleanup.

Web development will be completed by FY2028 and those costs will be reduced to reflect ongoing maintenance and updates for the data room and web site. Legislative activity in FY2027 will be intense and will be reduced in the following years. By FY2031, it is estimated that the project will be well established and Legislative and Department of Law needs will be reduced.

It is unknown exactly when revenue will start to come into the state. State accounting structures to track revenues will be required.

Services include:

\$ 75.0	Accounting support in all years
\$ 350.0	Contracted legislative support in FY2027 only
\$ 250.0	Contracted legislative support in FY2028 and future years
\$ 275.0	Internet and data room development, updates and maintenance in FY2027
\$ 150.0	Internet and data room development, updates, and maintenance in FY2028 and future years
\$ 250.0	Department of Law support in FY2027 through FY2030
\$ 200.0	Department of Law support in FY2031 and FY2032
\$1,000.0	Outside legal counsel in FY2027 through FY2030
\$ 200.0	Outside legal counsel in FY2031 and FY2032