

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: HB 235
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB235-DEC-EH-03-19-26
Title: PFAS USE & REMEDIATION, WATER TESTING
Sponsor: HALL
Requester: (H) STATE AFFAIRS

Department: Department of Environmental Conservation
Appropriation: Environmental Health
Allocation: Environmental Health
OMB Component Number: 3202

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
OPERATING EXPENDITURES	FY 2027	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Personal Services	1,651.1		1,651.1	1,651.1	1,651.1	1,651.1	1,651.1
Travel							
Services	407.8		395.1	390.1	390.1	390.1	390.1
Commodities	687.5		596.5	596.5	596.5	596.5	596.5
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	2,746.4	0.0	2,642.7	2,637.7	2,637.7	2,637.7	2,637.7

Fund Source (Operating Only)

1004 Gen Fund (UGF)	2,746.4		2,642.7	2,637.7	2,637.7	2,637.7	2,637.7
Total	2,746.4	0.0	2,642.7	2,637.7	2,637.7	2,637.7	2,637.7

Positions

Full-time	13.0		13.0	13.0	13.0	13.0	13.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0						

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 220.0 *(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If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/27

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division: <u>Environmental Health</u>	Date: <u>03/19/2026</u>
Approved By: <u>Megan Kohler, Administrative Services Director</u>	Date: <u>03/20/26</u>
Agency: <u>Environmental Conservation</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. HB235

Analysis

This bill expands the Department of Environmental Conservation's responsibilities by requiring annual per- and polyfluoroalkyl substances (PFAS) testing for all public water systems and additional testing when contamination is suspected. The department must also provide alternative drinking water to each person affected at no cost when PFAS levels exceed statutory limits. The bill establishes liability provisions, assigning costs for testing and water replacement to the responsible party or manufacturer under specific conditions. It adds permitting requirements for facilities that thermally remediate PFAS and prohibits permitting when remediation would release more than minimal detectable airborne carbon-fluoride compounds. Liability for PFAS releases applies retroactively to January 1, 2027, the effective date of the bill.

This fiscal note pertains to Section 1 (a), testing; drinking water of Senate Bill 219.

Personal Services: The Division of Environmental Health would require 13 new positions.

Environmental Program Manager 1, \$168.8: Develop and implement non-primacy drinking water activities to meet statutory requirements, conduct regulatory development, evaluate program and prepare reports, author compliance and enforcement procedures, manage program for statewide consistency.

Engineer 1, \$165.0: Works with contractors to design long-term engineering solutions to address PFAS in drinking water.

Environmental Program Specialist 2, \$117.8 x 2, \$235.6: Manages the additional monitoring requirements, provides technical and compliance assistance, and trains operators and/or owners to perform proper sampling.

Analyst Programmer 3, \$132.1: Develops and manages a database for tracking and monitoring PFAS testing information required by the bill.

Laboratory Program Coordinator 2, \$147.5 x 2, \$295.0: Project manages the laboratory PFAS testing program, client planning and communications, ensures proper sample documentation, reporting, data management, and conformance with accreditation standards.

Chemist 2, \$117.8 x 3, \$353.4: Performs sample preparation, chemical tests, instrument operations, data analysis, interpretation, and quality assurance/control.

Laboratory Technician, \$100.4 x 3, \$301.2: Assists with sample preparation, cleanup, analysis, and review of PFAS testing to meet expanded volume and associated capacity.

Contractual Services: *Department of Law, \$22.7 (FY27, reducing to \$10.0 in FY28, and \$5.0 thereafter):* Regulation development and legal support, including review of non-compliance and penalty matters as well as annual changes to federal rules.

Education and Outreach, \$10.0 annually: Outreach to systems, printed materials and instructions.

Shipping and Courier Services, \$120.0 annually: testing supply shipping and sample transport.

Other Contractual Costs, \$255.1 annually: Laboratory gas cylinder rental, waste management, equipment maintenance, training, and allocated common costs.

Commodities: *Office and Program Supplies, \$687.5 (FY27; \$596.5 annually thereafter):* Supplies necessary to support new staff positions; laboratory supplies such as coolers, bottles, standards, prep cartridges, centrifuge tubes, autosampler vials, graduated cylinders, pipettes, chemicals, pumps, syringes, etc.

Capital: *Equipment, \$220.0 (FY27 one-time):* Solid phase extraction processing equipment is necessary to conduct the PFAS testing required.

Funding: The program would be funded by Undesignated General Funds, including ongoing operating and one-time capital funds.