

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: HB 329
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB329-DNR-DMLW-02-23-24
Title: AQUATIC FARM AND HATCHERY LEASES
Sponsor: VANCE
Requester: (H)FSH

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)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
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

1005 GF/Prgm (DGF)					(9.2)	(3.6)	(5.0)
Total	0.0	0.0	0.0	0.0	(9.2)	(3.6)	(5.0)

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2025) 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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/24

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Agency: Natural Resources
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Date: 02/21/2024
Date: 02/23/24

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. HB 329

Analysis

This bill would amend the Aquatic farming and hatchery site lease statutes in AS 38.05.083 and would increase the lease authorization length for aquatic farm operations from 10-year to 25-year lease terms.

Due to the decrease in lease renewal frequency, the department will see a loss in revenue stemming from lease renewal applications. Revenues from lease renewals are deposited into General Fund/Program Receipts.

Lease renewal applications are divided into three groups:

1. For a total of one acre or less in size, for up to 14 hours of staff time = \$280.00
2. For a total of greater than one acre but no more than three acres, for up to 30 hours of staff time = \$600.00
3. For greater than three acres, for up to 60 hours of staff time = \$1,200.00

The average yearly revenue from renewal applications is \$5,194.28, with a steady increase in authorizations/fees. The projected renewal application revenue from 2024 new lease applications is \$7,000.00.

Based on current authorized leases, if this bill were to pass this session, the following would be a loss of revenue from renewal applications:

2028: -\$9,200.00
2029: -\$3,600.00
2030: -\$5,040.00
2031: -\$4,480.00
2032: -\$1,480.00
2033: -\$6,280.00
2034: -\$6,280.00
2035: -\$7,000.00
2036: -\$7,000.00
2037: -\$7,000.00
2038: -\$9,200.00
2039: -\$3,600.00
2040: -\$5,040.00
2041: -\$4,480.00
2042: -\$1,480.00

The department would realize a 60% decrease in renewal application revenue by authorizing 25-year lease terms.

