

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: HB 247
Fiscal Note Number:
() Publish Date:

Identifier: HB247-DEC-SPAR-01-23-26
Title: CLIMATE CHANGE RESPONSE FUND &
GRANTS
Sponsor: JOSEPHSON
Requester: (H) RESOURCES

Department: Department of Environmental Conservation
Appropriation: Spill Prevention and Response
Allocation: Spill Prevention and Response
OMB Component Number: 3094

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 2027 | FY 2028 | FY 2029 | FY 2030 |
| OPERATING EXPENDITURES | FY 2027 | FY 2027 | 745.8 | | 897.8 | 897.8 | 897.8 |
| Personal Services | | | 18.0 | | 90.0 | 90.0 | 90.0 |
| Travel | | | 459.7 | | 418.9 | 418.9 | 418.9 |
| Services | | | 37.5 | | 10.0 | 3.0 | 3.0 |
| Commodities | | | | | 10,000.0 | 20,000.0 | 30,000.0 |
| Capital Outlay | | | | | | 30,000.0 | 30,000.0 |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 1,261.0 | 0.0 | 11,416.7 | 21,409.7 | 31,409.7 | 31,409.7 | 31,409.7 |

Fund Source (Operating Only)

| | | | | | | | |
|-------------------------|----------------|------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1004 Gen Fund (UGF) | 1,261.0 | | | | | | |
| 1274 Other Temp (Other) | | | 11,416.7 | 21,409.7 | 31,409.7 | 31,409.7 | 31,409.7 |
| Total | 1,261.0 | 0.0 | 11,416.7 | 21,409.7 | 31,409.7 | 31,409.7 | 31,409.7 |

Positions

| | | | | | | | |
|-----------|-----|--|-----|-----|-----|-----|-----|
| Full-time | 5.0 | | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|---------------------|-----------------|------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1004 Gen Fund (UGF) | 33,200.0 | | 32,800.0 | 31,600.0 | 32,800.0 | 36,400.0 | 39,600.0 |
| Total | 33,200.0 | 0.0 | 32,800.0 | 31,600.0 | 32,800.0 | 36,400.0 | 39,600.0 |

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? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/26

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:

Spill Prevention and Response

Date: 01/23/2026 05:30 PM

Approved By:

Megan Kohler, Administrative Services Director

Date: 01/23/26

Agency:

Department of Environmental Conservation

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. HB247

Analysis

This bill would establish a Climate Change Response Surcharge of \$.20 per barrel of oil produced, generating revenue for the general fund. Revenue from this designated fund would be appropriated to the Department of Environmental Conservation and utilized to award climate change response grants to nongovernmental organizations, political subdivisions of the state, and tribal governments as well as to cover program operating costs. New positions will be necessary to manage the financial aspects of the fund and grants, as well as to oversee the grant funded projects.

The proposed program would mirror an established framework within the department, scaled appropriately to fit the intended scope. This articulates a clear vision that enables the division to stand up the program, establish defined guardrails, and provide end-to-end oversight—monitoring, supporting, and assisting participating entities throughout the full project lifecycle. As program demand or complexity evolves, the structure is intentionally designed to be scalable and responsive to future needs.

Personal Services: The Division of Spill Prevention and Response would require six new positions.

One Environmental Program Manager 1; \$177.5 and three Environmental Program Specialist 3; \$135.8, \$139.8, and \$141.4; location dependent: Responsible for monitoring and oversight of grant-funded projects.

One Program Coordinator 2; \$152.0: To manage program operations, including regulation development, grant application review and awards, and data reporting.

One Accountant 4; \$152.0: Established in the second year of the program to process financial transactions and ensure proper management of the fund and grant finances.

Travel: Year one includes minimal staff travel as the program is established, limited to one trip per quarter for each Environmental Program Specialist (EPS) position to support program development and outreach. Out years include travel for each EPS to conduct one trip per quarter per project, based on an estimated workload of five projects per position (15 projects total) to include program outreach.

Contractual Services: Contracted and operating costs support program startup and ongoing administration and additionally include outreach and communications (printing, website, and program materials), a grant management system, legal services, on-call engineering support for more complex project planning and execution, and increased building lease costs associated with additional positions. Outreach costs are necessary to ensure awareness and participation in the grant program.

The department will adopt regulations in year one defining eligibility criteria and priorities for grant awards, with continued legal review and support from the Department of Law anticipated in out years. Engineering services will be used on an as-needed basis to supplement internal capacity; prior comparable contracts totaled approximately \$200.0 over three years. The division will leverage an existing internal grant management system with an estimated share at approximately 25 percent of total system costs, equaling \$250.0 annually.

Commodities: Supply and equipment costs reflect new employee costs in the first year, and general office supplies in out years.

Grants, Benefits: No grant awards will be issued in year one during program development and the initial growth of the fund. Grant awards would be projected to increase in subsequent years as the program awareness becomes greater.

Funding Source: The program would be funded by general funds in the first year. Beginning in the second year, funding would transition to the new Climate Change Response Fund, supported by revenue generated from the \$.20 per barrel surcharge.