

Fiscal Note

State of Alaska
2026 Legislative Session

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

Identifier: HB247-DOR-TAX-1-23-26

Title: CLIMATE CHANGE RESPONSE FUND &
GRANTS

Sponsor: JOSEPHSON

Requester: (H)RES

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						
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0		0.0		0.0		0.0

Fund Source (Operating Only)

None							
Total	0.0		0.0		0.0		0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1274 Other Temp (Other)	33,000.0		33,000.0	32,000.0	33,000.0	36,000.0	40,000.0
Total	33,000.0		0.0	33,000.0	32,000.0	33,000.0	36,000.0

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If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/27

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By:

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Division:

Tax

Date: 01/23/2026 01:00 PM

Approved By:

Janelle Earls, Administrative Services Director

Date: 01/23/2026

Agency:

Department of Revenue

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. HB 247

Analysis

Bill Analysis

This bill establishes a Climate Change Response Fund and Grant Program and introduces a new oil surcharge to finance it. The bill requires oil producers in Alaska to pay a surcharge of \$0.20 per barrel of oil produced, in addition to existing taxes and surcharges. Revenue from this surcharge will be deposited into the state's general fund and may be appropriated to the Climate Change Response Fund. This fund will be administered by the Department of Environmental Conservation. The Act takes effect immediately upon passage.

Revenue Impact

This bill would create a new surcharge of \$0.20 per barrel of oil produced. Using the same assumptions for future production as in our Revenue Sources Book, it's estimated that a \$0.20 climate change surcharge would generate \$33 million in the first full year of implementation. For this analysis it's assumed a July 1, 2026, effective date and no change in company behavior.

Implementation Cost

This bill would require the Department to make changes to its Tax Revenue Management System (TRMS) and Revenue Online (ROL) which allows a taxpayer to file, pay, view their status, and communicate with the Division online. Resources required to implement the changes would include staff time to update TRMS, ROL, and other miscellaneous costs. These costs would be absorbed by the Tax Division using existing resources.