

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 295
 (H) Publish Date: 1/19/10

Identifier (file name): 0829-REV-APFC-1-6-10 Dept. Affected: Revenue
 Title University of Alaska Land Transfer RDU Alaska Permanent Fund Corporation
 Component APFC Operations
 Sponsor Rules
 Requester Request of Governor Component Number 109

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

The APFC anticipates no impact on revenues or expenditures as a result of this legislation.

Prepared by: Ginger Blaisdell for Laura Achee
 Division: Alaska Permanent Fund Corporation
 Approved by: Ginger Blaisdell, Director
Administrative Services Division

Phone 465-2312
 Date/Time 12/18/09; 2:00pm
 Date 1/6/10; 1:33pm

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: HB 295
 (H) Publish Date: 1/19/10

Identifier (file name): 0829-DNR-MLW-12-21-2009 Dept. Affected: Natural Resources
 Title Grant of State Land to the University of Alaska RDU Resource Development
 Component Title Acquisition and Defense
 Sponsor Rules Committee
 Requester Governor Component Number 2459

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()	***	***	*** Indeterminate (see analysis)	***	***	***	***
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

This bill requires DNR to convey title to 194,379 acres of specifically identified parcels of state land to the University of Alaska within two years of the effective date of the legislation. To satisfy the land conveyance proposed under this legislation, DNR will need to complete the conveyance process for these parcels, including a land title search, identify and reserve easements, identify and reserve navigable waters, and resolve any title conflicts. This will require some DMLW staff time to complete this research, finish the preparation of legal descriptions, prepare conveyance documents, and update the state's computerized records system. Because this effort was substantially completed by the department under the provisions of chapter 8, FSSLA 2005 prior to the State Supreme Court's invalidation of that statute, only a small amount of work remains to finalize the conveyances required under this bill.

Prepared by: Dick Mylius
 Division Director, Mining Land and Water
 Approved by: Tom Irwin, Commissioner
Natural Resources

Phone 907-269-8625
 Date/Time December 21, 2009
 Date December 21, 2009

FISCAL NOTE #2

STATE OF ALASKA
2010 LEGISLATIVE SESSION

BILL NO. HB 295

ANALYSIS CONTINUATION

(Analysis cont.)

Accordingly, DNR does not anticipate any additional funds or positions will be required, and the department can implement the intent of this proposed legislation using existing staff and resources.

This bill is intended to expedite the conveyance of state lands, including the mineral estate, to the University of Alaska by conveying to the Board of Regents by quitclaim deed to those state lands identified for conveyance to the University in a document entitled "University of Alaska Land Grant List 2005" dated January 12, 2005. This "Land Grant List" includes lands that make up part of the Nenana oil and gas basin.

***Based on the subsurface information currently available, the Nenana basin is thought to be gas-prone. DNR believes that the gas potential of this basin ranges from moderate to good. The basin is also in close proximity to markets in Fairbanks. Andex Resources currently has an oil and gas exploration license for part of the Nenana Basin. It is impossible without further exploration to predict the exact fiscal impacts. However, the conveyance of part of the Nenana oil and gas basin to the University of Alaska could result in a significant new source of revenue and /or energy for the University with a corresponding decrease in general and permanent fund revenues.

There is a similar but lesser impact from transferring the surface and subsurface from other lands that DNR would otherwise sell or lease. That is, the Department anticipates an unspecified decrease in future revenues from the loss of these lands.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: HB 295
 (H) Publish Date: 1/19/10

Identifier (file name): 082-UA-SWS-12-18-09 Dept. Affected: University of Alaska
 Title An Act relating to the grant of certain land to the University of RDU University of Alaska
Alaska Component Sysbra
 Sponsor Governor
 Requester _____ Component Number 730

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual	500.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	500.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
1048 University Receipts	500.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0
TOTAL	500.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

In the short term (6 years) this bill would provide very little operating revenue, due to the fact that the funding resulting from this bill is deposited into UA's Land Grant Trust Fund (LGTF, an endowment that has a payout policy similar to the POMV principles i.e., 5% of the prior five year endowment average), however, in the long term, after substantial additions to the LGTF endowment UA can see modest operating revenue i.e., in approximately 20 years UA anticipates annual investment earnings on new land sales to reach 1% of state general fund support or \$2.6M. UA Land Management will add minimal staff to accomplish management of the new lands as this land transfer would roughly replace land inventory available for sale. Land Management operating costs are already considered in the net revenue projections.

Prepared by: Michelle Rizk, Associate Vice President
 Division: University of Alaska
 Approved by: Michelle Rizk, Associate Vice President
Statewide Budget

Phone 450-8187
 Date/Time 12/18/09 4:40 PM
 Date _____