

# Fiscal Note

State of Alaska  
2020 Legislative Session

Bill Version:	SB 161
Fiscal Note Number:	2
(S) Publish Date:	1/22/2020

Identifier: LL4177-DNR-DOG-1-21-20  
 Title: GEOTHERMAL RESOURCES  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Governor

Department: Department of Natural Resources  
 Appropriation: Oil & Gas  
 Allocation: Oil & Gas  
 OMB Component Number: 439

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2021	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2021 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
<b>OPERATING EXPENDITURES</b>	<b>FY 2021</b>	<b>FY 2021</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None								
<b>Total</b>	<b>0.0</b>							

**Positions**

Full-time								
Part-time								
Temporary								

**Change in Revenues**

None								
<b>Total</b>	<b>0.0</b>							

**Estimated SUPPLEMENTAL (FY2020) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2021) 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? No  
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

**Why this fiscal note differs from previous version/comments:**

Not applicable. Initial version.

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Division:	DNR Commissioner's Office	Date:	01/21/2020 12:30 PM
Approved By:	Tom Stokes, Director	Date:	01/21/20
Agency:	Division of Oil & Gas		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2020 LEGISLATIVE SESSION**Analysis**

This bill removes obstacles for exploration and development of Alaska's geothermal resources. It increases the time available for exploration to five years to better account for the time needed to complete an exploration program. This bill renames the current permit system to a license system like that for oil and gas exploration. The proposed five-year exploration license term in this bill allows explorers more time to conduct background research, acquire surface use permits, and perform the field work necessary to locate a resource and produce the data necessary to convert a license to a lease.

This bill also nearly doubles the acreage limit for geothermal projects from 51,200 acres to 100,000 acres.

The Division of Oil and Gas (DOG) already oversees exploration licensing and has the staff resources to accommodate the slight incremental increase in work required for geothermal exploration with current funding. Therefore, DOG submits a zero fiscal note.