

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version: HB 257
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB257-DEC-SPAR-03-13-20
Title: FINANCIAL INSTITUTIONS; LIABILITY
Sponsor: LEBON BY REQUEST
Requester: House Labor and Commerce Committee

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)

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

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Office of the Commissioner	Date:	03/13/2020
Approved By:	Ruth Kostik, Administrative Services Director	Date:	03/13/20
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION

BILL NO. HB 257

Analysis

The bill creates liability exemptions for lenders who foreclose on contaminated properties.

The bill limits the Department's ability to require a lender to contain and respond to contamination on foreclosed properties. Since a lender would not be required to clean up or contain contamination, there could be a risk that the property could become more contaminated, or contamination may spread and affect adjacent properties. If it became necessary to act to contain and clean-up the contamination, the Department would not be able to recover costs from the lender.

It is unclear how many current or future contaminated sites might be effected by the exemptions in the bill. As a result, the Department's expenditures and loss of recovery cannot be determined.