

# Fiscal Note

State of Alaska  
2021 Legislative Session

Bill Version: HB 171  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB171-DOT-COM-4-23-21  
Title: PFAS USE & REMEDIATION; FIRE/WATER SAFETY  
Sponsor: HANNAN  
Requester: House Resources

Department: Department of Transportation and Public Facilities  
Appropriation: Administration and Support  
Allocation: Commissioner's Office  
OMB Component Number: 530

**Expenditures/Revenues**

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

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<b>OPERATING EXPENDITURES</b>	***	***	***	***	***	***	***
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	***	***	***	***	***	***

**Fund Source (Operating Only)**

None							
<b>Total</b>	***	***	***	***	***	***	***

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

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

**Estimated SUPPLEMENTAL (FY2021) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2022) 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If yes, by what date are the regulations to be adopted, amended or repealed?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.

Prepared By: <u>Andy Mills, DOT&amp;PF Legislative Liaison</u>	Phone: <u>(907)465-3900</u>
Division: <u>Commissioner's Office</u>	Date: <u>04/23/2021</u>
Approved By: <u>Dom Pannone, DOT&amp;PF Administrative Services Director</u>	Date: <u>04/23/21</u>
Agency: <u>Office of Management &amp; Budget</u>	

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2021 LEGISLATIVE SESSION

BILL NO. HB 171

### Analysis

The bill defines and establishes concentration limits for per- and polyfluoroalkyl substances (PFAS) in drinking water. It requires that the Department of Transportation and Public Facilities (DOT&PF) test all drinking water in areas where PFAS has been released near a drinking water source. If results are above the limits established by the bill, it requires the department to provide alternative drinking water and voluntary blood testing at no cost. The bill also requires that the department ensure PFAS-exposed responders are provided voluntary blood testing. It prohibits the use of PFAS containing firefighting substances once no longer required by federal law.

DOT&PF has already conducted PFAS testing at 10 of 30 airports suspected of PFAS contamination due to aqueous film-forming foam (AFFF) used by airport crash rescue personnel, with five of those airports not exceeding previous PFAS health advisory limits. However, nearly all tests did not include samples for Hexafluoropropylene oxide dimer acid (HFPO-DA) so most sites will require re-testing at an approximate cost of \$100,000 per airport. Test results dictate the follow-on actions required of the department so are largely unknown at this time. DOT&PF has been providing bottled water at communities including Fairbanks, Gustavus and Yakutat, at an approximate cost of \$180,000 per community, while longer term water solutions are investigated.

**Personal Services:** The department currently has a PFAS coordinator that is managing a private contract and overseeing PFAS testing, monitoring, characterization, and assessment activities.

**Travel:** Travel will be required for staff to conduct outreach, investigation, training, assessment, and site characterization activities.

**Contractual:** Contractual costs include water sampling and testing of sites where PFAS has been released, as well as providing alternative sources of drinking water to those relying on impacted drinking water wells. The department will need to contract with a third party to dispose of PFAS containing firefighting substances once an alternative is approved. The department does not have expertise to provide blood monitoring so will need to contract those services out to a third party or other State agency through a reimbursable services agreement. As the testing continues, the universe of impacted sites is expected to continue to grow, increasing the contractual costs each year.

**Commodities:** Supply costs would include interim bottled water needs while contractual arrangements are secured.

The fiscal impact of this legislation cannot be determined by the department given variables such as testing that would be required under the new thresholds to know the extent of applicable sites, the currently unknown addition of sites yet to be identified with contaminant, and the inability to predict accidental discharge of PFAS during training for which the department would be considered the responsible party.