

Fiscal Note

State of Alaska
2024 Legislative Session

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| Bill Version: | HB 282 |
| Fiscal Note Number: | 2 |
| (H) Publish Date: | 1/22/2024 |

Identifier: 0634-DNR-DMLW-12-18-23
 Title: STATE LAND:
 DISPOSAL/SALE/LEASE/RESTRICT
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Natural Resources
 Appropriation: Fire Suppression, Land & Water Resources
 Allocation: Mining, Land & Water
 OMB Component Number: 3002

Expenditures/Revenues

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

| | FY2025 Appropriation Requested | Included in Governor's FY2025 Request | Out-Year Cost Estimates | | | | |
|-------------------------------|--------------------------------------|--|-------------------------|----------------|----------------|----------------|----------------|
| | | | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
| OPERATING EXPENDITURES | FY 2025 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
| Personal Services | 545.4 | | 545.4 | 545.4 | 545.4 | 545.4 | 545.4 |
| Travel | 10.0 | | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 |
| Services | 75.0 | | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 |
| Commodities | 25.0 | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 655.4 | 0.0 | 630.4 | 630.4 | 630.4 | 630.4 | 630.4 |

Fund Source (Operating Only)

| | | | | | | | |
|---------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|
| 1004 Gen Fund (UGF) | 655.4 | | 630.4 | 630.4 | 630.4 | 630.4 | 630.4 |
| Total | 655.4 | 0.0 | 630.4 | 630.4 | 630.4 | 630.4 | 630.4 |

Positions

| | | | | | | | |
|-----------|-----|--|-----|-----|-----|-----|-----|
| Full-time | 5.0 | | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | *** | | *** | *** | *** | *** | *** |
| Total | *** | 0.0 | *** | *** | *** | *** | *** |

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) 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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 03/01/25

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

| | | | |
|--------------|---|--------|---------------------|
| Prepared By: | Christy Colles, Director | Phone: | (907)269-8532 |
| Division: | Mining, Land, and Water | Date: | 12/15/2023 04:06 PM |
| Approved By: | Theresa Cross, Administrative Services Director | Date: | 12/18/23 |
| Agency: | Department of Natural Resources | | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

Analysis

This proposed bill creates a new statute providing for the disposal of state lands deemed suitable for commercial development through a lease to sale program.

To implement the new commercial leasing/disposal program, the Department of Natural Resources (DNR) will need to evaluate land nominations, identify land offering areas, prepare documents relating to planning and classification/reclassification of lands to be offered, prepare best interest findings under AS 38.05.035(e), title due diligence and title report issuance, and provide appraisal of the land under AS 38.05.840.

This will require a minimum of:

Personal Services \$545.4

Two permanent Full-Time Natural Resource Specialist 3, Range 18, Anchorage \$116.7 each: \$233.4

Two permanent Full-Time Natural Resource Specialist 2, Range 16, Anchorage \$104.0 each: \$208.0

One permanent Full-Time Appraiser 1, Range 16, Anchorage: \$104.0

Travel: 10.0**Services \$75.0**

Core costs by PCN (\$15.0 each annually)

Commodities \$25.0

Initial position setup (\$5.0 each one time costs)

If program changes from this fiscal note create an increase to revenues over time, the fund source may be adjusted to 1153 Land Disposal Income Fund (LDIF) in outlying years.

The DMLW would aim to adopt regulations by March 2025.

Change in Revenues:

Revenues generated from the disposal of state land are deposited into the 1153 Land Disposal Income Fund (LDIF). As the Department cannot predict by what amount the proposed commercial lease or sale program will be utilized, the additional LDIF revenue beginning in FY2025 is indeterminate.

Estimating revenue from leasing and conveying lands for commercial development is difficult as the Department does not have regulations developed for this program. This bill requires the Department to develop regulations implementing statutes under AS 38.05.086. Until such time as the regulations are developed, any estimate of potential revenue related to leasing and conveying land for commercial development is too speculative.