

FISCAL NOTE

No. 2

B Bill Version: SB 128

(S) Publish Date: 4-9-99

STATE OF ALASKA
1999 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) _____	Dept. Affected <u>Environmental Conservation</u>
Title <u>An Act relating to the storage tank assistance</u>	BRU <u>Spill Prevention and Response</u>
fund, replacing <u>cleanup grant program with loan program</u>	Component <u>Storage Tank Program</u>
Sponsor <u>Senate Finance</u>	
Requester <u>Senate Resource</u>	Component Serial No. <u>2063</u>

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	63.1	63.1	63.1	63.1	63.1	63.1
Travel	2.0	2.0	2.0	2.0	2.0	2.0
Contractual	55.0	85.0	115.0	115.0	115.0	115.0
Supplies	1.0	0.5	0.5	0.5	0.5	0.5
Equipment	5.0	0.5	0.5	0.5	0.5	0.5
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	126.1	151.1	181.1	181.1	181.1	181.1

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1079 Storage Tank Fund	126.1	151.1	181.1	181.1	181.1	181.1
TOTAL	126.1	151.1	181.1	181.1	181.1	181.1

Estimate of any current year (FY99) cost: 0.0

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill proposes to replace the cleanup grant program with a loan program. The Department will incur additional operating costs in the administration of a loan program. Estimates for loan administration are \$45.0 the first year, \$75.0 the second year, and \$105 thereafter. These extra costs would cover only the loan examination, award, and collection of repayments and delinquent payments. Department staff would still approve the workplans and eligible costs and oversee the cleanup project to completion. These added costs assume that about 30 loans will be made per year for a total \$2.0 million per year.

In addition, the Department would need to add one Environmental Specialist to work with the Attorney's General Office on liability issues surrounding sites where owners choose not to participate in the loan program or are unable to qualify for a loan but must still clean up their site. Costs associated with the position include \$2.0 in travel costs to visit sites that require state lead cleanup action, \$10.0 in contractual costs

Prepared by <u>Larry Dietrick, Director</u>	Phone <u>465-5255</u>
Division <u>Spill Prevention and Response</u>	Date/Time <u>4/7/99 10:26 AM</u>
Approved by <u>Commissioner Michele Brown</u>	Date <u>4/7/99</u>
Agency <u>Department of Environmental Conservation</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

that cover department common costs and professional service contracts, and costs for supplies and equipment customary to the position. Also the loans would need to be capitalized every year since it is not a revolving loan program.

Personal Services New PCN Detail

Department of Environmental Conservation

Scenario: DEC - LEGISLATION INFORMATION
 Component: Storage Tank Program
 BRU Name: Spill Prevention and Response

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range and Steps	Budgeted Months	Split / Annual Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#04	Environmental Spec III	FT	A	GG	Anchorage	2A	18 C/D	12.0		47,437	0	0	15,696	63,133
Justification: Position created to represent an average ES III within the Storage Tank Program, for backup to a fiscal note in response to SB 128.														
Funding Detail: 1079 Storage Tank Assistance Fund 00.00% 63,133.00 Total Funding: 00.00% 63,133.00														

Component Summary:

Total New Positions: 1

Fund Code	Fund Description	Fund Percent	Fund Amount
1079	Storage Tank Assistance Fund	100.00%	63,133.00
Total Funding:			100.00% 63,133.00

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.