

FISCAL NOTE

No. 1
 Bill Version: SB 134
 (S) Publish Date: 4/13/99

STATE OF ALASKA
 1999 LEGISLATIVE SESSION

Revision Date/Time (Note if correction)

Title WELL REGULATORY COST CHARGE/CONS. TAX Dept. Affected _____ Dept. of Admin. _____
 BRU AOGCC
 Component AOGCC
 Sponsor Sen. Pearce
 Requester Senate Resources
 Component Serial No. _____ 2010 _____

Expenditures/Revenues

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	240.0	240.0	240.0	240.0	240.0	240.0
Travel	48.1	48.1	48.1	48.1	48.1	48.1
Contractual	135.0	135.0	135.0	135.0	135.0	135.0
Supplies	4.0	4.0	4.0	4.0	4.0	4.0
Equipment	7.7	7.7	7.7	7.7	7.7	7.7
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	434.8	434.8	434.8	434.8	434.8	434.8
CAPITAL EXPENDITURES (GF)	440.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
FUND SOURCE						
(Thousands of Dollars)						
1002 Federal Receipts						
1003 GF Match						
1004 GF	(1,790.0)	(1,790.0)	(1,790.0)	(1,790.0)	(1,790.0)	(1,790.0)
1005 GF/Program Receipts						
1037 GF/Mental Health						
1108 Stat Desig	2,224.8	2,224.8	2,224.8	2,224.8	2,224.8	2,224.8
TOTAL	434.8	434.8	434.8	434.8	434.8	434.8

Estimate of any current year (FY99) cost: 0.0

POSITIONS

Full-time	3	3	3	3	3	3
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)
 (See Attached)

Prepared by Robert Christenson, PE Phone 279-1433
 Division Alaska Oil and Gas Conservation Commission Date April 12, 1999
 Approved by Commissioner [Signature] Date 4/12/99
 Agency _____

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FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION
Analysis

BILL NO. ^{#1} SB134

This bill provides for the AOGCC to set and collect a regulatory cost charge from companies operating oil and gas wells in the State of Alaska, and to use the collections to fund the operating costs of the agency. This will change the primary AOGCC operating budget fund source from General Fund to Statutory Designated Program Receipts.

The AOGCC is the state oversight agency for all subsurface activity in the state and provides permits to drill, well workovers, reservoir management, data management, inspection of drilling activities, gas flaring, conservation measures, and protection of lessees rights. The proposed funding mechanism is a more representative way of allocating our costs among those who require our services. Our workload is directly related to industry activity and under this plan would be paid for directly by industry. It recognizes the long-term effort required of the Commission to follow the events that constitute the lifetime of a well and its reservoir. The expenditures are minimums required to execute the Commission's program and to comply with the Oil and Gas Conservation Act.

This fiscal note includes a FY2000 operating budget increment of \$434.8 and a one time capital budget request of \$440.0. The operating budget increment is based on the AOGCC's estimate of the total necessary to fund the agency's operations. The capital request is for funding necessary to relocate the AOGCC offices and to provide for necessary computer enhancements.