

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 398(CRA)
 (H) Publish Date: 2/17/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
 Title STATE MINERAL RESOURCE REV./ RDU Resource Development
MUNICIPAL AID Component Claims, Permits and Leases
 Sponsor Rep. Moses
 Requester (H) CRA Component No. 2460

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation adds revenues from licenses, license fees, lease fees, and other money received, except royalties, to the revenues for which must DNR account under AS 38.05.035(a)(10). The legislation also requires DNR to deposit ten percent (10%) of the revenue derived as fees, charges and miscellaneous receipts from the location, license, or lease activities on state land into a newly created Mineral Receipts Account.

For the purposes of this fiscal note it is assumed that the sources for the identified revenues are coal leases under AS 38.05.150, mineral leases under AS 38.05.145 and rights to deposits of minerals under AS 38.05.185 - 38.05.275, and do not include revenues from other types of surface estate leases under Title 38.

Prepared by: Dick Mylius, Acting Director Phone 269-8625
 Division Mining, Land & Water Date/Time 2/13/2006
 Approved by: Michael Menge, Commissioner Date 2/14/2006
 Agency Natural Resources

FISCAL NOTE #1

**STATE OF ALASKA
2006 LEGISLATIVE SESSION**

BILL NO. CSHB 398(CRA)

ANALYSIS CONTINUATION

In FY05 the Division of Mining, Land & Water (ML&W) took in approximately \$2.8 million in fees, charges and miscellaneous receipts from the mineral location, license and lease activities on state land. Under this legislation 10% of that amount, or \$280,000, would have been deposited into mineral receipts account. This revenue stream is greatly dependent on metal prices which have fluctuated greatly in recent years. As ML&W cannot forecast future metals price and thus income from mining activities, for purposes of this fiscal note receipts are assumed to be level through FY12.