

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version CSSB 153(RES)  
 Fiscal Note Number 2  
 (S) Publish Date 3/14/12

Identifier (file name) SB153-DNR-MLW-02-07-12 Dept. Affected Department of Natural Resources  
 Title Natural Gas Storage Tax Credit/Regulation Appropriation Land & Water Resources  
 Allocation Mining Land & Water  
 Sponsor Sen. Thomas  
 Requester Senate Resources OMB Component Number 3002

**Expenditures/Revenues** (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants, Benefits								
Miscellaneous	(12.5)							
<b>TOTAL OPERATING</b>	<b>(12.5)</b>	<b>0.0</b>	***	***	***	***	***	***

**FUND SOURCE** (Thousands of Dollars)

	FY13	FY13	FY14	FY15	FY16	FY17	FY18
1002 Federal Receipts							
1003 GF Match							
1004 GF	(12.5)						
1005 GF/Prgm (DGF)							
1037 GF/MH (UGF)							
1178 temp code (UGF)							
<b>TOTAL</b>	<b>(12.5)</b>	<b>0.0</b>	***	***	***	***	***

**POSITIONS**

	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Full-time	0						
Part-time	0						
Temporary	0						

<b>CHANGE IN REVENUES</b>	<b>(12.5)</b>		***	***	***	***	***
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**Estimated SUPPLEMENTAL (FY12) operating costs** 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY13) costs** 0.0 (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Initial Version

Prepared by Brent Goodrum, Director  
 Division Mining Land & Water  
 Approved by Daniel S. Sullivan, Commissioner  
Department of Natural Resources

Phone (907) 269-8625  
 Date/Time 02-07-2012/12:00  
 Date 2/7/2012

**FISCAL NOTE #2**

**STATE OF ALASKA  
2012 LEGISLATIVE SESSION**

**BILL NO. CSSB 153(RES)**

**Analysis**

SB 153 creates an exemption from land lease payments (for leases issued under AS 38.05.070-105), for up to ten calendar years from date of issuance, for lands leased for gas storage facilities (other than under AS 38.05.180(u)).

This lease payment exemption will reduce revenues equal to the lease payments due to the state related to these types of leases for the years the exemption is allowed. Currently there is one qualifying lease with an annual rent of \$12,500 based on the fair market value of the land leased. The total fiscal impact of this proposed legislation after FY 13 is indeterminate because the number of gas storage leases that may be issued in the future is unknown. Future leases may be issued under oil and gas leases issued under AS 38.05.180.

The legislation will have no effect on the lease issuance or maintenance operations of the department.