

FISCAL NOTE

STATE OF ALASKA
2013 LEGISLATIVE SESSION

Bill Version HB 198
 Fiscal Note Number 1
 (H) Publish Date 4/8/13

Identifier (file name) HB198 Dept. Affected Natural Resources
 Title Oil and Gas and Gas Only Leases Appropriation Oil and Gas
 Allocation Oil and Gas
 Sponsor House Labor & Commerce
 Requester House Resources OMB Component Number 439

Expenditures/Revenues (Thousands of Dollars)

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

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
			FY15	FY16	FY17	FY18	FY19
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	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						
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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Estimated SUPPLEMENTAL (FY13) operating costs 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY14) costs 0.0 (separate capital appropriation required)
 (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? No
 If yes, by what date are the regulations to be adopted, amended, or repealed? N/A Discuss details in analysis section.

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

After discussion in committee it was determined that with regard to revenues from lease rental rates, any potential change falls within the normal budgetary variances of the department.

Prepared by Linda Hay
 Division House Resources Committee - Office of Rep. Feige
 Approved by Rep. Eric Feige
House Resources Committee

Phone 907-465-3715
 Date/Time 4/6/13 3:25 PM
 Date 4/6/2013

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB 198

Analysis

This bill allows The Department of Natural Resources (DNR), at the commissioner's discretion, to issue a one-time extension on oil and gas leases when there is no oil or gas produced in paying quantities from the lease if the commissioner finds that the extension is in the best interest of the state. The primary term of the lease combined with the extension date may not exceed a total of 10 years and the rental rate for the last three years shall increase to \$250 an acre for each year but can be reduced, at the commissioner's discretion, if the commissioner determines that a lessee has exercised reasonable diligence to explore and develop the lease during the primary term.

DNR does not anticipate needing additional staff or resources to process lease extension requests.