

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: SB 2
Fiscal Note Number: 3
(H) Publish Date: 4/11/13

Identifier: SB002-DNR-MLW-4-10-13
Title: INTERSTATE MINING COMPACT &
COMMISSION
Sponsor: GIESSEL
Requester: House Finance Committee

Department: Department of Natural Resources
Appropriation: Land & Water Resources
Allocation: Mining, Land & Water
OMB Component Number: 3002

Expenditures/Revenues

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

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014					
Personal Services							
Travel	15.0		15.0	15.0	15.0	15.0	15.0
Services	40.0		40.0	40.0	40.0	40.0	40.0
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	55.0	0.0	55.0	55.0	55.0	55.0	55.0

Fund Source (Operating Only)

1004 Gen Fund	55.0		55.0	55.0	55.0	55.0	55.0
Total	55.0	0.0	55.0	55.0	55.0	55.0	55.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

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If yes, by what date are the regulations to be adopted, amended or repealed?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

Why this fiscal note differs from previous version:

Revised Fiscal Note. The House Finance Committee decreased the travel budget by \$5.0

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House Finance Committee Date: 04/10/2013
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House Finance Committee

FISCAL NOTE ANALYSIS #3

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 2

Analysis

This bill would authorize Alaska to join and participate in the Interstate Mining Compact Commission (IMCC). This fiscal note has two components: annual membership and travel.

Membership Dues:

Membership in the commission requires annual dues paid by each party state. The amount of dues to be paid by each party state is covered under Article VII of the Compact and Bylaws. There are currently 19 member states; Alaska's addition would bring that total to 20.

Specifically, each party state is required to pay one half of the commission's annual budget, in equal shares. With Alaska as a member, Alaska's portion would be 1/20th of half the annual budget. If additional states become full members of the IMCC, Alaska's portion would change accordingly. The other half of the annual budget is also paid by the member states but is paid in proportion to the value of the minerals, ores and other solid matter mined in each member state.

DNR estimates that Alaska's share for dues in the first membership-year will be approximately \$40.0. This amount will fluctuate in future years based on the amount of the commission's annual budget and the value of the minerals, ores and other solid matter mined in Alaska annually. This value is based on national valuation reports prepared by the United States Geological Survey (USGS) for non-coal minerals and the federal Energy Information Administration (EIA) for coal to ensure impartial uniformity assessment of mining data. If the annual dues are significantly higher than \$40.0, DNR may request supplemental funding in that year.

Travel costs:

Full membership in the IMCC entails greater participation by member states. Membership and participation in the Interstate Mining Compact Commission will require two or more trips per year by the Commissioner, department staff, and possibly other representatives of the Governor's office. The department estimates \$20.0 per year for this expense.