

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version:	CSSB 163(RES)
Fiscal Note Number:	2
(S) Publish Date:	4/4/2016

Identifier: SB163CS(RES)-DEC-WQ-03-31-16  
 Title: NATL. RES. WATER  
       NOMINATION/DESIGNATION  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Senate Resources Committee

Department: Department of Environmental Conservation  
 Appropriation: Water  
 Allocation: Water Quality  
 OMB Component Number: 2062

## Expenditures/Revenues

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

	FY2017	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>OPERATING EXPENDITURES</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Personal Services							
Travel	10.0						
Services	350.0						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>360.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

1005 GF/Prgm	360.0						
<b>Total</b>	<b>360.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

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**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2017) cost:** 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? Yes  
 If yes, by what date are the regulations to be adopted, amended or repealed? 04/29/17

## Why this fiscal note differs from previous version:

Reflects changes of Committee Substitute

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Division:	Water	Date:	03/31/2016 03:15 PM
Approved By:	Alice Edwards, Deputy Commissioner	Date:	03/31/16
Agency:	Department of Environmental Conservation		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

## Analysis

**Analysis/Assumptions:**

This CS for SB163 spells out the criteria that a nomination must address, and requires payment of a \$1,000 application fee. Under this version, the Department may enter into an agreement whereby the nominator will pay costs incurred by the Department and other State agencies related to the nomination process, including preparation of findings, analyses, and determinations related to the nomination, as well as public notice and public hearings. The department may also request a capital appropriation based on a cost estimate for processing a nomination.

The bill requires that the Department of Environmental Conservation make its completeness determination within six months of receiving the nomination. In addition, it requires the Department to adopt regulations within one year that establish a process for public notice, individual notice to landowners, and prioritization, and it establishes a process the Department must complete before transmitting any nomination to the Legislature, including coordination with the Departments of Natural Resources and Fish and Game.

The bill requires the Departments of Environmental Conservation and Natural Resources to submit a report to the Legislature every ten years describing each Tier 3 water, and providing a recommendation regarding the continuation of the designation.

The Department does not currently have the staff capacity to take on the amount of additional work required under the current version of the bill, beyond the regulation development and completeness determination. The Department cannot anticipate the number of nominations that may be received in any given year, or at this point anticipate what the related annual workload might be. This Fiscal Note assumes a multi-year operating appropriation for the first three years of the program. At that time the Department would have a better grasp on what the annual costs will be. It would also not make sense for the Department to add staff for an unknown workload, so most of the work would be contracted out as needed.

**Operating Expenditures**

Costs will be funded by agreements between the nominator and the Department as General Fund Program Receipts.

**Travel:**

Travel costs include 8 two-day trips over three years for one staff member to attend local public meetings in the areas where proposed designations are located.

**Services:**

Services include in-house services or contractual outsourcing funded by the nominator via statutory designated program receipts. Services include but are not limited to: public notice costs; analyzing the nomination and preparing analysis and reports to submit to the Legislature with the nominations; and coordinating with other State agencies via reimburseable service agreements.