

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	SCS CSHB 50(FIN)
Fiscal Note Number:	15
(S) Publish Date:	5/12/2024

Identifier: HB050CS(RES)-DCCED-AIDEA-05-06-24
 Title: CARBON STORAGE
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: (S) FINANCE

Department: Department of Commerce, Community and Economic Development
 Appropriation: Alaska Industrial Development and Export Authority
 Allocation: Alaska Industrial Development and Export Authority
 OMB Component Number: 1234

Expenditures/Revenues

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

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates					
			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES								
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	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes
(Supplemental/Capital/New Fund - 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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/25

Why this fiscal note differs from previous version/comments:

Not applicable, initial version

Prepared By:	Randy Ruaro, Executive Director	Phone: (907)771-3000
Division:	Alaska Industrial Development and Export Authority	Date: 05/06/2024
Approved By:	Hannah Lager, Administrative Services Director	Date: 05/06/24
Agency:	Commerce, Community, and Economic Development	

REPORTED OUT OF
SEC 05/12/2024

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION**Analysis**

This bill creates a framework for the Department of Natural Resources to lease State lands for carbon storage projects, and for the Alaska Division of Oil and Gas to permit and regulate carbon storage facilities in Alaska.

This legislation establishes the Cook Inlet reserve-based lending account in Alaska Industrial Development & Export Authority (AIDEA) revolving fund. Each year, AIDEA shall prepare a report for the Legislature that analyzes potential oil and gas development projects the Authority believes have a reasonable potential to increase production in the Cook Inlet.

AIDEA has the experience and staff resources available to establish and service a reserves-based loan program. Costs associated with underwriting and due diligence would be recovered through a cost-reimbursement agreement between AIDEA and the borrower. Costs related to regulations changes would be funded using existing budget authority. AIDEA does not anticipate a fiscal impact from this legislation.