

# Fiscal Note

State of Alaska  
2024 Legislative Session

Bill Version:	CSHB 329(FSH)
Fiscal Note Number:	1
(H) Publish Date:	3/28/2024

Identifier: HB329-DNR-DMLW-02-23-24  
 Title: AQUATIC FARM AND HATCHERY LEASES  
 Sponsor: VANCE  
 Requester: (H)FSH

Department: Department of Natural Resources  
 Appropriation: Fire Suppression, 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)

	FY2025	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2025 Request	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>OPERATING EXPENDITURES</b>	<b>FY 2025</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</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>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</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>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

1005 GF/Prgm (DGF)					(9.2)	(3.6)	(5.0)
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(9.2)</b>	<b>(3.6)</b>	<b>(5.0)</b>

**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?** No  
*(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 If yes, by what date are the regulations to be adopted, amended or repealed? **07/01/24**

**Why this fiscal note differs from previous version/comments:**

Not applicable, initial version.

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Division:	Mining, Land and Water	Date:	02/21/2024
Approved By:	Theresa Cross, Administrative Services Director	Date:	02/23/24
Agency:	Natural Resources		

FISCAL NOTE ANALYSIS

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Analysis

This bill would amend the Aquatic farming and hatchery site lease statutes in AS 38.05.083 and would increase the lease authorization length for aquatic farm operations from 10-year to 25-year lease terms.

Due to the decrease in lease renewal frequency, the department will see a loss in revenue stemming from lease renewal applications. Revenues from lease renewals are deposited into General Fund/Program Receipts.

Lease renewal applications are divided into three groups:

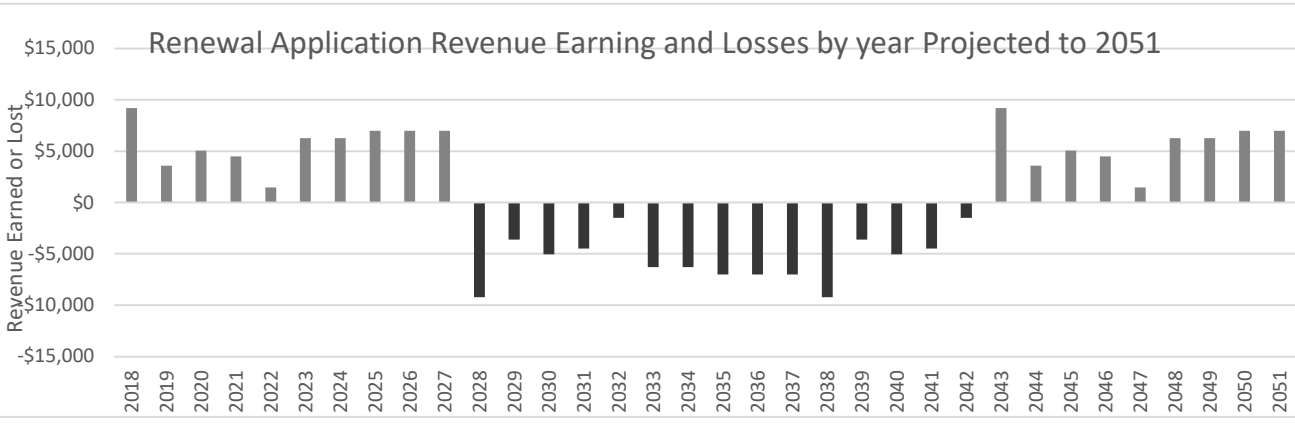
- 1. For a total of one acre or less in size, for up to 14 hours of staff time = \$280.00
2. For a total of greater than one acre but no more than three acres, for up to 30 hours of staff time = \$600.00
3. For greater than three acres, for up to 60 hours of staff time = \$1,200.00

The average yearly revenue from renewal applications is \$5,194.28, with a steady increase in authorizations/fees. The projected renewal application revenue from 2024 new lease applications is \$7,000.00.

Based on current authorized leases, if this bill were to pass this session, the following would be a loss of revenue from renewal applications:

- 2028: -\$9,200.00
2029: -\$3,600.00
2030: -\$5,040.00
2031: -\$4,480.00
2032: -\$1,480.00
2033: -\$6,280.00
2034: -\$6,280.00
2035: -\$7,000.00
2036: -\$7,000.00
2037: -\$7,000.00
2038: -\$9,200.00
2039: -\$3,600.00
2040: -\$5,040.00
2041: -\$4,480.00
2042: -\$1,480.00

The department would realize a 60% decrease in renewal application revenue by authorizing 25-year lease terms.



(Revised 10/31/2023 OMB/LFD)