

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version:	SB 11
Fiscal Note Number:	2
(S) Publish Date:	4/7/2025

Identifier: SB011-DCCED-DCRA-02-07-25
 Title: FLOOD INSURANCE
 Sponsor: STEDMAN
 Requester: Senate Labor and Commerce

Department: Department of Commerce, Community and
 Economic Development
 Appropriation: Community and Regional Affairs
 Allocation: Community and Regional Affairs
 OMB Component Number: 2879

Expenditures/Revenues

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

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services	348.9		348.9	348.9	348.9	348.9	348.9
Travel	100.0		100.0	50.0	50.0	50.0	50.0
Services	85.0		85.0	77.0	77.0	77.0	77.0
Commodities	58.0		6.0	6.0	6.0	6.0	6.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	591.9	0.0	539.9	481.9	481.9	481.9	481.9

Fund Source (Operating Only)

1004 Gen Fund (UGF)	591.9						
1252 DGF Temp (DGF)			539.9	481.9	481.9	481.9	481.9
Total	591.9	0.0	539.9	481.9	481.9	481.9	481.9

Positions

Full-time	3.0		3.0	3.0	3.0	3.0	3.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2025) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2026) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/27

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Division of Community and Regional Affairs	Date:	02/07/2025
Approved By:	Hannah Lager, Administrative Services Director	Date:	02/07/25
Agency:	Commerce, Community, and Economic Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

Analysis

This bill establishes the Alaska Flood Authority (AFA) to increase the availability of flood insurance in the state. The authority will be required to offer a state flood insurance plan that has the same coverage as the National Flood Insurance Program. This bill also adds a new requirement for flood insurance rates to reflect the actual historical flood and damage date on the property.

The AFA is required to solicit eligible participants to increase awareness of the program and increase participation. This outreach is anticipated to include technical assistance to the approximately 144 Alaska communities that are at risk of flooding but that do not currently participate in the National Flood Insurance Program. The Division of Community and Regional Affairs will provide this technical assistance through direct outreach from three Local Government Specialist (LGS) positions. These positions will leverage the division's subject matter expertise to raise awareness of flood risks in communities and assist local governments with best practices for planning for and addressing flood impacts in their communities and help encourage participation in the flood insurance program. These positions will be funded from receipts collected under the program beginning in the second year; in the first year, they will be funded from the general fund.

If this legislation passes, the Division of Community and Regional Affairs anticipates the following fiscal impacts:

Personal Services: \$348.9 Three Local Government Specialists 3 (range 17), in Anchorage.

Travel: \$100.0 40 trips per year in FY2026 and FY2027 to visit communities to provide technical assistance related to the new flood insurance program.
\$ 50.0 20 trips per year in FY2028 and out years for follow-up and continued technical assistance.

Services: \$ 75.0 Core and allocated services costs (\$25.0 / position / year).
\$ 10.0 Initial expenditures for supplies, program guides, and printing in FY2026 and FY2027.
\$ 2.0 Continued materials and supplies costs in FY2028 and out years.

Commodities: \$ 30.0 One-time set up costs for equipment and space for each position in FY2026 (\$10.0 / position).
\$ 6.0 Ongoing supply and equipment costs in FY2027 and out years (\$2.0 / position / year).