

SB

183

<target><bill>SB 183</bill><subject>SB
183</subject><comm>SFIN26</comm></target>

SENATE FINANCE COMMITTEE REPORT

First Committee of Referral

DATE: 4/6/09

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered SENATE BILL NO. 183

SB 183 GRANT AUTHORITY FOR AIR QUALITY

"An Act authorizing the Department of Environmental Conservation to award grants for the control of air emissions or the development and administration of air quality control programs; and providing for an effective date."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title

HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
DEC	4/7/09			✓	

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	Do PASS	Do NOT PASS	NO REC	AMEND
	Higgins			X	
	Thomas	✓			
	OLSON			✓	
	Ellis	✓			
CO-CHAIR:		✓			
CO-CHAIR:	STROMAN	✓			

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 183
() Publish Date: _____

Identifier (file name): SB183-DEC-AQ-4-6-09
Title: Grant Authority for Air Quality
Sponsor: Senate Finance Committee
Requester: Senate Finance Committee
Dept. Affected: Environmental Conservation
RDU: Division of Air Quality
Component: Air Quality
Component Number: 2061

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE		(Thousands of Dollars)						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
1002 Federal Receipts		0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match		0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF		0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts		0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health		0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts		0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

There is no fiscal impact to DEC associated with this legislation.

Prepared by: Keri S. Hubbard, Administrative Officer II
Division: Air Quality
Approved by: Dan Easton
Deputy Commissioner

Phone 907-269-3010
Date/Time 4/6/09 6:24 PM
Date 4/7/2009

4/10/09

**Fact Sheet – Department of Environmental Conservation
American Recovery and Reinvestment Act (ARRA)
Environmental Protection Agency - Diesel Emissions Reduction Act
Total Available ARRA Funding: \$2,000.0**

The Air Non-Point Mobile Source program within the Division of Air Quality in Department of Environmental Conservation (DEC) is responsible for mobile and area sources of air contaminants. As part of their responsibilities for mobile sources they were tasked with management of the grant funding being distributed by the Environmental Protection Agency (EPA) under the State Clean Diesel Grant program. FFY08 was the first year of this allocation funding to states through a formula outlined in the Energy Policy Act of 2005. EPA's program is designed with the idea that states will fund grants or loan programs for clean diesel projects, but other competitive processes are allowed.

To distribute this funding DEC can execute agreements with other governmental agencies or establish contracts or grants to municipalities and others throughout the state for projects such as:

- Purchasing and installing pollution controls on diesel engines for vehicle fleets such as bus or construction equipment fleets;
- Replacing older diesel generators in villages with newer, more efficient diesel engines;
- Repowering or replacing state, municipal or school bus fleets with cleaner, more efficient engines or vehicles;
- Providing plug-ins and other means to reduce the need to idle diesels in cold weather; and
- Converting vehicle fleets from diesel power to cleaner fuels such as natural gas or propane.

A variety of entities are eligible for this funding, they are:

- Regional, state, local, tribal or port agencies with jurisdiction over transportation or air quality;
- Nonprofit organizations or institutions that represent or provide pollution reduction or educational services to persons or organizations that operate diesel fleets;
- Entities whose principle purpose is the promotion of transportation or air quality

In FFY08 DEC received \$295,320. To date projects identified as eligible for this funding include:

- Alaska Energy Authority to conduct a feasibility assessment of operating a small organic rankine cycle powered generator utilizing waste heat from the exhaust stack of a diesel engine.
- Alaska Department of Transportation diesel equipment retrofits.
- Alaska Railroad diesel equipment retrofits and assessment of anti-idling technologies.
- Contract to be issued for other diesel emission reduction projects throughout Alaska.

The funding available for the diesel emissions program through the American Recovery and Reinvestment Act of 2009 provides approximately \$2.0 million to support the efforts of Alaska's State Clean Diesel Grant program.

DEC is requesting granting authority that would allow a distribution of funding to other entities beyond governmental agencies or contractors. The statutory language needed in order to allow this granting authority would be:

Section 1. AS46.14 is amended by adding a new section to read:

Sec 46.14.535. Grants. (a) Subject to appropriation, the department may award grants of federal or other funds received by the department for the control of air emissions or the development or administration of air quality control programs in this state.

(b) The department may adopt regulations under AS44.62 (Administrative Procedure Act) to carry out the purposes of this section.

ALASKA STATE LEGISLATURE

4/10/09

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SB 183 Sponsor Statement

“An Act authorizing the Department of Environmental Conservation to award grants for the control of air emissions or the development and administration of air quality control programs; and providing for an effective date.”

SB 183 provides statutory authority for the Department of Environmental Conservation to grant funds for the control of air emissions or the development or administration of air quality control programs in the state. The authority is needed so that the Department of Environmental Conservation can distribute funds available through the Air Quality Grant – Diesel Emission Reduction program in the American Recovery and Reinvestment Act of 2009. This program would provide \$2 million to grantees for energy efficiency upgrades such as new, more efficient power generation equipment and public transportation vehicles.