## Fiscal Note State of Alaska Bill Version: HB 111 2017 Legislative Session Fiscal Note Number: () Publish Date: Identifier: Department: Department of Natural Resources HB111CS(RES)-DNR-DOG-03-13-17 Title: **OIL & GAS PRODUCTION** Appropriation: Oil & Gas Oil & Gas TAX; PAYMENTS; CREDITS Allocation: Sponsor: **RESOURCES** OMB Component Number: 439 Requester: House Resources Expenditures/Revenues Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars) Included in FY2018 Governor's **Out-Year Cost Estimates** Appropriation FY2018 Requested Request **OPERATING EXPENDITURES** FY 2018 FY 2018 FY 2019 FY 2020 FY 2021 FY 2022 FY 2023 **Personal Services** Travel Services Commodities Capital Outlay **Grants & Benefits** Miscellaneous **Total Operating** 0.0 **Fund Source (Operating Only)** None Total 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 Estimated SUPPLEMENTAL (FY2017) cost: (separate supplemental appropriation required) (discuss reasons and fund source(s) in analysis section) Estimated CAPITAL (FY2018) cost: (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 Yes If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/19 Why this fiscal note differs from previous version: Not applicable; initial version.

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## FISCAL NOTE ANALYSIS

## STATE OF ALASKA 2017 LEGISLATIVE SESSION

BILL NO. HB 111

## **Analysis**

This bill would require the department to analyze lease expenditures that could qualify to be carried forward and determine if those expenditures meet the requirements set out in regulations yet to be written. Because the regulations are not yet written, the extent of the required analysis is not clear. As written the fiscal impact to the department could range from minimal to significant, depending on final regulations.
This bill also requires the department to manage additional data associated with a new "dry hole credit." It is indeterminable how many of these credit applications would be filed, but additional staff time would be required to review applications and manage the data.
Finally, this bill contemplates the use of staff resources to participate in a legislative working group. This additional work would require backfilling of other assignments by those employees. For the reasons stated above, the department is unable to determine the fiscal impact of this legislation at this time; therefore, a indeterminate fiscal note is submitted.

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