

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version:	CSHB 185(FSH)
Fiscal Note Number:	2
(H) Publish Date:	2/7/2020

Identifier: HB185-DOA-DMV-2-1-20
 Title: REGISTRATION OF BOATS: EXEMPTION
 Sponsor: STUTES
 Requester: (H)Fisheries

Department: Department of Administration
 Appropriation: Motor Vehicles
 Allocation: Motor Vehicles
 OMB Component Number: 2348

Expenditures/Revenues

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

	FY2021	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2021 Request	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
OPERATING EXPENDITURES	FY 2021	FY 2021					
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

Fund Source (Operating Only)

None							
Total	0.0						

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1004 Gen Fund (UGF)	(27.2)		(27.2)	(27.2)	(27.2)	(27.2)	(27.2)
Total	(27.2)	0.0	(27.2)	(27.2)	(27.2)	(27.2)	(27.2)

Estimated SUPPLEMENTAL (FY2020) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2021) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/21

Why this fiscal note differs from previous version/comments:

Not applicable. Initial Version.

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Division:	Motor Vehicles	Date:	02/01/2020
Approved By:	Brad Ewing, Administrative Services Director	Date:	02/01/20
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

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Analysis

The proposed legislation adds commercial vessels with a valid commercial fishing license to the list of boats that are exempt from numbering and registration. The registration fee for each power boat is \$24.00; the fee for each non-power boat is \$10.00. Registration fees are collected every three years, or upon a change of ownership.

Boats that exceed 24 feet in length are also required to be titled. Title fees are collected once upon the original issuance of the title, or upon a change of ownership or duplicate request by the owner. 2019 was the first year that commercial fishing vessels documented with the US Coast Guard were required to be titled and registered so the Division of Motor Vehicles (DMV) assumes the following years will follow the same registration trend as historical years. The DMV doesn't have data that tells us how often these boats are sold but the DMV estimates it is 10% or less to estimate title transaction demand.

Revenue Collected for Commercial Fishing Vessel Registration Fees in 2019

<u>Year</u>	<u># Boats</u>	<u>Class</u>	<u>Registration Fee</u>	<u>Revenue</u>
2019	1,895	Power	\$24	\$45,480
2019	3	Non-Power	\$10	\$30
2018	423	Power	\$24	\$10,152
2018	2	Non-Power	\$10	\$20
2017	348	Power	\$24	\$8,352

2017/2018 Average Revenue Collected: \$9,262

Added Annual Impact from 2019 Registration Requirements: \$12,082.67

Total Forecasted Annual Registration Revenue: \$21,344.67

Assuming that 10% of fishing vessels are sold each year, annual title revenue would be as follows:

<u># Boats Eligible for Titles</u>	<u>Title Fee</u>	<u>Total Collected Revenue</u>	<u>10% Revenue</u>
2,920	\$20	\$58,400	\$5,840

Total Forecasted Registration Revenue Impacted: \$21,344.67

Total Forecasted Title Revenue Impacted: \$5,840.00

Annual Forecasted Commercial Fishing Revenue Reduction: -\$27,184.67