

FISCAL NOTE

STATE OF ALASKA
2014 LEGISLATIVE SESSION

Bill Version	CSHB143 (FIN)
Fiscal Note Number	
() Publish Date	
Dept. Affected	Fish and Game
Appropriation	Administration and Support
Allocation	Administrative Services
OMB Component Number	479

Identifier (file name) **HB143CS(FIN)-DFG-DAS-03-27-14**
 Title **COMMERCIAL FISHING CREWMEMBER LICENSES**
 Sponsor **REPRESENTATIVE(S) SEATON, Kreiss-Tomkins**
 Requester **House Finance Committee**

Expenditures/Revenues (Thousands of Dollars)

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

	FY15 Appropriation Requested	Included in Governor's FY15 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY15	FY15	FY16	FY17	FY18	FY19	FY20
Personal Services							
Travel							
Services	1.4		9.5	9.5	9.5	9.5	9.5
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	1.4	0.0	9.5	9.5	9.5	9.5	9.5

FUND SOURCE (Thousands of Dollars)							
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Prgm (DGF)	1.4		9.5	9.5	9.5	9.5	9.5
1007 I/A Rcpts (Other)							
1156 Rcpt Svcs (DGF)							
TOTAL	1.4	0.0	9.5	9.5	9.5	9.5	9.5

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	14.3		83.8	83.8	83.8	83.8	83.8
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Estimated SUPPLEMENTAL (FY14) operating costs 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY15) costs 0.0 (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 If yes, by what date are the regulations to be adopted, amended, or repealed? Jan. 1, 2015 Discuss details in analysis section.

Why this fiscal note differs from previous version (if initial version, please note as such)

Reflects changes made in the House Finance Committee.

Prepared by Sunny Haight, Director
 Division Administrative Services
 Approved by Kevin Brooks, Deputy Commissioner
 Division Commissioner's Office

Phone 907-465-5999
 Date/Time 3/27/14 8:15am
 Date 3/27/2014

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. CSHB143 (FIN)

Analysis

The House Finance Committee Substitute for HB 143 will limit the number of 7-day commercial crew licenses to one license per person per calendar year. HB 143 will also allow a commercial crewmember who purchased a 7-day license to receive a \$30 refund if they purchase an annual license within the same calendar year.

This analysis is based on actual 2012 commercial crewmember license sales and the current fee structure. In 2012, a total of 24,090 crewmember licenses were sold. 2,317 were non resident 7-day crew licenses and 443 were resident 7-day crew licenses.

In 2012, 542 non resident fishermen purchased two or more 7-day licenses. The 542 fisherman purchasing multiple 7-day licenses totaled 1,344 licenses. Under HB 143 we assume a majority of these fishermen will now purchase an annual license.

We are also estimating 15% of commercial crewmembers who initially purchase a 7-day license and then later decide to purchase an annual license will request a \$30 refund from Fish and Game. 15% of 542 fishermen is 81 refunds of \$30, for a total of \$2430.

2012 Actual Sales	# Sold	Fee	Gross Sales
Annual Resident Crewmember	10,777	\$60	\$646,620
Annual NR Crewmember	10,158	\$250	\$2,539,500
Resident Child Crewmember	378	\$5	\$1,890
NR Child Crewmember	17	\$195	\$3,315
Resident 7-day Crewmember	443	\$30	\$13,290
NR 7-day Crewmember	2,317	\$30	<u>\$69,510</u>
Total	24,090		\$3,274,125

Projected Sales under HB 143	# Sold	Fee	Gross Sales
Annual Resident Crewmember	10,777	\$60	\$646,620
Annual NR Crewmember	10,700	\$250	\$2,675,000
Resident Child Crewmember	378	\$5	\$1,890
NR Child Crewmember	17	\$195	\$3,315
Resident 7-day Crewmember	443	\$30	\$13,290
NR 7-day Crewmember	973	\$30	<u>\$29,190</u>
Total	23,288		\$3,369,305

Difference (Increase)

Annual Non resident Crewmember	\$135,500
Non resident 7-day Crewmember	<u>-\$40,320</u>
Sub Total	\$95,180
Refunds	<u>-\$2,430</u>
Total	\$92,750

FISCAL NOTE ANALYSIS

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Analysis Continued

Per statute AS 23.35.060 2(d), the Fishermen's Fund receives 39% of the value of each commercial crew license sold up to a maximum value of \$50. The additional \$95,180 annual revenue in commercial crew license sales would potentially contribute up to \$11,400 additional revenue for the Fishermen's Fund.

Contractual expenditures reflect license vendor compensation for crewmember licenses calculated at 10% of gross sales. $\$95,180 \times 10\% = \$9.5k$.

With an effective date of January 1, 2015, we assume an increase of 15% of revenue and related expenditures for the second half of FY2015. This percentage is based on the 2012 purchasing behavior of our commercial crew members who bought a 7-day crew member license throughout the fishing season.

Any regulations needed to implement the refund will be completed by the effective date of HB 143.