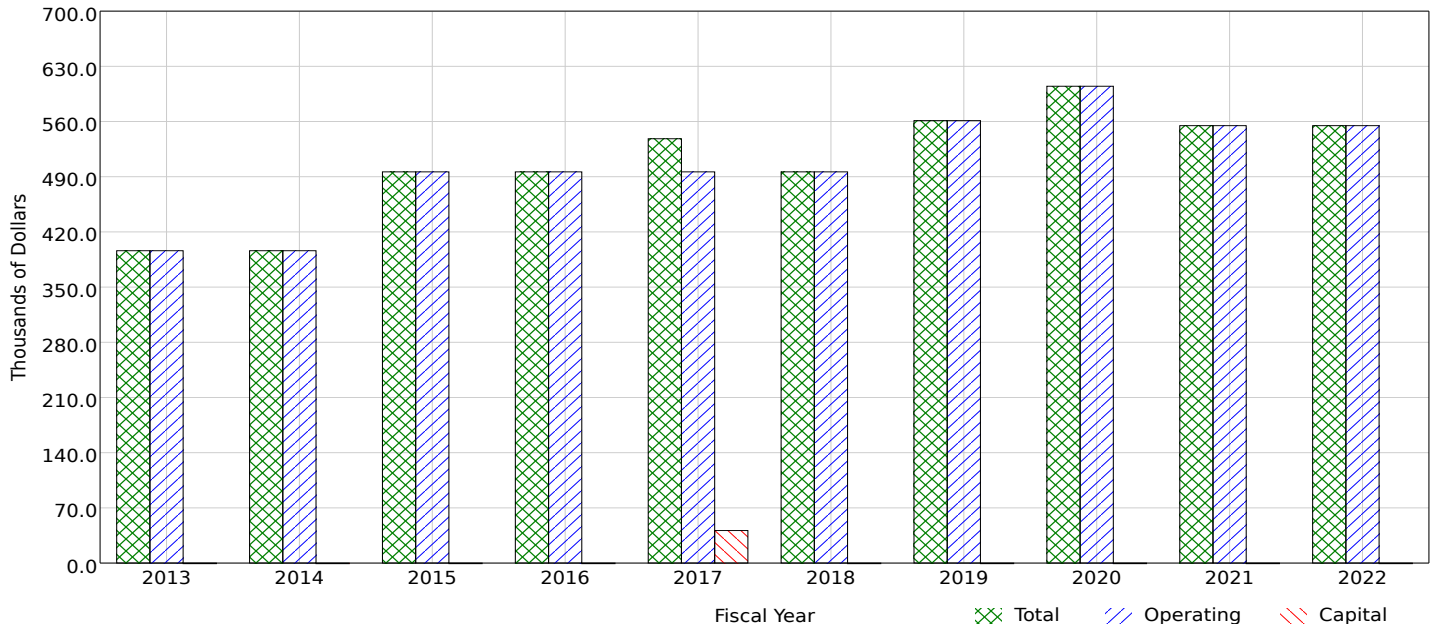


Fund Source Report

1216 Boat Rcpts Boat Registration Fees

| | | | | | |
|-------------------------|-----------------------|----------------|----------------------|-------------------|----------------------------------|
| Year Authorized 2011 | Year Repealed FY13 | Active? Yes | Mental Health? No | Duplicated? No | Fund Group Designated General |
|-------------------------|-----------------------|----------------|----------------------|-------------------|----------------------------------|

Operating and Capital Appropriations



Legal Authority

AS 05.25.096, AS 37.05.146(c)(43)

Source of Revenue

Registration fees for boats, as specified in AS 05.25.096.

Restrictions on Use

The estimated balance of the boat registration account may be used to make appropriations to the Department of Natural Resources and the Department of Administration to carry out the purposes of AS 05.25.

Description and History

AS 05.25 established boat registration and boater safety programs in FY01, with a repealer clause triggered by loss of federal funding for a statewide boating and safety education program. Fund code 1216 was established in FY11 to track boat registration fees collected under AS 05.25.096.

The federal funding referenced by the repealer clause comes through the federal Sport Fish Restoration and Boating Trust. Although a boat registration program is a prerequisite for federal funding, there are no federal restrictions regarding fee amounts for boat registration or how state boat registration fees may be spent. The lack of federal restrictions means that boat registration receipts are classified as designated general funds rather than as dedicated funds.

Although there is a 50/50 match requirement for federal grants, the source of state funds used to provide matching funds for the four required program components outlined below is not limited to boat registration receipts. Primary annual state matching funds include:

- Approximately \$300,000 in boat registration receipts spent by Department of Natural Resources,
- Approximately \$196,000 in boat registration receipts granted through the Department of Commerce, Community and Economic Development to the Alaska Marine Safety Education Association (AMSEA) for marine safety and first aid training,
- Approximately \$300,000 in Division of Motor Vehicle program receipts to cover costs of registering boats,
- Approximately \$65,000 of unrestricted general funds spent by the Department of Public Safety for marine search and rescue actions, and
- State funded capital expenditures for boat access projects administered by DNR's Design and Construction section.

AS 05.25.096 designates that receipts from boat registration fees be used by the Departments of Administration and Natural Resources to carry out the purposes of AS 05.25. The Department of Administration (DOA) takes none of the boat registration fees, instead using regular vehicle registration fees to operate the boat registration program. The Department of Natural Resources uses boat registration fees to operate boating

Fund Source Report

programs.

On May 11, 2000, when the Alaska Boating Safety Act (AS 05.25) was signed into law, boat registration responsibilities were transferred from the U.S. Coast Guard to the State. Upon adoption of AS 05.25, Alaska qualified for a full share of federal grant funds available for state boating programs. As a condition of qualifying for the grant, the State must provide specific program functions including:

- (1) a federally approved boat registration system,
- (2) sufficient patrol and other activity to ensure adequate enforcement of state boating safety laws,
- (3) an adequate State boating safety education program, and
- (4) a system, approved by the Secretary, for reporting accidents.

Additional Department of Natural Resources responsibilities funded under AS 05.25 include:

cooperating with other state and federal agencies to provide boating safety programs statewide, securing benefits available to the State under 46 U.S.C 13101-13110 and taking actions necessary to continue to qualify for federal grant funding, providing support to the Alaska Boating Safety Advisory Council, administering Alaska's boat accident and casualty reporting system with Dept of Public Safety, and promoting uniformity of laws relating to boating safety.

Note that use of code 1216 to provide a grant through the Department of Commerce, Community and Economic Development is not a use designated by statute. Legislative Finance recommends that the statutory uses of boat registration receipts be broadened.