Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version: HB 64
Fiscal Note Number:
() Publish Date:

Identifier: HB064-DOR-TAX-3-26-21
Title: FISHERY DEVELOPMENT ASSOC.; ASSESSMENTS
Sponsor: STUTES
Requester: (H) FISHERIES

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

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

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2022**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**FY 2026**	**FY 2027**
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**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None	***		***	***	***	***	***
Total	*******	**0.0**	*******	*******	*******	*******	*******

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) 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? No

If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Tax Division	Date:	03/26/2021
Approved By:	Brian Fechter, Administrative Services Director	Date:	03/26/21
Agency:	Department of Revenue		

FISCAL NOTE ANALYSIS

STATE OF ALASKA **BILL NO.** HB 64
2021 LEGISLATIVE SESSION

Analysis

Background
This bill would add a sixth program to the Alaska Department of Revenue, Tax Division's (Department) roster of seafood assessment and tax programs, to be managed similarly to the other five programs. This bill provides for the creation and termination of new regional fisheries development associations for the purpose of developing commercial fishery resources. This bill also establishes a framework to create or terminate developing fishery management assessments to fund the associations. The rates for these assessments will be determined by a vote of the appropriate association. The association will also vote on what resources are subject to the assessment.

Revenue generated by the new fishery development assessments would be collected by the Department and deposited into the state treasury and accounted for separately. Program receipts are tracked using fund code 1261 shared taxes (DGF). The revenue is treated as restricted in that it is intended to be appropriated to the Department of Fish and Game for funding of the qualified regional fishery development association in the developing fishery area in which the assessment was collected. Appropriations from the account are not made from Unrestricted General Funds.

Revenue Impact
The revenue impact of this bill is indeterminate.

Revenue generation is dependent on the creation of developing fishery associations and related assessments, the rate of the assessment, the resources subject to the assessment, and the success of the fishery producing those resources. All revenue would be considered Other Restricted in that it would be intended for appropriation back to the relevant development associations.

Implementation Cost
This legislation would not require the Department to make material changes to its Tax Revenue Management System (TRMS). Therefore, there would be no cost to the Department for implementation. After the implementation of the changes, this legislation would cause a small additional administrative burden on the Department.

Resources required to implement this bill would include staff time to collect and administer the new assessment and to update Revenue Online for the common property reporting, and other miscellaneous costs when applicable. These costs will be absorbed by the Tax Division using existing resources.