

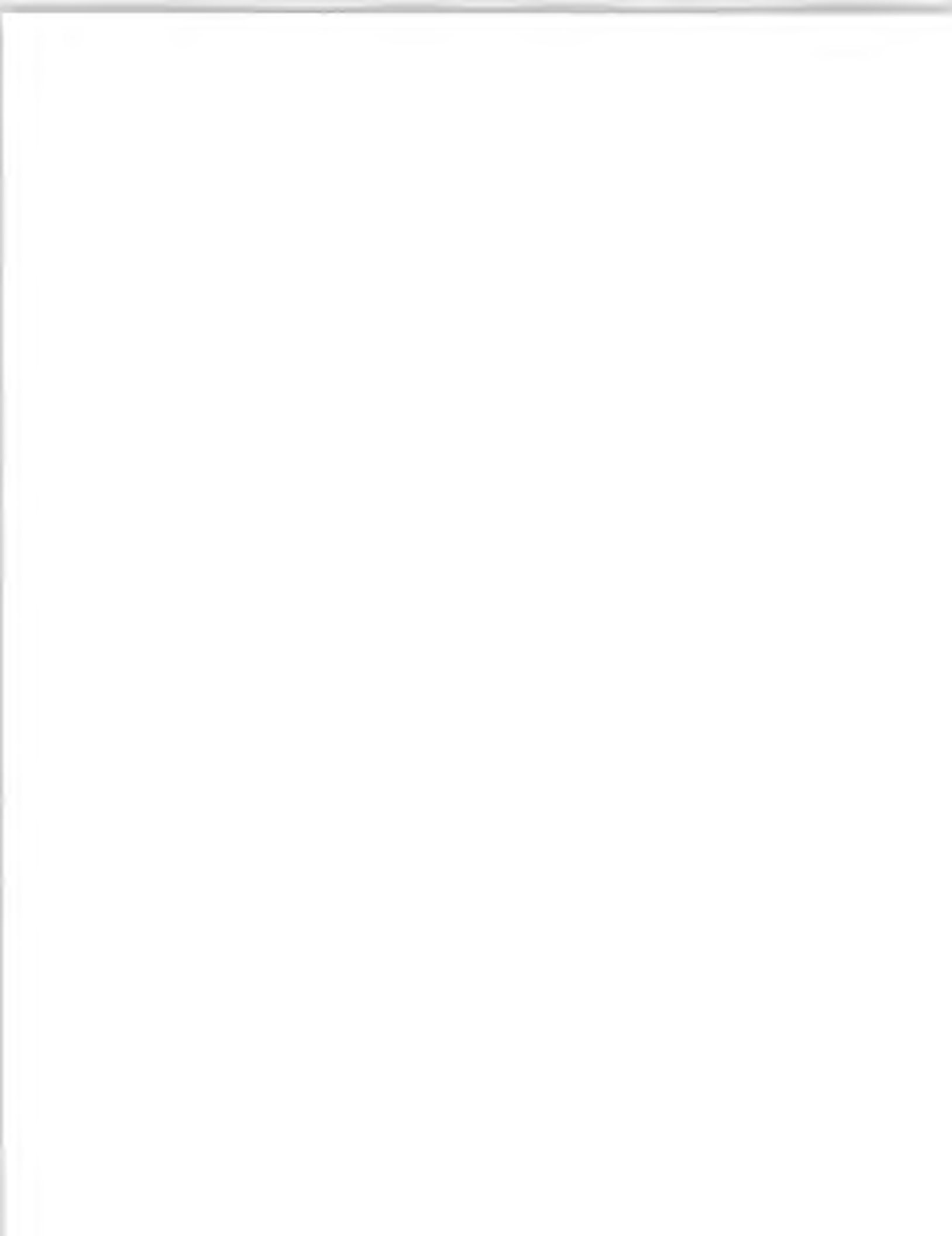
CS HB 80 (FSH)

Friendly/conceptual amendment to Amendment 1

Offered by Rep. Ortiz in HFin 4/20/21

Strike lines 5-8

On line 13: strike "each facility" and replace with "the Southeast region hatchery facilities, William Jack Hernandez Hatchery, Ruth Burnett Hatchery,"



Good afternoon,

Per your request, below are the number of sport fishing licenses sold by region based on location of vendor from 2006-2018 (Table 1 a-c). Online sales cannot be allocated to a region because of how the transaction occurs. Therefore, the division used the average historical regional percentage (2000-2005) to reallocate the online sales to a region with the assumption that purchasing patterns remained relatively the same. The time period is prior to the onset of the large increase in online sales which is currently over 30%.

There are two assumptions associated with information in Tables 1 and 2 below.

1. Using the location of the vendor to allocate sales to a region assumes that the purchaser of a sport fishing license will fish near that location and/or stay within that region and will not fish in another region which we know isn't always the case.
2. We assume that the purchasing pattern during the pre-online sales era of 2000-2005 remained consistent across the years

Table 1a. Number of sport fishing licenses sold by region in 2014-2018.

Vendor Region	2018	2017	2016	2015	2014
ADFG Online Store	147,168	124,122	103,526	87,737	96,044
Region I - Southeast	96,931	93,761	95,269	97,610	95,136
Region II - Southcentral	199,863	203,787	229,714	237,890	226,982
Region III - Interior	35,999	32,151	36,378	36,853	32,839
*Outside Alaska	3,230	3,058	3,292	3,073	9,324
Total Quantity of Licenses Issued	483,191	456,879	468,179	463,163	460,325

Table 1b. Number of sport fishing licenses sold by region in 2014-2018 by reallocating online sales to region based on historical percentage from 2000-2005 prior to large increase of online sales.

Vendor Region	2018	2017	2016	2015	2014
ADFG Online Store	0	0	0	0	0
Region I - Southeast	135,195	126,033	122,186	120,422	120,107
Region II - Southcentral	289,635	279,501	292,865	291,410	285,569
Region III - Interior	49,244	43,322	45,695	44,749	41,483
*Outside Alaska	9,117	8,023	7,433	6,582	13,166
Total	483,191	456,879	468,179	463,163	460,325

Table 1c. Percent of sport fishing licenses based on numbers shown in Table 1a.

Vendor Region	2018	2017	2016	2015	2014
ADFG Online Store	0%	0%	0%	0%	0%
Region I - Southeast	28%	28%	26%	26%	26%
Region II - Southcentral	60%	61%	63%	63%	62%
Region III - Interior	10%	9%	10%	10%	9%
*Outside Alaska	2%	2%	2%	1%	3%
Total	100%	100%	100%	100%	100%

Based on the above license sales numbers, Table 2 a-c shows the hatchery facility surcharge revenue collected and the reallocation to regions based on the 2000-2005 averages.

Table 2a. Surcharge revenue collected from sport fishing license sales in 2014-2018.

Vendor Region	2018	2017	2016	2015	2014
ADFG Online Store	\$2,197,286.00	\$2,017,515.00	\$1,752,715.00	\$1,526,297.00	\$1,223,522.00
Region I - Southeast	\$1,329,821.00	\$1,360,052.00	\$1,475,626.00	\$1,438,707.00	\$1,396,863.00
Region II - Southcentral	\$2,712,341.00	\$2,870,674.00	\$3,149,105.00	\$3,285,152.00	\$3,264,707.00
Region III - Interior	\$360,283.00	\$370,018.00	\$433,779.00	\$421,047.00	\$404,396.00
*Outside Alaska	\$75,691.00	\$72,620.00	\$75,519.00	\$72,658.00	\$110,922.00
Total Quantity of Licenses Issued	\$6,675,422.00	\$6,690,879.00	\$6,886,744.00	\$6,743,861.00	\$6,400,410.00

Table 2b. Surcharge revenue generated by region in 2014-2018 by reallocating online sales to region based on historical percentage from 2000-2005 prior to large increase of online sales.

Vendor Region	2018	2017	2016	2015	2014
ADFG Online Store	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Region I - Southeast	\$1,901,115.36	\$1,884,605.90	\$1,931,331.90	\$1,835,544.22	\$1,714,978.72
Region II - Southcentral	\$4,052,685.46	\$4,101,358.15	\$4,218,261.15	\$4,216,193.17	\$4,011,055.42
Region III - Interior	\$558,038.74	\$551,594.35	\$591,523.35	\$558,413.73	\$514,512.98
*Outside Alaska	\$163,582.44	\$153,320.60	\$145,627.60	\$133,709.88	\$159,862.88
Total	\$6,675,422.00	\$6,690,879.00	\$6,886,744.00	\$6,743,861.00	\$6,400,410.00

Table 2c. Percent of facility surcharge generated based on numbers shown in Table 2b.

Vendor Region	2018	2017	2016	2015	2014
ADFG Online Store	0%	0%	0%	0%	0%
Region I - Southeast	28%	28%	28%	27%	27%
Region II - Southcentral	61%	61%	61%	63%	63%
Region III - Interior	8%	8%	9%	8%	8%
*Outside Alaska	2%	2%	2%	2%	2%
Total	100%	100%	100%	100%	100%

Using the above method includes the before mentioned assumptions. For comparison, the division assessed the number of angler days fished as reported on the Statewide Harvest Survey, which is an accounting of where an angler participated in a fishery and can be truly allocated to a region. See Table 3. The percentages are nearly identical to using the reallocation method for licenses sold online to a region.

Table 3. Angler-days fished as reported in the Statewide Harvest Survey for 2014-2018 and expressed as a percentage.

Region Fished	2018	2017	2016	2015	2014
Region I - Southeast	27%	28%	26%	27%	24%
Region II - Southcentral	66%	65%	66%	66%	68%
Region III - Interior	7%	7%	8%	7%	8%
	100%	100%	100%	100%	100%

* San Antonio, TX is Tesoro's headquarters office. The headquarters office distributes to 30 stores throughout Alaska.

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