

# Fiscal Note

State of Alaska  
2023 Legislative Session

Bill Version: HB 19  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB019-DFG-CFEC-1-28-23  
Title: REGISTRATION OF BOATS: EXEMPTION  
Sponsor: STUTES  
Requester: (H)Fisheries

Department: Department of Fish and Game  
Appropriation: Commercial Fisheries  
Allocation: Commercial Fisheries Entry Commission  
OMB Component Number: 471

## Expenditures/Revenues

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

(Thousands of Dollars)

	FY2024 Appropriation Requested	Included in Governor's FY2024 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2024	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

1216 Boat Rcpts (DGF)	12.5		25.0	37.6	37.6	37.6	37.6
<b>Total</b>	<b>12.5</b>	<b>0.0</b>	<b>25.0</b>	<b>37.6</b>	<b>37.6</b>	<b>37.6</b>	<b>37.6</b>

**Estimated SUPPLEMENTAL (FY2023) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2024) 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If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Approved By: Glenn Haight, Commissioner  
Agency: Commercial Fisheries Entry Commission

Phone: (907)790-6942  
Date: 01/28/2023 09:00 AM  
Date: 01/28/23

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2023 LEGISLATIVE SESSION

BILL NO. HB19

### Analysis

Harbors and state waters are littered with derelict vessels and finding owners can prove difficult at times for harbor masters and appropriate law enforcement. In 2018, the Alaska State Legislature passed the Derelict Vessels Act (SB92) which put stronger tracing controls on boats plying Alaska waters. The legislation inadvertently required vessels with a valid certificate of documentation with the United States Coast Guard to register with the Division of Motor Vehicles (DMV). However, commercial fishing vessels are registered with the Alaska Commercial Fisheries Entry Commission (CFEC), and CFEC can help track down owners if necessary. The original bill created a duplicative registration requirement. This legislation does away with the duplicative registration but maintains a small \$8 fee on these vessels. The fees will go to the Department of Administration in part to help fund the Derelict Vessel Prevention Program fund established in AS 30.30.096. CFEC estimates the number of vessels at 4,700 annually.

Due to different registration rules, DMV collects fees for three years while CFEC collects fees annually. This legislation allows for a transition period for commercial fishing vessels that paid DMV for the three-year registration in 2022 to have their fees waived for 2024. For those vessels registered in 2023, fees will be waived for 2024 and 2025. This fiscal note projects the level of revenue by assuming a third of the projected annual total of \$37.6 will accrue in 2024, growing to two-thirds of that total in 2025 and finding a steady level by 2026.

CFEC will need to set up initial accounting controls, ask for proof of payment from vessel owners in the first two years of the transition, and make annual transfers to the Department of Administration similar to current transfers to the Department of Labor and Workforce Development for the Fishermen's Fund. The work increase is not significant and can be managed within current staff.