

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version:	SCS CSHB 41(FIN)
Fiscal Note Number:	4
(S) Publish Date:	4/17/2016

Identifier: CSHB041SCS(FIN)-DFG-SF-4-16-16  
 Title: SPORT FISHING SERVICES  
 Sponsor: TILTON, MUNOZ  
 Requester: Senate Finance Committee

Department: Department of Fish and Game  
 Appropriation: Sport Fisheries  
 Allocation: Sport Fisheries  
 OMB Component Number: 464

**Expenditures/Revenues**

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

	FY2017	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2017 Request	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>OPERATING EXPENDITURES</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Personal Services	39.8		52.9	13.1				
Travel	1.9		2.5	0.6				
Services	8.1		10.8	2.7				
Commodities	2.1		3.0	0.9				
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>51.9</b>	<b>0.0</b>	<b>69.2</b>	<b>17.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

1024 Fish/Game	51.9		69.2	17.3				
<b>Total</b>	<b>51.9</b>	<b>0.0</b>	<b>69.2</b>	<b>17.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
Part-time								
Temporary								

<b>Change in Revenues</b>	174.2	0.0	197.9	23.7	0.0	0.0	0.0
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**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2017) cost:** 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 If yes, by what date are the regulations to be adopted, amended or repealed? **03/31/17**

**Why this fiscal note differs from previous version:**

Reflects change in sunset date from five to two years, licensing for salt water sport fishing operators and guides only, and removes reporting costs.

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 Approved By: Kevin Brooks, Deputy Commissioner  
 Agency: Fish and Game

REPORTED OUT OF  
SFC 04/17/2016

Phone: (907)267-2150  
 Date: 04/16/2016 03:00 PM  
 Date: 04/16/16

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

## Analysis

House Bill 41 reinstates licensing (salt water only) and vessel registration requirements for fishing guides and fishing service operators that were in place until December 31, 2014. Under the revised bill, the Division of Sport Fish will: register all vessels used in guided sport fishing trips; issue identifying decals for those vessels, and; license all salt water sport fishing operators and guides. Reporting and fresh water licensing are no longer required by the bill. Sport fishing operators and guides are currently required to fulfill reporting requirements, in addition to operator and guide registration and vessel registration requirements, by regulation. The department issues logbooks to all sport fishing operators for recording harvest and effort data; compiles and analyzes logbook data; and publishes an annual report on vessel registration, operator and guide registration, and logbook activity.

**Expenditures:**

This fiscal note assumes a January 1, 2017 implementation date, and a program sunset date of December 31, 2018. The estimated cost associated with the revised bill, including operator and guide licensing and vessel registration, is \$69.2 per year. Personnel costs include one Program Coordinator for one month (\$12.6), one Program Technician for 6 months (\$35.4), and one Office Assistant for one month (\$4.9). Additional costs include travel to guide meetings (\$2.5), contractual costs for vessel registration decals, card stock for licenses, printing and mailing license forms (\$10.8), and miscellaneous business and IT supplies to support the program (\$3.0).

There are additional costs associated with the salt water portion of the regulatory reporting program. These include additional personnel costs for positions above as follows: Program Coordinator (5 mm; \$61.3) and Program Technician (1 mm; \$7.3); and four Office Assistants (18 mm; \$105.8). Other reporting program costs include: travel (\$3.0); contractual costs for printing logbooks (\$25.2); and supplies (\$2.0); for a total of \$204.6. When added together with the licensing and registration costs of this bill (\$69.2), the total cost of the program is \$273.8. Revenue generated by this bill will cover program costs associated with salt water licensing and vessel registration, but will not fully cover the costs of reporting.

**Revenue:**

The bill contains fees of \$200 for a (salt water) sport fishing operator license and \$100 for a (salt water) sport fishing guide license. Combination sport fishing operator and guide pay a (combined) fee of \$200. Licenses will be issued on a calendar year basis. Based on past practices, approximately 12% of fee revenue for a given fiscal year would be collected July through December, and 88% from January through June.

Based on licensing data from 2012-2014, the most recent three years during which sport fishing operators and guides were required to be licensed, we estimate that approximately 646 salt water sport fishing operators and combination sport fishing operator and guides, and 687 salt water sport fishing guides will obtain licenses in 2017. We would expect the fees to generate approximately \$197.9 in annual revenue. We estimate \$174.2 (88% of the annual amount) in revenue for FY2017 and \$23.7 (12% of the annual amount) in revenue for FY2019, during the final six months of the program prior to sunset on December 31, 2018.