

# Fiscal Note

State of Alaska  
2015 Legislative Session

Bill Version:	CSHB 112(FSH)
Fiscal Note Number:	2
(H) Publish Date:	3/27/2015

Identifier: HB112-DFG-CFED-03-15-15  
 Title: REPEAL CFEC; TRANSFER FUNCTIONS TO ADFG  
 Sponsor: STUTES  
 Requester: House Special Committee on 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)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates					
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>OPERATING EXPENDITURES</b>								
Personal Services	3,359.3		3,359.3	3,359.3	3,359.3	3,359.3	3,359.3	3,359.3
Travel	45.0		45.0	45.0	45.0	45.0	45.0	45.0
Services	650.9		650.9	650.9	650.9	650.9	650.9	650.9
Commodities	99.1		99.1	99.1	99.1	99.1	99.1	99.1
Capital Outlay	15.0		15.0	15.0	15.0	15.0	15.0	15.0
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>4,169.3</b>	<b>0.0</b>	<b>4,169.3</b>	<b>4,169.3</b>	<b>4,169.3</b>	<b>4,169.3</b>	<b>4,169.3</b>	<b>4,169.3</b>

## Fund Source (Operating Only)

1005 GF/Prgm	4,169.3		4,169.3	4,169.3	4,169.3	4,169.3	4,169.3
<b>Total</b>	<b>4,169.3</b>	<b>0.0</b>	<b>4,169.3</b>	<b>4,169.3</b>	<b>4,169.3</b>	<b>4,169.3</b>	<b>4,169.3</b>

## Positions

Full-time	25.0		25.0	25.0	25.0	25.0	25.0
Part-time	3.0		3.0	3.0	3.0	3.0	3.0
Temporary							

Change in Revenues							

**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2016) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/16

## Why this fiscal note differs from previous version:

Initial fiscal note.

Prepared By:	Carol A. Petraborg, Division Operations Manager	Phone:	(907)465-6077
Division:	Administrative Services Division	Date:	03/05/2015 08:00 AM
Approved By:	Sunny Haight, Administrative Services Director	Date:	03/15/15
Agency:	Fish and Game		

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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Analysis

House Bill 112 repeals the Alaska Commercial Fisheries Entry Commission (CFEC) and transfers its duties, responsibilities, and employees to a newly created Commercial Fisheries Entry Division established within the Department of Fish and Game (ADF&G).

While the general staffing structure remains unchanged by the bill, the three Commissioner positions that were created in AS16.43.020 are deleted. The division will maintain 25 full-time and 3 part-time positions.

This analysis assumes that with the elimination of the Commissioners, a new Division Director will be hired by the Commissioner of ADF&G. Initial appeals of transfers and other miscellaneous cases would continue to be handled by division staff. Subsequent appeals and other adjudicatory functions will transfer to the Office of Administrative Hearings (OAH) within the Department of Administration, requiring the Commercial Fisheries Entry Division to transfer funds via Reimbursable Services Agreement (RSA) to OAH. Based on CFEC's appeal rates over the last two years, OAH estimates an increased workload of approximately 375 billable hours in the first year at a rate of \$165 per hour, and 275 billable hours in subsequent years.

Positions Deleted

11-3008, Commissioner, CFEC - (\$209.0)  
 11-3034, Commissioner, CFEC - (\$195.9)  
 11-3035, Commissioner, CFEC - (\$209.0)  
 (\$613.9)

Position Added

Division Director, Range 27/F - \$189.6

The total transfer outlined below is based on FY2016 Governor Amended budget, a reduction of \$613.9 for the deletion of three Commissioners, the addition of one Division Director at \$189.6, and a transfer of \$61.9 from Personal Services to Services for the adjudications RSA.

Total transfer by line item:

Personal Services	\$3,359.3
Travel	\$ 45.0
Services	\$ 650.9
Commodities	\$ 99.1
Equipment	\$ 15.0
<b>TOTAL</b>	<b>\$4,169.3</b>

Potential savings in operating costs will be determined as the functions between the two entities are reviewed and efficiencies identified.

In consultation with OMB and the Legislative Finance Division we have to match the House structure at this time and cannot change "commission" to "division" with an active allocation. This will be flagged in the Legislative Finance Division's review to modify if the legislature adopts the bill.