

# Fiscal Note

State of Alaska  
2020 Legislative Session

Bill Version:	CSHB 185(FIN)
Fiscal Note Number:	4
(H) Publish Date:	3/16/2020

Identifier: HB185CS(TRA)-DFG-CFEC-03-15-20  
 Title: REGISTRATION OF BOATS: EXEMPTION  
 Sponsor: STUTES  
 Requester: (H) FINANCE

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)

	FY2021	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2021 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
<b>OPERATING EXPENDITURES</b>	<b>FY 2021</b>	<b>FY 2021</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
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>	<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>	<b>0.0</b>

## Positions

Full-time								
Part-time								
Temporary								

## Change in Revenues

1216 Boat Rcpts (DGF)	13.8		49.0	49.0	70.5	70.5	70.5
<b>Total</b>	<b>13.8</b>	<b>0.0</b>	<b>49.0</b>	<b>49.0</b>	<b>70.5</b>	<b>70.5</b>	<b>70.5</b>

**Estimated SUPPLEMENTAL (FY2020) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2021) 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 If yes, by what date are the regulations to be adopted, amended or repealed?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:

Updated to reflect amendment which allows those vessel owners who paid a \$24 three-year boat registration fee to Department of Administration Division of Motor Vehicles (DMV) in 2019 or 2020 to receive a waiver from a new \$8 annual fee for one or two years, in order to avoid overpayment.

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 Division: Commercial Fisheries Entry Commission  
 Approved By: Dayna Mackey, Administrative Services Director  
 Agency: Office of Management & Budget

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## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2020 LEGISLATIVE SESSION

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**Analysis**

This legislation removes duplicative registration and numbering requirements for active commercial fishing, tender, and processing vessels, by allowing certain vessels licensed by Commercial Fisheries Entry Commission (CFEC) to bypass additional DMV registration requirements. The proposed effective date of this legislation is January 1, 2021.

HB 185 adds an \$8 annual assessment to all CFEC vessel license fees; the fee would be collected and accounted for as provided in AS 05.25.096(b). CFEC licensed 8,806 vessels in 2019. Based on recent year trends, CFEC estimates revenues from the assessment will be roughly \$70,500 per year.

During calendar years 2019 and 2020, some commercial vessel operators were charged a three-year registration fee of \$24. To avoid over-payment when the new \$8 annual fee is imposed, this legislation will allow CFEC to waive fees, for one to two years, for those commercial vessel operators who previously paid the three-year fee. CFEC will not know how many fishermen are affected until after December 31, 2020. This, combined with the fact that the number of vessels licensed by CFEC varies each year, makes it difficult to accurately estimate revenue for fiscal years 2021, 2022, and 2023, when the waivers will be in place.

For this analysis, CFEC used the \$21,500 from DMV's 3/12/20 fiscal note as the waiver amount, in order to estimate program receipts for fiscal years 2021, 2022, and 2023. Since this legislation will not be implemented until January 1, 2021, FY2021 includes only one half of the year's estimated revenue, minus the \$21,500. From FY2024 on, CFEC estimates revenue for this program at \$70,500 per year.

CFEC anticipates minimal additional expense to the agency as a result of this legislation.