

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	SCS CSHB 19(FIN)
Fiscal Note Number:	10
(S) Publish Date:	5/12/2024

Identifier: HB019SCSCS(FIN)-DNR-DMLW-05-11-24
 Title: REGISTRATION OF BOATS: EXEMPTION
 Sponsor: STUTES
 Requester: (S)FIN

Department: Department of Natural Resources
 Appropriation: Fire Suppression, Land & Water Resources
 Allocation: Mining, Land & Water
 OMB Component Number: 3002

Expenditures/Revenues

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

	FY2025	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2025 Request	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes
(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 If yes, by what date are the regulations to be adopted, amended or repealed?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 from analysis to reflect SCS CSHB 19(FIN) repeal of derelict vessel prevention program fund.

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 Agency: Natural Resources

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REPORTED OUT OF
SFC 05/11/2024

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

Analysis

This bill removes the requirement for commercial fishing vessels with US Coast Guard (USCG) documentation and a license issued under Title 16 to register under AS 05.25.055.

This change will result in a minimal administrative impact on the Department of Natural Resources (DNR). DNR's Abandoned and Derelict Vessel (ADV) Program contacts vessel owners if their vessel becomes an ADV. To find and verify ownership information staff contact the Division of Motor Vehicles (DMV) to obtain registration information. By removing the DMV registration requirement for commercial fishing vessels, the ADV Program would have to obtain ownership information through the CFEC. If the vessel is not up to date with CFEC licensing, and not yet registered with the DMV, the ADV Program would have to verify the ownership information through Coast Guard documentation at a cost of \$25. Though more cumbersome for determining the legal owner as defined by AS 30.30.170(4), few vessels become abandoned and derelict therefore the Department anticipates minimal fiscal impact for verifying ownership and does not request any additional funding for that purpose.

The bill also repeals the Derelict Vessel Prevention Program Fund under AS 30.30.096. The Derelict Vessel Prevention Program Fund is recharged by vessel owners and can be utilized by the Department without further appropriation. The repeal of the fund will hinder the Department's ability to fund the remediation and removal of the large number of ADVs on state and municipal lands. State land holds more than 350 documented ADVs and many more undocumented cases. Many vessels become derelict by sinking or grounding, often causing a fuel spill. When a responsible party fails to control a spill, the USCG uses the Oil Spill Liability Trust Fund (OSLTF) to hire a contractor to respond. The OSLTF does not allow the USCG to pay for the removal and disposal of vessels. However, the ability to use the Derelict Vessel Prevention Program Fund would allow DNR to capitalize on the USCG mobilization of resources by hiring the same contractor to dispose of the vessel.

The repeal of the fund would require DNR to annually request capital funding to remediate vessels abandoned on state lands which leads to direct competition with other important state projects. The funds would also no longer be available for distribution to municipalities for the cost of ADV remediation and could lead to increased future costs for the Department.