

# Fiscal Note

State of Alaska  
2024 Legislative Session

Bill Version:	CSHB 19(FIN)
Fiscal Note Number:	7
(H) Publish Date:	4/26/2024

Identifier: HB019-DFG-CFEC-03-15-24  
 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)

	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
<b>OPERATING EXPENDITURES</b>	<b>FY 2025</b>	<b>FY 2025</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</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)	25.0		37.6	37.6	37.6	37.6	37.6	37.6
<b>Total</b>	<b>25.0</b>	<b>0.0</b>	<b>37.6</b>	<b>37.6</b>	<b>37.6</b>	<b>37.6</b>	<b>37.6</b>	<b>37.6</b>

**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?** 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 If yes, by what date are the regulations to be adopted, amended or repealed?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 from SLA2023 to SLA2024 fiscal note template.

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

Phone: (907)790-6942  
 Date: 03/15/2024 02:00 PM  
 Date: 03/15/24

REPORTED OUT OF  
HFC 04/25/2024  
Control Code: AiNHq

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2024 LEGISLATIVE SESSION**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.