

HB

151

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3416

REGISTRATION FEE - LOG BRANDS

YEAR	NO. OF BRANDS	COST *	@ \$5 ACTUAL REV. REC'D	REVENUE THAT WOULD BE REC'D	
				@ \$10	@ \$15
1971	49	\$ 735	\$245	490	735
1972	39	585	195	390	585
1973	67	1005	335	670	1005

* Estimated that three hours are expended to register a brand.

Average cost per hour \$5

For 1971 49 brands times 3 hours
times \$5/hour cost \$735
For the year - Revenue received
at \$5 registration fee
equaled \$245.

Statute as it will read following amendment:

Sec. 45.50.300. REGISTRATION AS CONSTRUCTIVE NOTICE. Registration by the department and filing for record in the department's files of a true copy of the certificate of registration or the transfer instrument (RECORDS OF THE RECORDING DISTRICT) is (ARE) constructive notice of the ownership of the brand (AND OF TRANSFERS OF IT).

Statute presently reads:

Sec. 45.50.325. DEFINITIONS. In secs. 210 - 325 of this chapter

- (1) "brand" includes mark or other designation which has been registered with the department;
- (2) "department" means the Department of Natural Resources;
- (3) "timber property" means logs, pilings, poles, other timbers, boom sticks and boom chains.

Statute as it will read following amendment:

Sec. 45.50.325. DEFINITIONS. In secs. 210 - 325 of this chapter

- (1) "brand" includes mark or other designation which has been registered with the department;
- (2) "commissioner" means the commissioner of the Department of Natural Resources;
- (3) "department" means the Department of Natural Resources;
- (4) "timber property" means logs, pilings, poles, other timbers, boom sticks, and boom chains.

Justification for amendments:

The two principal reasons for the proposed amendments are: (1) the fee for registration is no longer practical and (2) the requirement to record the certificate of registration in a recording district is unreasonable, burdensome on the brand owner, and serves no worthwhile purpose.

In this writing, there are 234 registered brands of record. In 1971, 46 brands were registered, in 1972, 39 brands were registered. It is estimated that preparation of registration certificates, records maintenance, correspondence, publication of the biennial list of brands, and general administration of the program requires an average of three man hours for each brand registered each year. Using a conservative rate of \$5 per man hour, the cost of the program in 1971 would be \$735 and in 1972, \$535. Revenue for registration fees for the same years is \$245 and \$195 respectively.

We do not necessarily believe that log brand registration should be a money making program, however, the fees charged for registration should at least offset a reasonable amount of the costs incurred by the state. The proposed amendment to sec. 45.50.210(b) provides for a registration fee of \$10. Although this is twice the present fee, which has been in effect since 1955, we believe the increase is both reasonable and justifiable.

No increase is proposed in the fees for registering a transfer of a brand or for furnishing certified copies of registration certificates or transfer instruments. In the two years that this department has been administering log brand registration, we have not received a single request for a transfer or certified copy.

AS 45.50.250 provides that each person holding a registered log brand shall file the certificate of registration or a certified copy of the certificate for record with the recorder of the recording district where the brand will be used. AS 45.50.260 provides for recording in a recording district of the instrument for transfer of brand ownership. AS 45.50.300 provides that filing for record in a recording district is constructive notice of ownership.

In the case of livestock brands, also administered by this Department, it is noted that the law does not require that such brands be recorded in a recording district. AS 03.40.030 provides that livestock brands be recorded by the Commissioner of Natural resources. In the case of motor vehicle registration, AS 23.05.010 requires the Department of Revenue to "observe, administer, and enforce this chapter."

There is no requirement in the statute for recording other than by the Department of Revenue. This implies that the only recording is in the offices of the respective departments.

therefore, it appears that an inconsistency exists between the requirements for recording timber property brands and those for recording livestock brands or automobile ownership. Also, it seems unlikely that very many log brands are recorded as the statutes presently require. The only complete official records of log brand registration and ownership are maintained by this department. Since this department is required by law to register log brands, issue certificates of the registration, and publish a biennial list of all registered brands; such registration and resultant record keeping should constitute ample recording. The only purpose served by recording a brand in a recording district is to record ownership of the brand and therefore, only serves to duplicate the work of this department.

The proposed amendments to AS 45.50 eliminate the requirement for recording in a recording district and instead provide that registration and filing by the Commissioner in the department's files is sufficient recording.

Sec. 45.50.210(a) following amendment would have the words of registration added following certificate in the first line and change previously registered to presently registered in order to clarify the intent of the section. A "previously" registered brand could mean any brand that was ever registered. There is no practical reason for not registering a "previously" registered brand in the name of any person so long as the brand is not now "presently" registered in the name of another person.

The proposed amendment to Sec. 45.50.250 eliminates the requirement to record in a recording district and instead provides for recording in the department's files by the commissioner.

The proposed amendment to Sec. 45.50.260 clarifies transfer of a brand and eliminates the requirement to record transfers in a recording district.

The proposed amendments to Sec. 45.50.270, 280, and 290 contain minor word changes to make the wording consistent between these sections and with other sections.

The proposed amendment to Sec. 45.50.300 eliminates recording in a recording district as constructive notice of ownership of a brand and instead provides that registration by the department is constructive notice of ownership.