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BILL CONTACT/ACTION

DATE	CONTACT/ACTION
3/13	New fiscal note requested - Fish & Game - Jim Myers
3/15	Finance Committee - Chairman of the Board of
	Emerald Fisheries Commission
	Bill held
3/21	First hearing - held over



UNITED FISHERMEN OF ALASKA

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Cass M. Parsons
Executive Director

UNITED FISHERMEN OF ALASKA

RESOLUTION 85-8

WHEREAS the efficient administration of AS 16.43 et seq. (The "Limited Entry Act") is vital to the functioning of the Alaskan fishing industry; and

WHEREAS occasional adjustments to the provisions of the Act, in order to conform the law to the realities faced by the Commercial Fisheries Entry Commission are, from time to time, appropriate and entirely in order; and

WHEREAS Governor Sheffield has introduced legislation which would amend the Limited Entry Act in a number of minor ways which the Commission believes will improve the administration of and help to preserve the Limited Entry Program; and

WHEREAS the proposed legislation is embodied in Senate Bill 83, currently before the Alaska Legislature; and

WHEREAS the proposed legislation will support the interests of those who rely on the Limited Entry Program.

NOW THEREFORE BE IT RESOLVED the Board of Directors of the United Fishermen of Alaska does hereby urge the Alaska Legislature to give prompt and favorable consideration to SB 83.

Cass M. Parsons
Cass M. Parsons
UFA Executive Director

Bob Blake
Robert M. Blake
President

2/19/85
Date

2/19/85
Date

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 1/10/85

REQUEST

Bill/Resolution No.: SB 83
 Title: "An Act amending the Limited Entry Act"
 Sponsor: Governor
 Requestor: Sponsor
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Dept. of Fish & Game
 Program Category Affected: Natural Resource Management
 BRU, Program or Subprogram(s) Affected: Commercial Fisheries Entry Commission

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FI 83	FI 84	FI 85	FI 86	FI 89	FI 90
<u>OPERATING</u>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
<u>CAPITAL</u>	0	0	0	0	0	0
<u>REVENUE</u>	0	17.9	1.7	1.7	1.7	1.7

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

The only section of the bill which would have fiscal impact is section 3, allowing the Commission to charge interest on fee arrearages.

(Analysis on attached page)

Prepared By: Christine Kelly, Licensing Admn. Phone: 465-4081
 Division: Commercial Fisheries Entry Commission Date: 1/10/85

Approved by Commissioner: [Signature] Date: 1-10-85
 Agency: CFEC

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

FISCAL ANALYSIS FOR SEC. 3 - "An Act Amending the Limited Entry Act"

In 1979, the Commission began screening its permit holder data base for potential cases of residency fraud. These efforts are estimated to have yielded 513 actionable cases of residency fraud as of 1984, for which approximately \$189,300 has been assessed. Past experience indicates that the Commission can expect to collect \$113,600 of the total amount outstanding, as some of the permit holders will prevail on their claims and have their records cleared and others will drop out of the fisheries making it unlikely their arrearages will ever be collected. On the average, arrearages are collected 20 months after being assessed due to lengthy due process and adjudicatory proceedings.

Calculated at the legal rate of interest (10.5%) for 18 months (the legislation provides a 60-day grace period) interest on outstanding arrearages which will be collected is estimated at \$17,900. In each subsequent year, the Commission expects to discover about 50 actionable cases of residency fraud among new entrants to the fisheries, for which \$11,700 in arrearages would be collected. Interest on this amount would be \$1,700 annually. Although the legislation would allow the Commission to charge interest on other types of arrearages (such as bad checks) this interest is estimated to be less than \$100 annually.