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205

# HOUSE COMMITTEE REPORT

File

(11)

Date Referred: May 7, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/7/90

The FINANCE Committee considered:

CSSB 205 (RESOURCES)

CS SB NO. 205 (Res)

LEASE OF CERTAIN TIDELAND TO NONRESIDENTS

"An Act relating to the rental fee charged for shore fisheries leases; and providing for an effective date."

RECOMMENDATIONS:

- be replaced with \_\_\_\_\_  the same title
- have attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(s):  
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact \_\_\_\_\_
- zero fiscal note \_\_\_\_\_
- zero with analysis \_\_\_\_\_

- fiscal note(s) 3/5/90 DNR
- zero fiscal note(s) \_\_\_\_\_
- zero fn/analysis \_\_\_\_\_

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not  
Pass      No Rec      Amend

Ronald J. Larson Larson

Kay Wallis Wallis

W. Koponen Koponen

Alan Rieger Rieger

<u>Jay Brown</u> Brown	<input checked="" type="checkbox"/>		
<u>J. Umer</u> Umer	<input checked="" type="checkbox"/>		
<u>R. Barnes</u> Barnes	<input checked="" type="checkbox"/>		

Ronald J. Larson Larson  
Co-Chairman's Signature

STATE OF ALASKA  
1990 LEGISLATIVE SESSION

BILL VERSION : CS SB 205 (Res)  
PUBLISH DATE : 3/5/90

FISCAL NOTE

REQUEST:

Revision Date: 26-Feb-90 Agency Affected: Natural Resources  
Title: An act relating to the lease of certain BRU: Land & Water Mgmt  
tideland to nonresidents of the state.  
Sponsor: Zharoff Components: Land & Water Mgmt  
Requestor: Senate Resources Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL						
REVENUE		210.5	210.5	210.5	210.5	210.5

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This program is run by program receipts. Revenue generated will first be used to fund the program to the authorized program receipts amount. These figures are based on the current CS using \$115.0 for residents in the revenue generating component and 1/5 of the administrative costs for residents.  
See page 2.

Prepared by: Larry Ostrovsky Phone: 465-2400  
Division: Commissioner's Office Date: 26-Feb-90  
Approved by Commissioner: Lonnie Gorsuch Date: 26-Feb-90  
Agency: Department of Natural Resources

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

Changes in CS SB 205 (Res) have no fiscal impact. This fiscal note is appropriate. Projections of no fiscal impact would continue through 1996

*Handwritten signature: Larry Ostrovsky*

February 26, 1990

DEPARTMENT OF NATURAL RESOURCES

SHORE FISH ANNUAL RENT

<u>RESIDENT</u>		<u>NONRESIDENT</u>	
\$ 115	Revenue Generating Component <sup>(1)</sup>	\$ 115	Revenue Generating Component <sup>(1)</sup>
\$ + 40	1/5 of Admin Costs <sup>(2)</sup>	\$ + 200	100% of Admin Costs <sup>(2)</sup>
\$ 155		\$ 315	
x 850	No. of Resident Lessees	x 250	No. of Nonresident Lessees
<u>\$131,750</u>	Revenue Derived from Residents	<u>\$78,750</u>	Revenue Derived from Nonresidents

Revenue Derived From Resident and Nonresident Lease Rent \$210,500

<sup>(1)</sup>Revenue generating component is the same for residents and nonresidents and not discriminatory.

<sup>(2)</sup>Direct administration costs projected for FY 91 to be defrayed by lease rental of 1,100 lessees is \$212,500. Under present rent rate, total revenue derived is \$165,000.

Original sponsor(s): SEN. ZHAROFF

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 205 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the rental fee charged for shore  
7 fisheries leases; and providing for an effective  
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. LEGISLATIVE FINDINGS. The legislature finds that the  
11 residents of the state are responsible for the general financial support of  
12 the programs of state government and that the vast majority of support for  
13 the programs of state government comes from taxes and revenue from state-  
14 owned land. To a large extent, those who are nonresidents of the state do  
15 not financially support the programs of state government that provide  
16 services to both residents and nonresidents within the state. These ser-  
17 vices include the administration of the various state departments and  
18 agencies and their programs and specifically include the management of the  
19 tideland leasing program. While the United States Constitution prevents  
20 the state from discriminating in its delivery of services to nonresidents,  
21 the Constitution does not prevent the state from charging nonresidents a  
22 differential that compensates the state for the costs and expenses that  
23 nonresidents impose on state government.

24 \* Sec. 2. AS 38.05.082(c) is amended to read:

25 (c) A lease for set net fishing may be issued for any period not  
26 exceeding 10 years. If the commissioner determines that the land is  
27 not being utilized for the purpose for which the lease is issued, the  
28 lease may be declared void. The director shall establish and may  
29 revise a [REASONABLE] rental fee for the lease to nonresidents of the  
S

1 state that includes a revenue generating component and [ , EQUAL TO]  
2 the administrative costs involved in processing the leasehold applica-  
3 tions. The director shall establish and may revise a rental fee for  
4 residents of the state that includes a revenue generating component  
5 and one-fifth of the administrative costs involved in processing the  
6 leasehold applications. The revenue generating component of the  
7 rental fee established or revised by the director shall be equal for  
8 residents and nonresidents.

9 \* Sec. 3. This Act takes effect immediately under AS 01.10.070(c).  
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