

SB

265

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: May 2, 1996

FURTHER REFERRALS:

Date of Committee Action: 5/3/96

The FINANCE Committee considered:

CSSB 265(FIN)

CS FOR SENATE BILL NO. 265(FIN)

RECEIPTS OF TEST FISHING OPERATIONS

“An Act relating to the definition of program receipts; and providing for an effective date.”

recommends it be replaced with the following committee substitute CSSB 265(FIN) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal note(s) _____

fiscal note(s) OMB 5/1/96

zero fiscal note(s) _____

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Mark Hanley</i>	Hanley	X			
<i>Don Mulder</i>	Mulder	X			
<i>Terry Martin</i>	Martin			X	
<i>Sean Pannell</i>	Pannell	X			
<i>Vicki Kohring</i>	Kohring			X	
<i>Ben Grussendorf</i>	Grussendorf	X			
<i>Mike Navarre</i>	Navarre	X			
<i>Tom Brown</i>	Brown	X			
<i>Walter Kelly</i>	Kelly			X	
<i>Gene Theriault</i>	Theriault	<i>an</i>		X	

CHAIR'S SIGNATURE *Mark Hanley*
Hanley

FISCAL REPORTED OUT OF HFC

Bill Version: (S) SB 265 (FIN)
(S) Publish Date: 5/1/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: 5/1/96 Dept. Affected: Various Departments
Title: An Act relating to the definition of program receipt and providing for an effective date. BRU:
Sponsor: Senators Zharoff, Taylor Component:
Requester: Senate Finance Committee COMPONENT SERIAL NO.

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
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 EXPENDITURES						
CHANGE IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	(7,731.4)	(7,731.4)	(7,731.4)	(7,731.4)	(7,731.4)	(7,731.4)
1037 GF/Mental Health						
077 Restricted Program Receipts	7,731.4	7,731.4	7,731.4	7,731.4	7,731.4	7,731.4
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill establishes a new fund source under AS 37.05.146. Restricted Program Receipts are defined as "money received by the state from a source other than the state or another government entity under a gift, grant, bequest, or written contract with the state, that by its terms restricts the use of the money ..."

Attached is a spreadsheet that identifies both programs and dollar amounts impacted by this legislation.

Prepared by: Nancy Sagle, Director *Nancy Sagle* Phone: 465-4681
Division: OMB - DBR Date: 5/1/96

Approved by Commissioner: *Annalisa M. Gornell* Date: 5/1/96
Agency: Director, Office of Management & Budget

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Senator Fred F. Zharoff

Alaska State Legislature

In Kodiak: P.O. Box 405, Kodiak, Alaska 99615 (907) 486-5259 (Fax also)

In Juneau: State Capitol, Room 121, Juneau, Alaska 99801-1182

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State Senate District C

Kodiak Island & Rural Southeast Alaska

Sponsor Statement CSSB 265 (FIN)

"An Act relating to the definition of program receipts; and providing for an effective date."

I introduced SB 265 to enhance the ability of the Department of Fish and Game (ADF&G) to successfully manage our complex fisheries. An important tool in their management regime is the utilization of private sector vessels and expertise to conduct test fisheries. These fisheries provide valuable information on such things as the health of fish stocks, the composition of stocks, the timing of fish runs, and the economic condition of our resources.

ADF&G is very limited with regard to vessels and field staff in many areas of the state. As budget constraints continue, it is increasingly difficult for the department to maintain or enhance their management capabilities without a significant cooperative effort with the private sector.

The funds involved in test fisheries are obtained and expended through program receipt authority. Funds from the sales of fish caught in test fisheries are in turn used to pay the cost of the contracts made with fishermen to conduct these types of fisheries in the manner desired by ADF&G.

In the Senate Finance Committee, the bill was amended to incorporate a number of other program receipts that are obtained through contracts with the private sector. The bill provides a definition of these restricted program receipts, and clarifies how they are to be accounted for.

CSSB 265 does not affect the legislature's role in making appropriations to the test fisheries program or the other programs that are identified as utilizing restricted program receipts. The bill recognizes the special relationship of these funds and clarifies their treatment in the budget process.

TEST FISH FUND
STANDARD OPERATING PROCEDURES
DIVISION OF COMMERCIAL FISHERIES
SOP CF-006

The following Standard Operating Procedures must be followed unless otherwise specified in writing by the Director or the Deputy Director for Operations (DDO) of the Division of Commercial Fisheries.

- * The Deputy Director of Operations (DDO) or the DDO's designee shall administer the Test Fish Fund. He or she shall approve all allocations from the fund.
- * The DDO will periodically review the fund's performance, and make whatever changes may be needed to both ensure the integrity of the fund and meet statewide test fish needs.
- * The Headquarters Administrative Officer, under the direction of the DDO, shall establish accounting procedures for the Test Fish Fund, monitor the accounts, and provide reports of the fund's balance and activities when requested.
- * Regional Supervisors are responsible for the proper administration and accounting of Test Fish Fund projects under their jurisdiction. This includes all normal aspects of project review, approval, and reporting, as well as ensuring that proper administrative procedures are followed.
- * Each Regional Supervisor will provide quarterly financial reports on Test Fish Fund projects to the Headquarters Administrative Officer.
- * Each Regional Supervisor shall submit to the DDO, Test Fish Fund budget requests for preparation of fiscal year budgets. The request must include a description of the projects including a justification, funding detail by line item, expected receipts, and a receipt/expenditure history of the project if it has operated in the past.
- * The DDO will evaluate the budget requests, prioritize those that are approved, and submit to the director for inclusion in the division's budget request.
- * Once the budget has passed the Legislature and been signed by the Governor, allocations from the fund will be made. The DDO shall notify each Regional Supervisor that the budget has been approved and what the allocations are for that fiscal year.
- * Once the allocations have been approved, test fish projects can start. Preplanning, up to and including the acceptance of

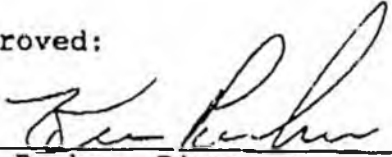
ADF-6 TEST FISH PROCEDURES

bids, can be done before the allocations are approved. Contracts cannot be awarded (an encumbrance against the fund) until the allocations are approved.

- * All standard operating procedures, such as those dealing with bidding, contract awards, and vessel charters, must be adhered to. Pertinent SOPs and guidelines are included in the Test Fish Fund manual.
- * Regional Supervisors are responsible for obtaining Test Fish Fund permit cards from the Commercial Fisheries Entry Commission. This is done directly with the Commercial Fisheries Entry Commission and is required for the sale of fish to processors and buyers. A separate card should be obtained for each project.
- * All fish caught during a test fish project immediately become the property of the state.
- * Project biologists shall do all in their power to ensure that the highest quality product is delivered to the buyer and that the best price is obtained.
- * To maximize the value of the fish and to alleviate any concerns over favoritism, fish sales are to be awarded based on an informal written bid process. An example of a written bid form is included in the Test Fish Manual. Exceptions to this procedure may be made when the fishery was not anticipated, thus not allowing time for a written bid process, or no buyer was selected under the written bid process. In such case a buyer may be selected through an informal solicitation, rotating amongst interested buyers, or selecting a buyer by drawing. For a bid to be valid, the bidder must have a valid Alaska business license at the time the bid is tendered.
- * The project biologist shall ensure that the buyer of the fish has all the required licenses and permits for his or her operation prior to any sale of fish.
- * The project biologist shall obtain receipts for the sale of all fish. Fish tickets shall be used as the receipt and must be imprinted with the proper CFEC card, contain the species, number, and weight of the fish sold, the price paid, and be signed by the seller (department employee making the delivery) and the buyer. If the purchaser of the fish is not a licensed fish buyer or processor, the project biologist shall issue the fish ticket. Payment should be by check made out to the state. Cash payments should be discouraged.
- * Records of all Test Fish Fund related documents must be maintained by the regional offices.

- * The Project Biologist shall track his or her test fish catches and sales to ensure that all payments due to the state are made.
- * All FPOs issued for vessel charters must be submitted to the regional office. A copy of the vessel charter contract must be attached to the FPO.
- * Test Fish resources are credited to a fiscal year based on the delivery date on the fish ticket.

Approved:



Ken Parker, Director
Division of Commercial Fisheries

7/5/90

Date

SENATE FINANCE COMMITTEE
OMB DESIGNATED PROGRAM RECEIPTS - NON-GOVERNMENT CONTRACTS

As of April 30, 1996

Dept	BRU/Component	Description	Type	FY 96	FY 97	Change
				Auth	Amend	
Administration	Information Services	Various information services; including repairs to Kanal TV system	C	55.0	55.0	0.0
Education	AK Voc. Tech. Center	Training classes, under contract, for Cominco employees	C	43.1	91.3	48.2
DEC	Spill Prevent. & Response	Industry funds to mitigate/cleanup pollution at APC facility in Sitka	C	334.9	285.9	(49.0)
DEC	Spill Prevent. & Response	Reimbursable services agreement covering Badami Project	C	130.0	0.0	(130.0)
Fish & Game	Com. Fish Management & Dev.	Funds restricted by private contract or lease fisheries projects	C	2,022.2	2,240.5	218.3
Fish & Game	Com. Fish Management & Dev.	Lake fertilization studies funded by private hatcheries (Limnology)	C	0.0	200.0	200.0
Fish & Game	Com. Fish Management & Dev.	Special Projects: funded, under contract, by private entities	C	1,213.3	1,070.8	(142.5)
Fish & Game	Habitat & Restoration	Projects/studies funded, under contract, with private firms (i.e. ARCO, BP, NSB)	C	283.8	270.9	(12.9)
Fish & Game	Sport Fish	Fish raising project funded by Southern SE Aquaculture Association (Earl West Cove Project)	C	0.0	200.0	200.0
Fish & Game	Subsistence	Special studies & Shismaral subsistence practices project	C	40.1	0.0	(40.1)
Fish & Game	Wildlife Conservation	Contracts with non-state entities for wildlife management projects	C	299.0	300.3	1.3
Labor	Administrative Services	Contractual agreements with private & non-state agencies for specialized reports and on-site assistance	C	2.0	2.0	0.0
Labor	Employment Security	Data/Record services provided under contract with private entities	C	53.9	54.2	0.3
DNR	Resource Development	Reimbursable agreements for work on Badami Project, TAPS monitoring, and TAGS gas project	C	2,022.7	2,460.5	437.8
DNR	Resource Development	Reimbursable agreements for work, such as those for the Fort Knox Mine project.	C	500.0	500.0	0.0
			Total	7,000.0	7,731.4	731.4

SB 265

The Finance Committee considered SENATE BILL NO. 265 An Act relating to receipts of commercial fisheries test fishing operations; and providing for an effective date and recommended it be replaced with

CS FOR SENATE BILL NO. 265 (FIN)
(forthcoming)

Signing do pass: Senators Frank, Halford, Cochairs, Senator Zharoff.
Signing no recommendation: Senators Rieger, Phillips, Donley, Sharp.

Fiscal note information forthcoming.

The bill was referred to the Rules Committee.

SE 265

SENATE BILL NO. 265 An Act relating to receipts of commercial fisheries test fishing operations; and providing for an effective date was read the second time.

Senator Halford moved and asked unanimous consent for the adoption of the Finance Committee Substitute offered on page 3744. Without objection, CS FOR SENATE BILL NO. 265(FIN) An Act relating to the definition of program receipts; and providing for an effective date was adopted and read the second time.

Senator Halford moved and asked unanimous consent that the bill be considered engrossed, advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR SENATE BILL NO. 265(FIN) was read the third time.

The question being: Shall CS FOR SENATE BILL NO. 265(FIN) An Act relating to the definition of program receipts; and providing for an effective date pass the Senate? The roll was taken with the following result:

CSSB 265(FIN)

Third Reading - Final Passage

Effective Date

YEAS: 20 NAYS: 0 EXCUSED: 0 ABSENT: 0

Yeas: Adams, Donley, Duncan, Ellis, Frank, Green, Halford, Hoffman, Kelly, Leman, Lincoln, Miller, Pearce, R. Phillips, Rieger, Salo, Sharp, Taylor, Torgerson, Zharoff

and so, CS FOR SENATE BILL NO. 265(FIN) passed the Senate.

Senator Halford moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clause. Without objection, it was so ordered and the bill was referred to the Secretary for engrossment.