

HB

392

SENATE COMMITTEE REPORT

DATE: 3/27/98

FURTHER:

DATE TURNED
IN TO OFFICE:

4/18/98

Resources Committee considered CS FOR HOUSE BILL NO. 392(L&C) am

REPORTS: FISH TAX & SALMON PRODUCTS

and recommends:

- be replaced with S CS HB 392 (RES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Wigley Taylor</i>		<i>Bob King</i>	✓		
<i>John Johnson</i>		<i>Dylan Price</i>	✓		
<i>Loren S. Jensen</i>	✓				
CHAIR:		CHAIR: <i>Rick Halvord</i>	✓		

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
REVENUE	4/3	x	
DEC	4/3	x	

} APPLY TO CS

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill



REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

SPONSOR STATEMENT

CSHB 392

CSHB 392 addresses exvessel value reporting and wholesale price reporting to the state. It allows the Department of Revenue to share, in confidence, exvessel value information with the Department of Fish and Game, Department of Environmental Conservation, and updates wholesale price reporting by requiring better and more timely information from processors. These housekeeping adjustments are necessary to keep state statutes working for our dynamic commercial fishing industry.

The first three sections enable the Department of Revenue to provide processor information needed by ADFG and DEC. Currently, ADFG is able to share information they receive with DOR but the inverse is not provided for in law. DEC currently is unable to access this information from DOR as well although they have legitimate needs for it. Additional duplicative reporting may be established unless we can maximize and coordinate information the state already obtains.

Section 4 reestablishes the time intervals of wholesale price reporting to the Department of Revenue. The current semiannual wholesale reporting is replaced by three new reporting periods per year. The new reporting periods will provide marketers and negotiators more information in a more timely manner.

Section 5 through 8 stipulate that the wholesale information provided to Revenue will include data in terms of all canned sizes sold. Section 10 includes pouches or similar containers within the definition of "canned" for the purposes of receiving this wholesale price information as well. The unit-of-sale categories currently required are often no longer used by the processing industry.

Fishery Business taxes, landing tax, ASMI tax, and aquaculture assessments are all based on the exvessel values of Alaska salmon products. Passage of CSHB 392, should help fishermen and the state in their pursuit of better information, thereby helping them derive the best price, or exvessel value, for their product while modifying processor reporting to be more effective.

AMENDMENT

OFFERED IN THE SENATE
TO CSHB 392(L&C) am

BY

Page 2, lines 23-29 following "Game":

DELETE ALL MATERIAL

and,

INSERT "all names and addresses of businesses that are required to file confidential reports under AS 43.75.015. The Department of Environmental Conservation and the Department of Fish and Game shall maintain the confidentiality that the Department of Revenue is required to extend to the names and addresses furnished under this subsection."

Revision Date: April 3, 1998 Dept. Affected: Revenue
 Title: Retorted Salmon Products Reports BRU: Revenue Operations
 Component: Income and Excise Audit
 Sponsor: Representative Austerman
 Requestor: (S) RES COMPONENT SERIAL NO. 113

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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 ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1001 CBRF						
1048 University of AK receipts						
Other						
TOTAL						

Estimate of any current year cost: 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

(See Attached Analysis)

Prepared by: Paul E. Dick
 Division: Income and Excise Audit
 Approved by Commissioner: Wilson L. Condon
 Agency: Revenue

Phone: 465-3691
 Date: April 3, 1998
 Date: April 3, 1998

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BILL ANALYSIS

Section 1 amends the public records statute AS 09.25.100 to allow the Department of Fish and Game (DFG) and the Department of Environmental Conservation (DEC) access to fisheries business tax returns, reports, determinations and work papers. In regard to this data, the DFG and DEC must maintain the same level of confidentiality as required of the Department of Revenue

Section 2 is the same as section 1 except it is conditional on the repeal and reenactment of the relevant public records statute (see section 2).

Section 3 amends the Department of Revenue's disclosure statute AS 43.05.230 to allow DFG and DEC access to fisheries business tax returns, reports, determinations and work papers. In regard to this data, DFG and DEC must maintain the same level of confidentiality as required of the Department of Revenue.

Section 4 amends the wholesale canned salmon prices reporting statute (AS 43.80) to change reporting requirements from semiannual to three 4-month periods. This section also establishes a threshold to distinguish who has to report to the department. Processors who sell more than 240,000 pounds of thermally processed salmon at wholesale during a calendar year would be required to report.

Section 5 amends the reporting of wholesale canned salmon prices statute to require processors to list price and quantity data for all container sizes on sales to non-affiliates. Currently, processors are required to report wholesale prices and quantities for specified can sizes as defined under AS 43.80.

Section 6 amends the reporting of wholesale canned salmon prices statute to require processors to list quantity and price data for all container sizes on sales to affiliated companies. Currently, processors are required to report wholesale prices and quantities for specified can sizes.

Section 7 amends the statute for reporting wholesale canned salmon prices to require the Department of Revenue to report quantity and price data for all container sizes in which the salmon is sold. Currently, information is only reported for specified can sizes.

Section 8 amends the statute for reporting of wholesale canned salmon prices to require the Department of Revenue to determine the monthly and annual wholesale price averages for all container sizes in which the salmon is sold. Currently, these averages are only reported for specified can sizes.

Section 9 makes a technical correction to change the word "canned" to "thermally processed" to be consistent with the rest of the bill.

Section 10 makes a technical correction to change the word "canned" to "thermally processed" to be consistent with the rest of the bill. Also, this section increases the cash discount rate from 1.5% to 2%.

Sections 11 amends AS 43.80.100 to add definitions for "container", "reporting year" and "thermally processed".

Sections 12 provides for a sunset date of July 1, 2003 for reporting requirements under AS 43.80.

Section 13 provides for transition language and makes the due date of the first salmon product report September 30, 1998.

Section 14 makes section 2 effective if AS 09.25.100 (disposition of tax information) is repealed and reenacted.

Section 15 makes September 1, 1998 the effective date for sections 1 and 3-13.

Section 16 makes the date when AS 09.25.100 is repealed and reenacted (if it does occur) the effective date for Section 2.

OPERATING EXPENDITURES

Department of Revenue does not anticipate additional costs for administering the provisions of this bill.

REVENUE

Department of Revenue does not anticipate any revenue changes as a result of provisions of this bill.

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. CS HB 392(L&C)AM

Revision Date (Note if correction) 03-Apr-98 Dept. Affected Environmental Conservation
 Title An act relating to access by DEC and ADFG to BRU Environmental Health
confidential records for fisheries businesses... Component Seafood and Sanitation Inspections
 Sponsor Rep. Austerman
 Requester Senate Resources Component Serial No. 1936

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: 0.0

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

There are no fiscal impacts to the department.

Prepared by Janice Adair Phone 269-7644
 Division Director, Environmental Health Date 4/3/98
 Approved by Commissioner Date 4/3/98
 Agency Department of Environmental Conservation

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