

**SB**

**241**

# SENATE COMMITTEE REPORT

## First Committee of Referral

DATE: 2/2/00

FURTHER: Finance

Date of 5-Day Notice: 3/30/00  
(in accordance with Uniform Rule 23)

DATE TURNED  
IN TO OFFICE: 4/3/00

Resources Committee considered

SENATE BILL NO. 241

"An Act relating to the accounting for and appropriations of the dive fishery management assessment; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- 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>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<b>CHAIR:</b>		<b>CHAIR:</b> <i>[Signature]</i>	✓		

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
DF + G	2/1/00		✓

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

# STATE OF ALASKA

## DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

SB 241 HB 333

TONY KNOWLES, GOVERNOR

P.O. BOX 25526  
JUNEAU, ALASKA 99802-5526  
PHONE: (907) 465-4100  
FACSIMILE: (907) 465-2332

February 15, 2000

FEB 16 2000

Honorable Rick Halford  
Chair, Senate Resources Committee  
Capitol Building, Room 121  
Juneau, AK 99801

Dear Senator Halford:

Senate Bill 241, relating to the accounting for and appropriations of the dive fishery management assessment, was recently introduced and referred to the Senate Resources Committee. I am requesting you schedule a hearing on this bill as soon as possible.

During the 1997 legislative session, the legislature passed House Bill 198, sponsored by Representative Bill Williams. This bill provided a means for participants in dive fisheries to form associations and approve special assessments on their catches to fund management and research in the dive fisheries. By 1999 one such association had organized, conducted an election, and approved an assessment.

It is anticipated that the legislature will appropriate the assessments being collected during FY 2000 in the FY 2001 budget. However, the assessments are currently classified as general funds. Since the legislature is indicating it plans to reduce general funds rather than increase them, it is likely that any appropriation of the dive fishery assessments will come at the cost of an equivalent reduction in other general funds available to the department.

This was not the intent of the proponents of HB 198, nor is it necessary. Senate Bill 241 appropriately reclassifies these funds as non-general fund program receipts, since they are recurring revenues generated by the fishing industry. Industry has clearly indicated they desire to have a higher level of government services in the form of enhanced fishery management and research and have shown they are willing to pay for it.

These questions are fundamentally financial ones, and really have little to do with resource or fisheries management issues. This bill has a finance committee referral, and one course of action available to the Resources Committee is to waive the bill from its jurisdiction. Whichever course of the action you decide, we request you give this bill your immediate attention.

Senator Halford

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February 15, 2000

Thank you very much for your consideration. If you have any questions, please give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Frank Rue for".

Frank Rue  
Commissioner

cc: Pat Pourchot

# FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

No. 1  
Bill Version: SB 241  
(S) Publish Date: 2-2-00

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected Fish and Game  
Title Classification of Dive Fishery Assessments BRU Commercial Fisheries  
Component Special Projects  
Sponsor Rules Committee  
Requester Governor Component No. 1943

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	60.0	60.0	60.0	60.0	60.0	60.0
Travel	20.0	20.0	20.0	20.0	20.0	20.0
Contractual	140.0	140.0	140.0	140.0	140.0	140.0
Supplies	48.0	48.0	48.0	48.0	48.0	48.0
Equipment						
Land & Structures						
Grants & Claims	60.0	60.0	60.0	60.0	60.0	60.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1108 Stat/Des Program Receipts						
1037 GF/Mental Health						
Other (Non-GF Program Receipts)	328.0	328.0	328.0	328.0	328.0	328.0
<b>TOTAL</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>	<b>328.0</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill does not appropriate any funds. It specifies that dive fishery assessments, as authorized by Chapter 90, SLA 1997, are to be accounted for separately and specifies that the appropriation of the dive fishery assessments is not from the unrestricted general fund. Dive fishery assessments are a self-imposed tax in addition to the fisheries business tax. This tax was approved by the affected divers in 1999 and collections began that year. The department estimates that \$328.0 will be collected in FY 2000 for expenditures in the following year. The expenditure of the expected revenue generated by the dive fishery assessments is included in the governor's FY 2001 budget. The funding source for dive fishery assessments in the Governor's proposed FY 2001 budget is statutory designated program receipts. This bill will change that source designation to non-general fund program receipts since this is a self-assessed tax rather than a contractual agreement.

Prepared by: Robert D. Mecum Phone 465-4210  
Division: Division of Commercial Fisheries Date/Time 2/1/00 11:43 AM  
Approved by: Commissioner Frank Rue *Frank Rue for* Date 02/01/2000  
Agency: Department of Fish and Game

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February 1, 2000

AK 241

The Honorable Drue Pearce  
President of the Senate  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

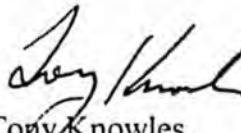
Dear President Pearce:

I signed into law in 1997 a bill allowing fishermen to establish regional dive fishery associations with the ability to assess themselves to support management and development of their fisheries. By 1999, one association had organized and begun paying its self-assessed tax to the state. This bill I transmit today fulfills the bargain made with dive fishermen in the 1997 law --that the state ensure the association's self-assessments are used to support the dive fisheries.

This bill requires dive fishery assessments be accounted for separately and classified as non-general fund revenues. The assessment is levied on the value of fishery resources taken by dive gear within specified areas. Current law states the assessment receipts may be appropriated to the Department of Fish and Game and qualified development associations to fund research, stock assessment and management activities. By accounting for these funds separately and allowing them to be appropriated back to the program, the state will honor the commitment made by the dive fishermen who voted to tax themselves to pay for more research and management in their fishery.

This is an excellent example of the fishing industry being willing to contribute to paying the cost of commercial fisheries management and research and worthy of your support.

Sincerely,

  
Tony Knowles  
Governor

# STATE OF ALASKA

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SB 241

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