

SCOMM

138:7



Representative Ralph Samuels

House District 29

HB 174 Sponsor Statement

"An Act relating to commercial fishing permit and vessel license fees; and providing for an effective date."

House Bill 174 would bring the state into compliance with recent rulings in the Carlson v. State of Alaska case by charging the nonresident fee differential on a "per person" rather than a "per permit" basis.

Nonresidents who qualify for a reduced permit fee by meeting low income standards will be charged the full allowable nonresident differential.

The bill would remove the arbitrary \$300 cap on the annual permit renewal fee. By statute, the base fee must "reasonably reflect the different rates of economic return for different fisheries." Currently fisheries with high economic returns pay disproportionately low permit fees because of the \$300 cap. Under HB 174, CFEC in concert with full public hearings would be able to assign fees tied to the true value of a fishery.

The existing 6 vessel length categories would be increased by \$15, \$30, \$45, \$60, \$75, and \$90 respectively.

This legislation would authorize CFEC to charge reasonable fees for initial issuance and replacement of the number plates issued to vessels for displaying the vessel's ADF&G number and annual vessel license renewal stickers.

Key Provisions of HB 174

RE: Commercial Fishing Permit and Vessel License Fees

- To comply with recent rulings in *Carlson v. State of Alaska*, clarify that the nonresident fee differential will be charged on a "per person" basis, rather than a "per permit" basis.

Nonresidents who renew more than one permit in a year have been paying an additional amount, above what a resident would pay, for each permit they renew. Under a recent ruling in *Carlson*, the state may only charge the nonresident differential (surcharge) to each nonresident one time per year, regardless of the number of permits they renew.

- Charge nonresidents who qualify for the reduced permit fee (by meeting low income standards) the full allowable nonresident differential.

Current law provides that residents and nonresidents who qualify for the reduced fee may pay one-half of the base fee for the fishery, and that nonresidents will also pay an additional amount equal to only one-half of the allowable nonresident differential.

- Remove the \$300 cap on the base fee CFEC may charge for annual renewal of permits.

While current law calls for annual base fees for permits to "reasonably reflect the different rates of economic return for different fisheries," the current \$300 cap places an artificial ceiling on the fee structure. This results in fisheries with a very high economic return being charged fees that are disproportionately low, relative to the fees charged to lower value fisheries. Removing the cap allows for a fairer fee structure that more fully complies with the mandate that fees reflect the value of respective fisheries.

- Slightly increase annual commercial fishing vessel license fees, beginning with 2006.

Fees are currently broken into 6 vessel size categories from smallest (vessels up to 24 feet) to largest (over 250 feet). The bill would maintain the 6 categories and simply increase the fee in the respective categories by \$15, 30, 45, 60, 75, and 90.

- Authorize CFEC to charge reasonable fees for initial issuance and replacement of the number plates issued to vessels for displaying the vessel's ADF&G number and annual vessel license renewal stickers.

24-LS0676F
Utermohle
3/29/05

CS FOR HOUSE BILL NO. 174(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVE SAMUELS

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to commercial fishing permit and vessel license fees; and providing for**
2 **an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 16.05.520(a) is amended to read:

5 (a) The vessel license includes a permanent number plate. The number plate
6 shall be accompanied by a tab affixed to the number plate [IT] designating the year
7 to be fished. A number plate is not transferable, and the number plate [IT] shall be
8 considered a permanent fixture upon the vessel upon which the number plate [IT] is
9 originally placed. The number plate [IT] shall be securely fastened well forward on
10 the port side in plain sight. On a vessel with a superstructure the number plate shall
11 be fastened on the port side of the superstructure. A number plate remains the
12 property of the state. The Alaska Commercial Fisheries Entry Commission may
13 establish by regulation a reasonable fee for the initial issuance of a permanent
14 number plate. If a permanent number plate is accidentally defaced, mutilated,

1 destroyed, or lost, the person owning or operating the vessel shall immediately apply
2 for and may obtain a duplicate upon furnishing the Alaska Commercial Fisheries
3 Entry Commission with the pertinent facts and a payment of a reasonable fee
4 established by the commission by regulation that is not less than \$2.

5 * Sec. 2. AS 16.05.530 is repealed and reenacted to read:

6 **Sec. 16.05.530. Renewal of vessel license.** (a) Upon payment of the vessel
7 license fee and filing of the name and address of the owner of the vessel or the owner's
8 authorized agent, the name and number of the vessel, a description of the vessel, the
9 vessel license number, if any, the area to be fished, and other reasonable information
10 required by the Alaska Commercial Fisheries Entry Commission, the commission
11 shall issue a permanent number plate and a vessel license. If the vessel has a
12 permanent number plate, the commission shall issue a vessel license and tab
13 designating the year the license is valid. The tab shall be placed in the space provided
14 on the permanent number plate.

15 (b) For calendar year 2006 and following years, the annual fee for a vessel
16 license issued or renewed under this section is set according to the overall length, as
17 defined by the United States Coast Guard, of the vessel under the following schedule:

18	(1) 0 - 25 feet	\$24
19	(2) over 25 feet - 50 feet	60
20	(3) over 50 feet - 75 feet	120
21	(4) over 75 feet - 150 feet	300
22	(5) over 150 feet - 250 feet	600
23	(6) over 250 feet	900.

24 * Sec. 3. AS 16.43.160 is repealed and reenacted to read:

25 **Sec. 16.43.160. Fees.** (a) Except as specifically provided in this section, the
26 commission shall establish annual fees for the issuance and annual renewal of entry
27 permits or interim-use permits.

28 (b) The commission may charge interest at a rate not to exceed the legal rate
29 of interest established in AS 45.45.010 on fees more than 60 days overdue.

30 (c) For an entry permit or an interim-use permit issued or renewed for
31 calendar year 2006 and following years, the annual base fee for issuance or renewal of

an entry permit or an interim-use permit may not be less than \$30 or more than \$3,000. The annual base fee must reasonably reflect the different rates of economic return for different fisheries. In addition to the annual base fee established by the commission under this subsection, a nonresident shall pay an annual nonresident surcharge for the issuance or renewal of one or more entry permits or interim-use permits. The commission shall establish the annual nonresident surcharge by regulation at an amount that is as close as is practicable to the maximum allowed by law.

(d) For an entry permit or an interim-use permit issued or renewed for calendar year 2006 and following years, the holder of a permit whose household income, assets, and financial resources fall within the eligibility standards for the food stamp program under 7 U.S.C. 2011 - 2025, as amended, is subject to an annual base fee for the issuance or renewal of an entry permit or an interim-use permit that is equal to 50 percent of the annual base fee that the permit holder would otherwise pay under (c) of this section. In addition to the reduced annual base fee under this subsection, a nonresident who qualifies for a reduced fee under this subsection shall pay the annual nonresident surcharge established under (c) of this section.

* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to read:

VESSEL LICENSE FEES FOR CALENDAR YEAR 2005. (a) Notwithstanding the repeal and reenactment of AS 16.05.530, by sec. 2 of this Act, the annual license fee for a vessel license issued or renewed for calendar year 2005 is set according to the overall length, as defined by the United States Coast Guard, of the vessel under the following schedule:

(1) 0 - 25 feet	\$20
(2) over 25 feet - 50 feet	50
(3) over 50 feet - 75 feet	100
(4) over 75 feet - 150 feet	250
(5) over 150 feet - 250 feet	500
(6) over 250 feet	750.

(b) Notwithstanding the repeal and reenactment of AS 16.05.530, by sec. 2 of this Act, a vessel license issued or renewed for calendar year 2005 under the former provisions of

1 AS 16.05.530 before the effective date of sec. 2 of this Act is valid for the period for which
2 the license was issued or renewed.

3 * Sec. 5. The uncoded law of the State of Alaska is amended by adding a new section to
4 read:

5 FEES FOR ENTRY PERMITS AND INTERIM-USE PERMITS FOR CALENDAR
6 YEAR 2005. (a) Notwithstanding the repeal and reenactment of AS 16.43.160, by sec. 3 of
7 this Act, for an entry permit or an interim-use permit issued or renewed for calendar year
8 2005, on or after the effective date of sec. 3 of this Act, the annual base fee may not be less
9 than \$10 or more than \$300. The annual base fee must reasonably reflect the different rates of
10 economic return for different fisheries. In addition to the annual base fee established by the
11 Alaska Commercial Fisheries Entry Commission under this subsection, a nonresident shall
12 pay an annual nonresident surcharge for the issuance or renewal of one or more entry permits
13 or interim-use permits. The annual nonresident surcharge shall be established by the
14 commission by regulation at an amount that is as close as is practicable to the maximum
15 allowed by law.

16 (b) Notwithstanding the repeal and reenactment of AS 16.43.160, by sec. 3 of this
17 Act, for an entry permit or an interim-use permit issued or renewed for calendar year 2005,
18 the holder of a permit whose household income, assets, and financial resources fall within the
19 eligibility standards for the food stamp program under 7 U.S.C. 2011 - 2025, as amended, is
20 subject to a maximum annual base fee that is equal to 50 percent of the annual base fee that
21 the permit holder would otherwise pay under (a) of this section. In addition to the annual base
22 fee under this subsection, a nonresident who qualifies for a reduced fee under this subsection
23 shall pay an annual nonresident surcharge of \$57 for the issuance or renewal of one or more
24 entry permits or interim-use permits.

25 (c) Notwithstanding the repeal and reenactment of AS 16.43.160, by sec. 3 of this
26 Act, an entry permit or an interim-use permit issued or renewed for calendar year 2005 under
27 the former provisions of AS 16.43.160 before the effective date of sec. 3 of this Act is valid
28 for the period for which the entry permit or the interim-use permit was issued or renewed.

29 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

AMENDMENT

Offered in the House Special Committee on Fisheries

To: HB 174

By: Rep. Bill Thomas, Co-Chair

P. 2, Line 5: Delete Sec. 2

P. 3, Line 17: Delete Sec. 4

STATE OF ALASKA

COMMERCIAL FISHERIES ENTRY COMMISSION

FRANK H. MURKOWSKI, GOVERNOR

8800 GLACIER HWY, #109
JUNEAU, AK 99801

(907) 789-6150 Licensing Calls
(907) 789-6160 Other Business
(907) 789-6170 FAX
(907) 789-6180 BBS

INTERNET: www.cfec.state.ak.us

March 21, 2005

The Honorable Ralph Samuels
Alaska State Representative

Dear Representative Samuels:

Passage of HB174 or its companion SB93 will provide the Commercial Fisheries Entry Commission (CFEC) with the means to continue to support commercial fisheries. CFEC is funded by revenue generated permit and license fees paid by the commercial fishing industry. CFEC fees have traditionally generated more revenue than its budget required and those revenues have been used to fund commercial fishing support projects in the Department of Fish and Game. Because of a number of factors, revenues in recent years have declined and there is a real threat in the near future revenues will not be sufficient to cover even CFEC's budgetary obligations.

Lifting the statutory cap on permit fees in HB174/SB93 will require that CFEC revise its annual permit fee schedule through the public hearing process. The public hearing process will provide the opportunity for CFEC and the fishing community to work together to develop a fee structure that reflects the statutory requirement that fees represent the economic return from the different fisheries and the reality that fees must be reasonable and not unduly burden the industry.

CFEC has already heard from fishermen and fishing associations on issues considered important in a new fee proposal which would be developed for public comment. The public hearing process could address, among others, such issues as: (1) a phase-in of fees over time that would provide the benefit of a planned approach; (2) adjustments in permit fees to recognize vessel size in order that reasonable fees are achieved; (3) adjustments in permit fees to reflect fishing capacity restrictions; (4) adjustments in fees where permit values may not be representative if no permit sales have occurred for some time; and other issues identified during the public hearing process.

CFEC will begin to develop a fee proposal and public hearing schedule based on comments received during the legislative hearings. In this way, a timely proposal would be submitted for public comment as soon as possible after passage of HB174/SB93. This will allow sufficient public hearing time for industry comments before calendar year 2006 fees are required to be adopted in the fall of 2005.

CFEC gives its assurance that upon passage of HB174/SB93 we will work with the commercial fishing community to develop a fair and reasonable permit renewal fee structure.

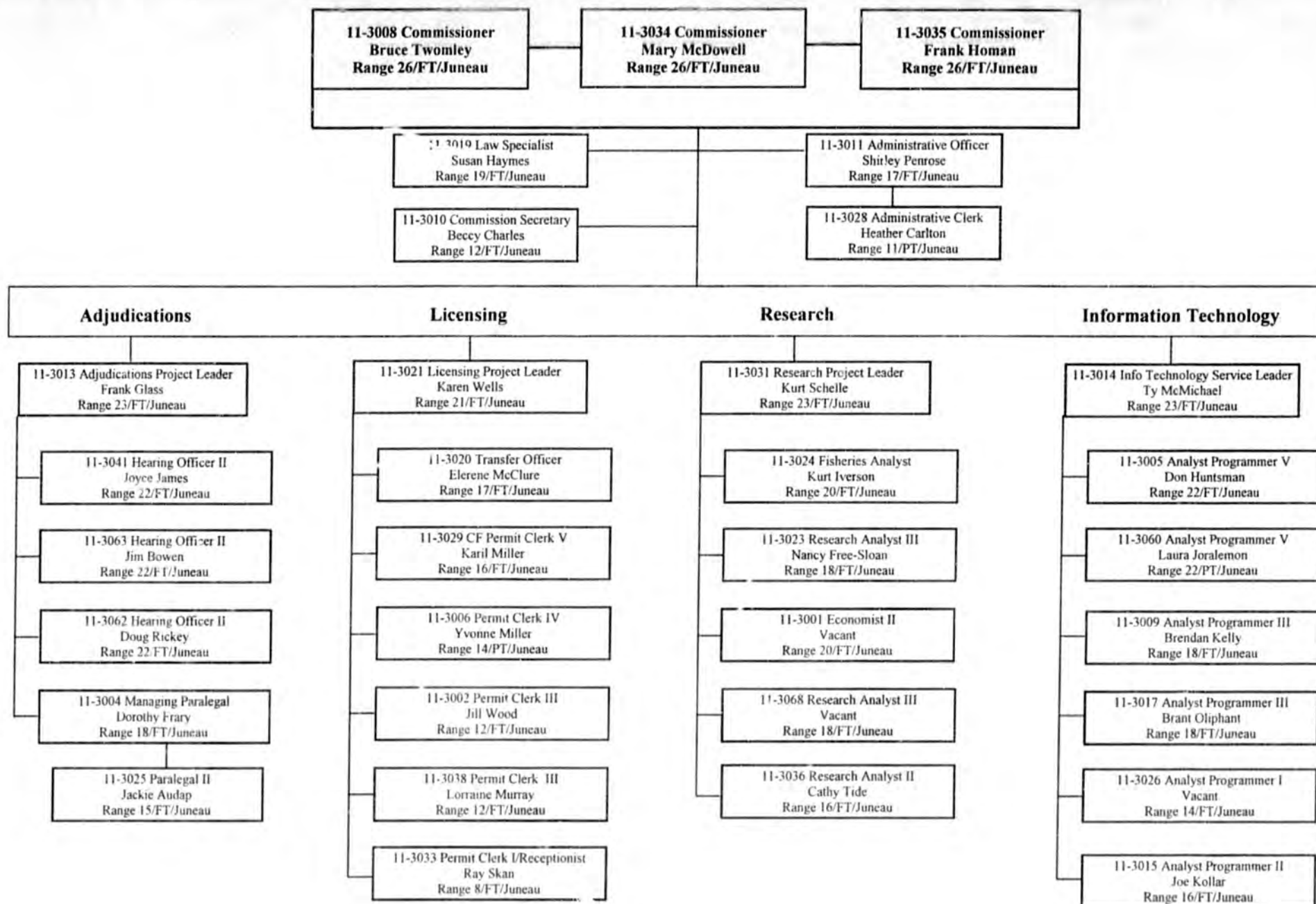
Sincerely,



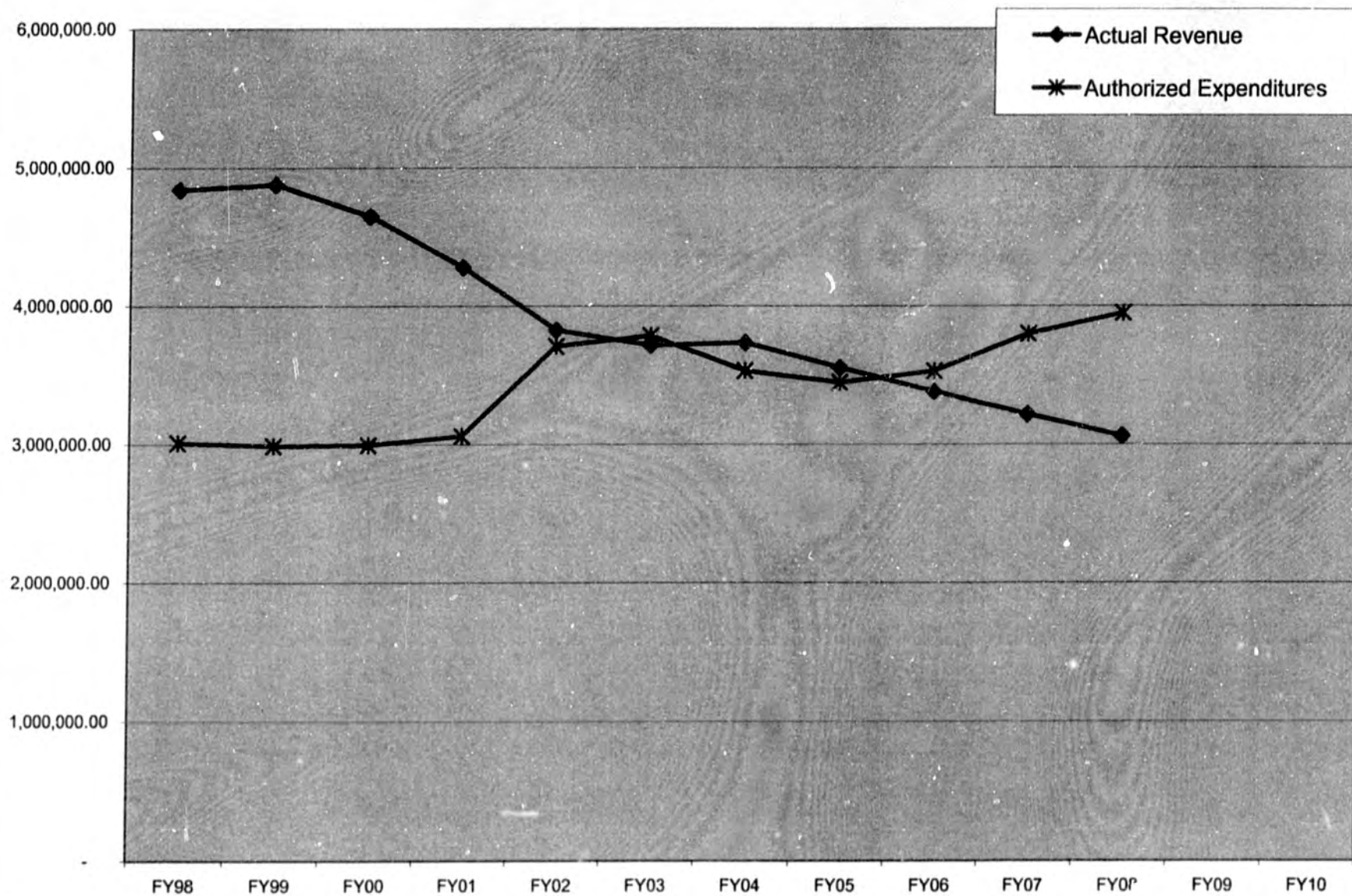
Frank Homan, Commissioner

Commercial Fisheries (Limited) Entry Commission

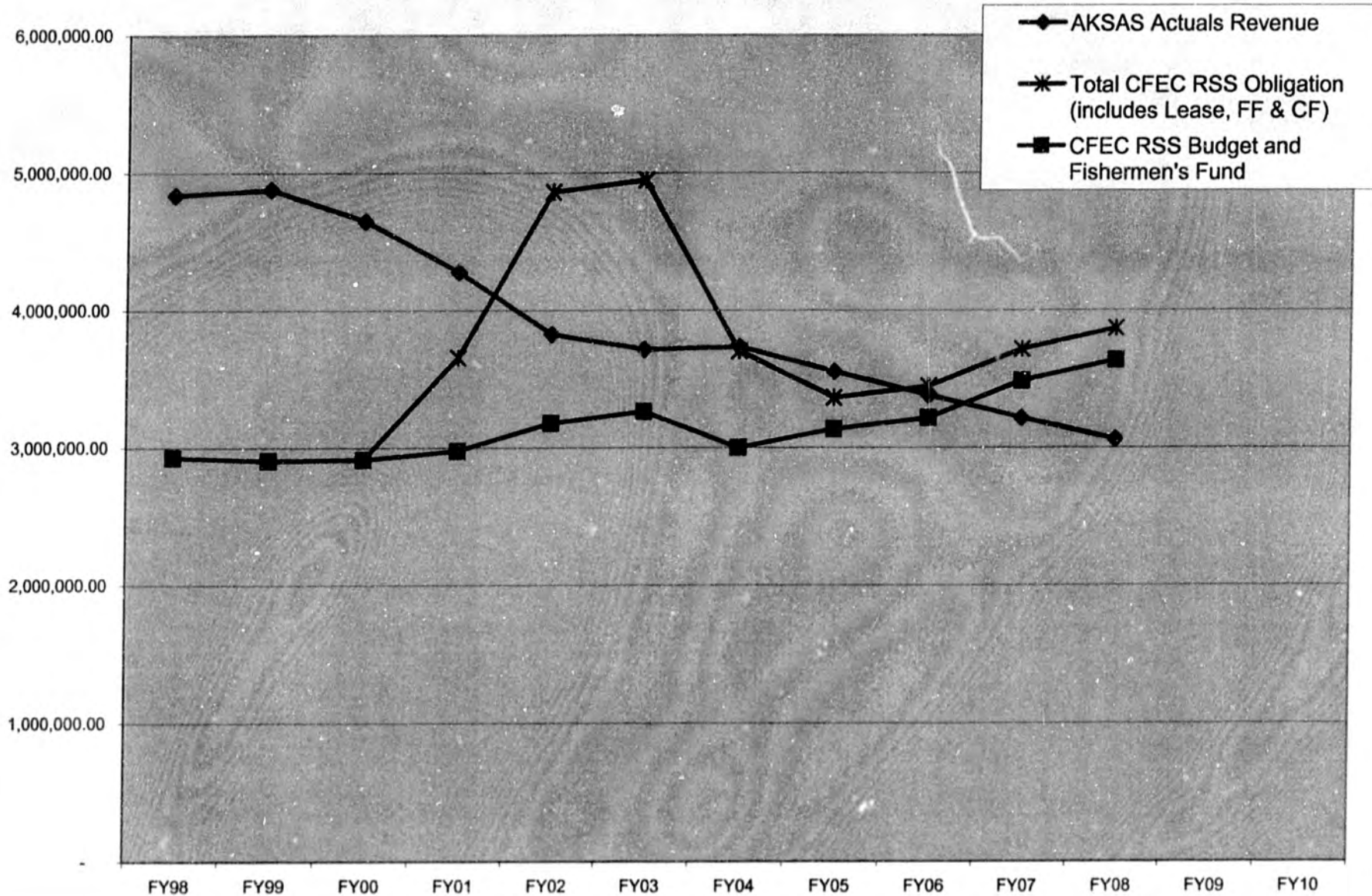
(Administratively attached to the Department of Fish and Game)



Revenue Received Compared To Authorized RSS Budget



Revenue Received Compared To Authorized RSS Budget



CFEC VESSEL LICENSE FEES¹ CURRENT AND PROPOSED

Vessel Length	Number	Current Fee	Proposed Fee
0-25'	3,484	\$20	\$35
25-50'	5,600	\$50	\$80
50-75'	764	\$100	\$145
75-150'	447	\$250	\$310
150-250'	92	\$500	\$575
250'	26	\$750	\$840
TOTAL	10,413		

33.5% would increase only by \$15

53.8% would increase only by \$30

87.3% would increase only by \$30 or less

¹ AS 16.05.530 last amended in 1995

State of Alaska
Commercial Fisheries Entry Commission

Comparison of Permit Renewal Fees For 2005 Licensing Year Under Current Fee Schedule
and Under CFEC's Proposed Methodology for Implementing SB 93

Permit Counts By Base Fee Category

February 10, 2005

Current 2005 Permit Counts By Base Fee Category				2005 Permit Counts Using Proposed Method			
Base Fee	Number of Permits		Total Permits	Base Fee	Number of Permits		Total Permits
	Residents	Non-Residents			Residents	Non-Residents	
				\$3,975	45	220	265
				↓			
				\$2,025	9	42	51
				↓			
				\$1,500	12	54	66
				↓			
				\$1,200	34	17	51
				↓			
				\$900	200	209	409
				\$825	136	240	376
				\$750	101	23	124
				\$675	33	14	47
				\$600	23	2	25
				\$525	71	77	148
				↓			
\$300	747	918	1,665	\$375	10	2	12
\$240	858	272	1,130	\$300	652	254	906
\$180	827	241	1,068	\$225	257	32	289
\$120	3,749	1,634	5,383	\$150	4,496	1,860	6,356
\$60	10,702	1,815	12,517	\$75	10,804	1,834	12,638
Totals	16,883	4,880	21,763		16,883	4,880	21,763



Under the proposed methodology, no permits would fall into the omitted base fee categories.

CFEC Expenditure/Revenue Comparison

	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
◆ AKSAS Actuals Revenue	4,839,400.00	4,878,100.00	4,649,400.00	4,279,300.00	3,825,000.00	3,714,800.00	3,733,800.00	3,552,337.32	3,379,593.73	3,215,440.61	3,059,170.20
	Projected based on calculated 4.85% decline.....										
CFEC RSS Authorized Budget											
	2,536,500.00	2,520,400.00	2,520,400.00	2,563,800.00	2,786,500.00	2,856,900.00	2,592,900.00	2,727,200.00	2,808,800.00	3,078,800.00	3,228,800.00
FF Obligation	392,000.00	385,300.00	392,700.00	413,600.00	390,800.00	405,800.00	407,000.00	407,000.00	407,000.00	407,000.00	407,000.00
CF Obligation	-	-	-	678,000.00	1,684,100.00	1,684,900.00	704,000.00	230,000.00	230,000.00	230,000.00	230,000.00
■ CFEC RSS Budget and Fishermen's Fund	2,928,500.00	2,905,700.00	2,913,100.00	2,977,400.00	3,177,300.00	3,262,700.00	2,999,900.00	3,134,200.00	3,215,800.00	3,485,800.00	3,635,800.00
* Total CFEC RSS Obligation (includes Lease, FF & CF)	2,928,500.00	2,905,700.00	2,913,100.00	3,655,400.00	4,861,400.00	4,947,600.00	3,703,900.00	3,364,200.00	3,445,800.00	3,715,800.00	3,865,800.00
	Items in orange area above are <u>projections only</u>										
Difference between Revenue and Total CFEC RSS Obligations											
AKSAS Actual	1,910,900.00	1,972,400.00	1,736,300.00	623,900.00	(1,036,400.00)	(1,232,800.00)	29,900.00	188,137.32	(66,106.27)	(500,359.39)	(806,629.80)

CFEC Revenue/Expenditure Comparisons

	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
◆ AKSAS Actuals Revenue	4,839,400.00	4,878,100.00	4,649,400.00	4,279,300.00	3,825,000.00	3,714,800.00	3,733,800.00	3,552,337.32	3,379,693.73	3,215,440.61	3,059,170.20
								Projected based on calculator 4.86% decline.....			
								Items in orange area above are <u>projections only</u>			
* Authorized Expenditures	3,010,100.00	2,987,300.00	2,994,700.00	3,059,000.00	3,708,100.00	3,783,400.00	3,531,100.00	3,445,800.00	3,527,400.00	3,797,400.00	3,947,400.00
Difference	1,829,300.00	1,890,800.00	1,654,700.00	1,220,300.00	116,900.00	(68,600.00)	202,700.00	106,537.32	(147,706.27)	(581,959.39)	(888,229.80)

Negative amount for FY2003 was offset by staff vacancies.

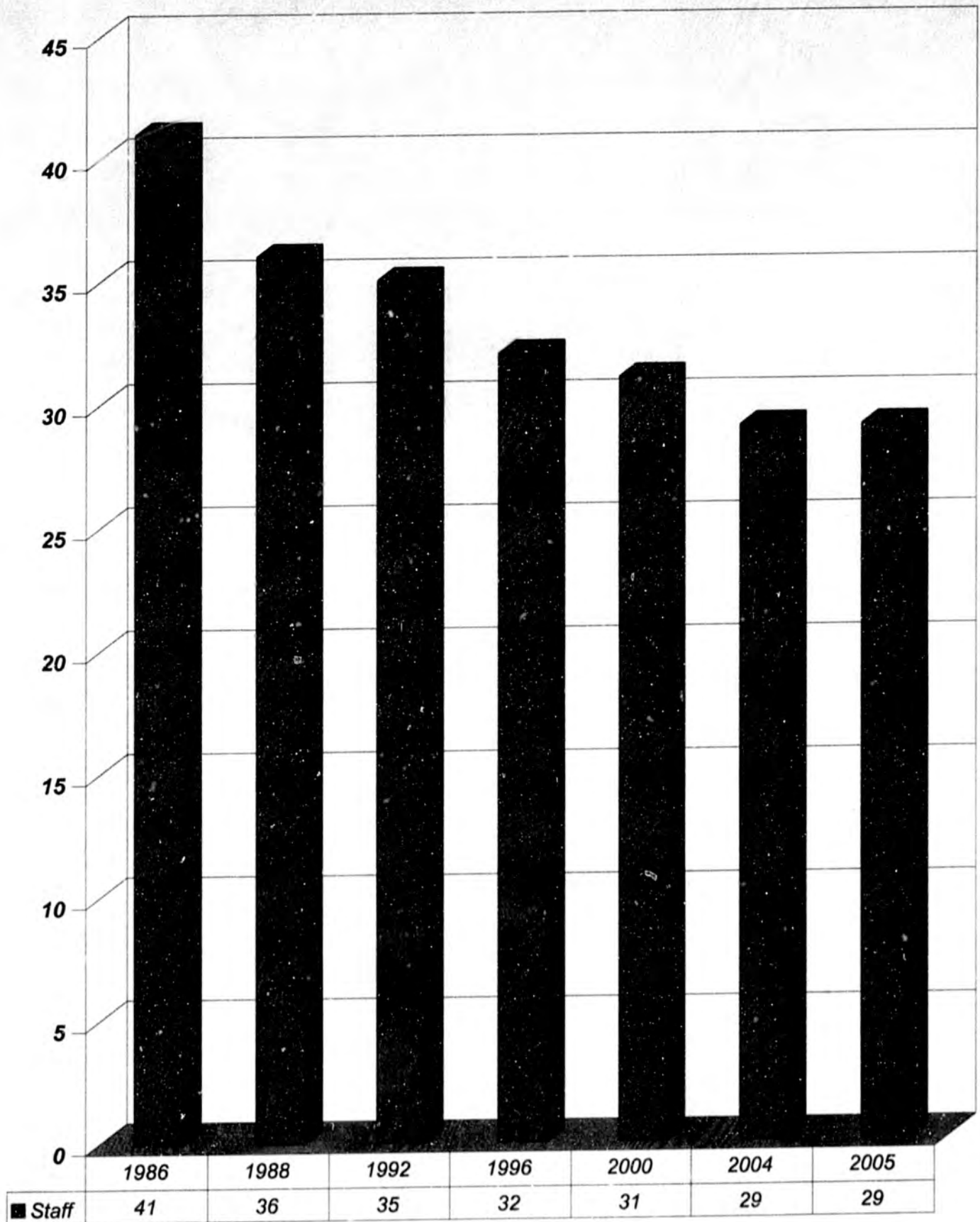
Source: CFEC

2/9/2005 - 9:24 AM

Commercial Fisheries Entry Commission
Personnel Information

PCN	Last Name	First Name	Title	Current Range	Current Step	Salary
3001		Vacant	Economist II	20	A	\$50,700.00
3002	Wood	Jill	Permit Clerk III	12	D	\$23,553.00
3004	Frary	Dorothy	Managing Paralegal	18	J	\$54,588.00
3005	Huntsman	Don	Analyst Programmer V	22	J	\$68,796.00
3006	Miller	Yvonne	Permit Clerk IV	14	E	\$37,140.00
3008	Twomley	Bruce	Commissioner - Chairman	26	C	\$78,828.00
3009	Kelly	Brendan	Analyst Programmer III	18	B	\$45,888.00
3010	Charles	Beccy	Commission Secretary II	12	K	\$37,248.00
3011	Penrose	Shirley	Administrative Officer	17	E	\$47,460.00
3013	Glass	Frank	Adjudications Project Leader	23	M	\$82,356.00
3014	McMichael	Ty	Information Technology Svcs Ldr	23	F	\$73,752.00
3015	Kollar	Joseph	Analyst Programmer II	16	A	\$38,436.00
3017	Oliphant	Brant	Analyst Programmer III	18	E	\$50,700.00
3019	Haymes	Susan	Law Specialist II	19	J	\$58,380.00
3020	McClure	Elerene	Transfer Officer	17	K	\$52,848.00
3021	Wells	Taffy	Licensing Project Leader	21	J	\$64,236.00
3023	Free-Sloan	Nancy	Research Analyst III	18	K	\$54,588.00
3024	Iverson	Kurt	Fisheries Analyst	20	E	\$57,984.00
3025	Audap	Jackie	Paralegal II	15	E	\$41,184.00
3026		Vacant	Analyst Programmer III	18	A	\$44,316.00
3028	Carlton	Heather	Administrative Clerk	11	A	\$18,538.00
3029	Miller	Karil	Permit Clerk V	16	E	\$44,316.00
3031	Schelle	Kurt	Research Project Leader	23	M	\$85,440.00
3033	Skan	Ray	Permit Clerk I/Receptionist	8	B	\$23,892.00
3034	McDowell	Mary	Commissioner	26	C	\$78,828.00
3035	Homan	Frank	Commissioner	26	C	\$78,828.00
3036	Tide	Cathy	Research Analyst II	16	A	\$38,436.00
3038	Murray	Lorraine	Permit Clerk III	12	C	\$23,553.00
3041	James	Joyce	Hearing Officer II	22	J	\$68,796.00
3060	Joralemon	Laura	Analyst Programmer V	22	D	\$41,109.12
3062	Rickey	Doug	Hearing Officer II	22	F	\$64,236.00
3063	Bowen	James	Hearing Officer II	22	K	\$74,052.00
3068		Vacant	Research Analyst III	18	A	\$44,316.00

PFT Budgeted Staff



Percentage of FT
positions lost
since 1986

12.20%

14.63%

21.95%

24.39%

29.27%

29.27%

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____

Bill Version: HB174

() Publish Date: _____

Revision Date/Time (Note if correction): _____

Dept. Affected: Fish and Game

Title Annual commercial fishing permit
and vessel license fees

RDU Comm. Fish Entry Commission

Component Commercial Fisheries Entry
Commission

Sponsor Representative Samuels

Requester House Fisheries Committee

Component No. 471

Expenditures/Revenues

(Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
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
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CHANGE IN REVENUES ()	2,300.0	2,188.2	2,081.9	1,980.7	1,884.4	1,792.8
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 Receipt Supported Services						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

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)

Passage of HB174 will not require additional expenditures or positions. It will provide for increased revenues generated by permit and license fees, though an exact amount cannot be determined at this time.

HB174 maintains the commercial fishing vessel licensing size classes in current law and statutorily establishes slightly higher annual fees for each class. This results in an estimated increase of approximately \$291,000 in annually generated revenue.

For commercial fishing permits, the bill maintains the directive that fees "must reasonably reflect the different

Continued on page 2

Prepared by: Shirley Penrose, Administrative Officer

Division: Commercial Fisheries Entry Commission

Approved by: Frank M. Homan, Commissioner

Agency: Commercial Fisheries Entry Commission

Phone 907-790-6960

Date/Time 3/21/05 12:55 PM

Date 3/21/2005

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. HB174

ANALYSIS CONTINUATION

rates of economic return for different fisheries," and removes the \$300 base fee cap in current law. The current fee cap artificially holds fees down in the highest-earning fisheries and results in those fisheries paying fees that are disproportionately lower.

While passage of HB174 would not, in itself, change annual permit fees, the removal of the \$300 maximum base fee effectively authorizes CFEC to implement a fairer fee schedule that more truly meets the statutory mandate that fees are to reflect the earnings in respective fisheries. By allowing fees for high-end fisheries to fall where they naturally would under a fully proportional formula, the regulatory fee structure CFEC intends to propose under provisions of HB174 would result in an estimated annual increase of approximately \$2.1 million in revenues to the state.

The change from a "per permit" nonresident fee differential to a single annual nonresident surcharge (necessitated by recent rulings in the Carlson v. State of Alaska class action), results in an annual estimated decline of about \$67,000 in revenue.

In combination, the various revisions made by HB174, and the regulatory framework CFEC intends to propose to implement the provisions of the bill, would likely result in an overall annual increase in revenues generated by commercial fishing permits and vessel licenses of about \$2.3 million.

Due to steadily declining revenues, CFEC (a receipt supported agency) expects to be in a deficit situation in FY06 or FY07 without passage of HB174. While passage of the bill will likely increase revenues enough to provide revenues to the General Fund above the current cost of CFEC's budget in the next few years, total revenues generated by CFEC fees are expected to continue declining. This is due to economic difficulties in some fisheries (particularly salmon fisheries) resulting in their falling into lower annual permit fee classes, and to ongoing decreases in the number of permits and vessel licenses issued annually. This decrease in participants is due to many factors, including fewer permits being issued after each fishery limitation; consolidation in federally- managed fisheries licensed by the state; and cancellation of nontransferable permits as holders of those permits die or retire. Thus, the amount of revenue generated by CFEC fees, and the cost of funding CFEC's operating budget, will likely converge again in coming years.

Because of the uncertainty of future events and the downward trend in our revenues, we have shown the anticipated revenue this bill may produce to decrease at 4.86% per year, which is our current calculated rate of decline.

MEMORANDUM

STATE OF ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION

TO: Senator Ben Stevens
Alaska State Senate

DATE: February 3, 2005

PHONE: (907) 789-6160 VOICE
(907) 789-6170 FAX

FROM: Commercial Fisheries Entry Commission
Frank Homan, Commissioner
Mary McDowell, Commissioner
Bruce Twomley, Chairman

SUBJECT: Need for CFEC Fee Bill

In 2001, the legislature passed legislation to bring the state into compliance with a State Supreme Court decision in the Carlson v. State of Alaska class action brought by non-resident fishermen challenging the state's fee structure charging higher commercial fishing license and permit fees to non-residents. The 2001 legislation eliminated the 3-to-1 non-resident permit fee differential and it was replaced it with the court's formula. Because certain aspects of the case were still under appeal at that time, the legislature recognized that further legislation would likely be required in the future to implement subsequent Carlson decisions.

While much of Carlson remains under appeal, a recent decision determined that the state may only assess the non-resident fee differential once per year per non-resident permit holder, regardless of the number of permits held. Thus, immediate legislative action is required to clarify the statutory language regarding the application of the non-resident differential.

The currently required revision will result in yet another decline in the revenues generated from commercial fishing fees.

Because of Carlson and for several other reasons discussed below, the Commercial Fisheries Entry Commission (CFEC) has experienced a continuing decline in revenues to the point where revenues generated from permit and vessel fees can no longer sustain CFEC's budget. CFEC, a receipt supported services agency funded by industry fees, has traditionally returned revenue to the general fund above its needs. In recent years, the legislature has appropriated these receipts to help fund the Division of Commercial Fisheries. Despite generating more revenue than its own budget, CFEC has experienced a

29% loss of its full-time staff due to budget reductions since 1986, decreasing from 41 full-time employees to 29 full-time employees.

Several factors beyond the control of CFEC have converged to decrease CFEC revenue to the point where it is now impossible to provide sufficient revenue to cover its budget from receipts. In addition to reductions in non-resident fee revenues due to the Carlson case, other factors include: consolidation in federal fisheries has resulted in the purchase of fewer state-issued halibut and black cod permits; reduced permit prices in the salmon fisheries have resulted in lower fees collected since fees are based on permit prices or gross revenues, and as they have declined so have fees; poor fishing seasons in recent years and fishery limitations have caused fewer permits to be purchased.

The outlook is for continued consolidation of the federal and state fisheries. Whether the salmon fisheries will rebound is uncertain, and industry's search for restructuring, product development and new markets are likely to take some time. At this time it is necessary to consider an increase in the annual permit renewal fee schedule, which have not been significantly changed since 1987, and a modest increase in vessels license fees, which have not been raised in 10 years.

What is being proposed by this legislation is a lifting of the statutory cap on permit fees. The existing \$300 statutory fee cap has artificially held down the amount of fees charged despite the substantial economic value of the fisheries affected. Removal of the cap will allow the fees to more closely conform to the statutory guidelines of AS 16.43.160(e), which requires: "The annual base fee must reasonably reflect the different rates of economic return for different fisheries."

The commission then by regulation would propose slight increases in current permit fee classes and add several new fee classes for higher valued fisheries. This change will have little effect on the lower value fisheries.

The annual permit renewal fee increase would begin at \$15 for the lower value fisheries and progress through the fee classes by adding additional \$15 increments at each fee class. We would then add fee classes for the higher value fisheries, that will reflect their economic value. The proposal only has a modest effect on existing fee classes. Those fisheries in the lowest two fee classes, currently \$60 and

\$120 (which represent more than 80% of all permits), would only experience a \$15 and \$30 increase respectively. The current \$60 fee class (representing more than 55% of permits) would increase from \$60 to \$75 and the \$120 fee class (representing another 25% of permits) would increase from \$120 to \$150.

In short, this new fee proposal would have little effect on those in lower valued fisheries. The main effect of removing the statutory cap will be to adjust those very valuable fisheries (that have been artificially held down to \$300) to higher fee categories, that more accurately reflect their real economic return.

This legislation would also increase the range of annual vessel license renewal fees by amounts from \$15 for the 0-25 feet class (the lowest fee class) to \$90 for vessels larger than 250 feet (the highest fee class). The fee increase for the lowest two fee categories which include vessels up to 50 feet (accounting for 87% of all vessels licensed) would only be \$30 or less.

**State of Alaska
Commercial Fisheries Entry Commission**

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February 10, 2005

Fishery	Description	Under Limited Entry?	Resident Permits	Non-Resident Permits	Actual 2005 Base Fee	2005 Base Fee Under Proposed Methodology
B05B	HALIBUT, HAND TROLL, STATEWIDE	N	170	0	\$60	\$75
B25B	HALIBUT, DINGLEBAR TROLL, STATEWIDE	N	4	1	\$60	\$75
B26B	HALIBUT, MECHANICAL JIG, STATEWIDE	N	72	3	\$60	\$75
C26B	SABLEFISH, MECHANICAL JIG, STATEWIDE	N	8	0	\$60	\$75
C4CE	SABLEFISH, NET GEAR MAX VL LENGTH 50', PRINCE WILLIAM SOUND	Y	1	0	\$60	\$75
C5AE	SABLEFISH, FIXED GEAR MAX VL LENGTH 90', PRINCE WILLIAM SOUND	Y	1	0	\$60	\$75
C5BE	SABLEFISH, FIXED GEAR MAX VL LENGTH 60', PRINCE WILLIAM SOUND	Y	3	0	\$60	\$75
C5DE	SABLEFISH, FIXED GEAR MAX VL LENGTH 35', PRINCE WILLIAM SOUND	Y	10	0	\$60	\$75
D09D	DUNGENESS CRAB, POT GEAR VL UNDER 60', YAKUTAT	N	0	1	\$60	\$75
D09L	DUNGENESS CRAB, POT GEAR VL UNDER 60', CHIGNIK	N	1	0	\$60	\$75
D10A	DUNGENESS CRAB, RING NETS, SOUTHEAST	Y	5	0	\$60	\$75
D11A	DUNGENESS CRAB, DIVING GEAR, SOUTHEAST	Y	1	1	\$60	\$75
D91D	DUNGENESS CRAB, POT GEAR VL OVER 60', YAKUTAT	N	1	1	\$60	\$75
D9DA	DUNGENESS CRAB, 75 POTS/OR 25% OF MAX, SOUTHEAST	Y	91	10	\$60	\$75
G01K	HERRING ROE, PURSE SEINE, KODIAK	Y	51	14	\$60	\$75
G01L	HERRING ROE, PURSE SEINE, CHIGNIK	N	4	0	\$60	\$75
G01M	HERRING ROE, PURSE SEINE, AK PENINSULA	N	9	0	\$60	\$75
G31K	HERRING ROE, GILLNET & PURSE SEINE, KODIAK	Y	2	0	\$60	\$75
G34A	HERRING ROE & FDI/T, GILLNET, SOUTHEAST	Y	78	37	\$60	\$75
G34H	HERRING ROE, GILLNET, COOK INLET	N	39	0	\$60	\$75
G34K	HERRING ROE, GILLNET, KODIAK	Y	80	9	\$60	\$75
G34M	HERRING ROE, GILLNET, AK PENINSULA	N	4	0	\$60	\$75
G34N	HERRING ROE, GILLNET, NELSON ISLAND	Y	123	4	\$60	\$75
G34S	HERRING ROE, GILLNET, SECURITY COVE	N	44	35	\$60	\$75
G34T	HERRING ROE, GILLNET, BRISTOL BAY	N	137	58	\$60	\$75
G34U	HERRING ROE, GILLNET, NUNIVAK ISLAND	Y	39	4	\$60	\$75
G34V	HERRING ROE, GILLNET, CAPE AVINOF	N	77	0	\$60	\$75
G34W	HERRING ROE, GILLNET, GOODNEWS BAY	Y	138	0	\$60	\$75
G34Y	HERRING ROE, GILLNET, CAPE ROMANZOF	Y	59	0	\$60	\$75
G34Z	HERRING ROE, GILLNET, NORTON SOUND	Y	183	59	\$60	\$75
H01L	HERRING FOOD/BAIT, PURSE SEINE, CHIGNIK	N	1	0	\$60	\$75
H21A	HERRING FOOD/BAIT, SPAWN ON KELP/POUND, SOUTHEAST	N	19	3	\$60	\$75
H34M	HERRING FOOD/BAIT, GILLNET, AK PENINSULA	N	22	0	\$60	\$75
H7BK	HERRING FOOD/BAIT, OTTER TRAWL, FIXED VL 75', KODIAK	Y	0	1	\$60	\$75
H7CK	HERRING FOOD/BAIT, OTTER TRAWL, FIXED VL 70', KODIAK	Y	1	0	\$60	\$75
H7DK	HERRING FOOD/BAIT, OTTER TRAWL, FIXED VL 60', KODIAK	Y	0	2	\$60	\$75
I05B	LING COD, HAND TROLL, STATEWIDE	N	20	0	\$60	\$75
I06B	LING COD, LONGLINE VL UNDER 60', STATEWIDE	N	18	2	\$60	\$75
I25B	LING COD, DINGLEBAR TROLL, STATEWIDE	N	72	3	\$60	\$75
I26B	LING COD, MECHANICAL JIG, STATEWIDE	N	42	2	\$60	\$75
I61B	LING COD, LONGLINE VL OVER 60', STATEWIDE	N	1	0	\$60	\$75
I91B	LING COD, POT GEAR VL OVER 60', STATEWIDE	N	2	1	\$60	\$75
K09D	KING CRAB, POT GEAR VL UNDER 60', YAKUTAT	N	1	0	\$60	\$75
K09O	KING CRAB, POT GEAR VL UNDER 60', DUTCH HARBOR	N	1	0	\$60	\$75
K09Q	KING CRAB, POT GEAR VL UNDER 60', BERING SEA	N	2	0	\$60	\$75
K09X	KING CRAB, POT GEAR VL UNDER 60', SAINT LAWRENCE ISLAND	N	4	0	\$60	\$75
K19A	RED/BLUE KING CRAB, POT GEAR, SOUTHEAST	Y	5	0	\$60	\$75
L12T	HERRING SPAWN ON KELP, DIVE/HAND PICK, BRISTOL BAY	Y	201	6	\$60	\$75
L21C	HERRING SPAWN ON KELP/POUND, SOUTHERN SOUTHEAST	Y	159	16	\$60	\$75
M01B	MISCELLANEOUS SALT WATER FINFISH, PURSE SEINE, STATEWIDE	N	1	0	\$60	\$75
M05B	MISCELLANEOUS SALTWATER FINFISH, HAND TROLL, STATEWIDE	N	72	4	\$60	\$75
M06B	MISCELLANEOUS SALTWATER FINFISH, LONGLINE VL UNDER 60', STW	N	687	60	\$60	\$75

**State of Alaska
Commercial Fisheries Entry Commission**

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M17B	MISCELLANEOUS SALTWATER FINFISH, BEAM TRAWL, STATEWIDE	N	4	0	\$60	\$75
M25B	MISCELLANEOUS SALTWATER FINFISH, DINGLEBAR TROLL, STATEWIDE	N	10	0	\$60	\$75
M26B	MISCELLANEOUS SALTWATER FINFISH, MECHANICAL JIG, STATEWIDE	N	445	51	\$60	\$75
M37B	MISCELLANEOUS SALTWATER FINFISH, PAIR TRAWL, STATEWIDE	N	1	0	\$60	\$75
M61B	MISC. SALTWATER FINFISH, LONGLINE VL 60' to 89', STW	N	48	11	\$300	\$75
P09D	SHRIMP, POT GEAR VL UNDER 60', YAKUTAT	N	15	0	\$60	\$75
P09E	SHRIMP, POT GEAR VL UNDER 60', PRINCE WILLIAM SOUND	N	1	0	\$60	\$75
P09J	SHRIMP, POT GEAR VL UNDER 60', WESTWARD	N	14	0	\$60	\$75
P17E	SHRIMP, BEAM TRAWL, PRINCE WILLIAM SOUND	N	5	0	\$60	\$75
P17J	SHRIMP, BEAM TRAWL, WESTWARD	N	2	0	\$60	\$75
P91A	SHRIMP, POT GEAR, SOUTHEAST	Y	271	21	\$60	\$75
P91J	SHRIMP, POT GEAR VL OVER 60', WESTWARD	N	5	0	\$60	\$75
Q11A	SEA CUCUMBER, DIVING GEAR, SOUTHEAST	Y	258	72	\$60	\$75
Q11B	SEA CUCUMBER, DIVING GEAR, STATEWIDE/EXCLUDING SOUTHEAST	N	23	5	\$60	\$75
R18B	CLAMS, SHOVEL, STATEWIDE	N	30	25	\$60	\$75
R23B	CLAMS, MECHANICAL DIGGER, STATEWIDE/NOT SE GEODUCK	N	1	0	\$60	\$75
S01E	SALMON, PURSE SEINE, PRINCE WILLIAM SOUND	Y	188	67	\$60	\$75
S01H	SALMON, PURSE SEINE, COOK INLET	Y	69	8	\$60	\$75
S01K	SALMON, PURSE SEINE, KODIAK	Y	267	85	\$60	\$75
S01M	SALMON, PURSE SEINE, AK PENINSULA	Y	83	26	\$60	\$75
S02K	SALMON, BEACH SEINE, KODIAK	Y	25	5	\$60	\$75
S03A	SALMON, DRIFT GILLNET, SOUTHEAST	Y	351	120	\$60	\$75
S03H	SALMON, DRIFT GILLNET, COOK INLET	Y	386	172	\$60	\$75
S04D	SALMON, SET GILLNET, YAKUTAT	Y	127	32	\$60	\$75
S04H	SALMON, SET GILLNET, COOK INLET	Y	611	120	\$60	\$75
S04P	SALMON, SET GILLNET, UPPER YUKON	Y	53	0	\$60	\$75
S04T	SALMON, SET GILLNET, BRISTOL BAY	Y	693	277	\$60	\$75
S04W	SALMON, SET GILLNET, KUSKOKWIM	Y	732	4	\$60	\$75
S04X	SALMON, SET GILLNET, KOTZEBUE	Y	148	4	\$60	\$75
S04Y	SALMON, SET GILLNET, LOWER YUKON	Y	561	5	\$60	\$75
S04Z	SALMON, SET GILLNET, NORTON SOUND	Y	139	2	\$60	\$75
S05B	SALMON, HAND TROLL, STATEWIDE	Y	961	118	\$60	\$75
S08P	SALMON, FISH WHEEL, UPPER YUKON	Y	100	2	\$60	\$75
S15B	SALMON, POWER TROLL, STATEWIDE	Y	756	186	\$60	\$75
T09K	TANNER CRAB (NOT BAIRDI), POT GEAR VL UNDER 60', KODIAK	N	89	8	\$60	\$75
T09Q	TANNER CRAB, POT GEAR VL UNDER 60', BERING SEA	N	1	0	\$60	\$75
T10A	TANNER CRAB, RING NET, SOUTHEAST	N	105	2	\$60	\$75
T91K	TANNER CRAB, POT GEAR VL OVER 60', KODIAK	N	20	6	\$60	\$75
TB9BK	TANNER BAIRDI CRAB, POT GEAR VL UNDER 60', KODIAK	Y	106	6	\$60	\$75
U11A	SEA URCHIN, DIVING GEAR, SOUTHEAST	Y	34	38	\$60	\$75
U11B	SEA URCHIN, DIVING GEAR, STATEWIDE/EXCLUDING SOUTHEAST	N	3	1	\$60	\$75
Y05A	DEMERSAL SHELF ROCKFISH, HAND TROLL, SOUTHEAST	N	15	1	\$60	\$75
Y06A	DEMERSAL SHELF ROCKFISH, LONGLINE VL UNDER 60', SOUTHEAST	N	181	6	\$60	\$75
Y25A	DEMERSAL SHELF ROCKFISH, DINGLEBAR TROLL, SOUTHEAST	N	8	1	\$60	\$75
Y26A	DEMERSAL SHELF ROCKFISH, MECHANICAL JIG, SOUTHEAST	N	11	1	\$60	\$75
Y61A	DEMERSAL SHELF ROCKFISH, LONGLINE VL OVER 60', SOUTHEAST	N	28	1	\$60	\$75
U09J	DUNGENESS CRAB, POT GEAR VL UNDER 60', WESTWARD	N	24	3	\$120	\$75
D91L	DUNGENESS CRAB, POT GEAR VL OVER 60', CHIGNIK	N	1	0	\$120	\$75
G01H	HERRING ROE, PURSE SEINE, COOK INLET	Y	6	0	\$120	\$75
K91K	KING CRAB, POT GEAR VL OVER 60', KODIAK	N	4	1	\$120	\$75
L21E	HERRING SPAWN ON KELP/POUND, PRINCE WILLIAM SOUND	Y	2	0	\$120	\$75
P07J	SHRIMP, OTTER TRAWL, WESTWARD	N	2	0	\$120	\$75

**State of Alaska
Commercial Fisheries Entry Commission**

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TB9AK	TANNER BAIRD CRAB, POT GEAR VL OVER 60', KODIAK	Y	15	4	\$120	\$75
B06B	HALIBUT, LONGLINE VL UNDER 60', STATEWIDE	N	2,211	338	\$120	\$150
C07B	SABLEFISH, OTTER TRAWL, STATEWIDE	N	0	3	\$120	\$150
C5CE	SABLEFISH, FIXED GEAR MAX VL LENGTH 50', PRINCE WILLIAM SOUND	Y	37	3	\$120	\$150
D91J	DUNGENESS CRAB, POT GEAR VL OVER 60', WESTWARD	N	9	2	\$120	\$150
D91M	DUNGENESS CRAB, POT GEAR VL OVER 60', AK PENINSULA	N	1	0	\$120	\$150
D9CA	DUNGENESS CRAB, 150 POTS/OR 50% OF MAX, SOUTHEAST	Y	72	11	\$120	\$150
G01T	HERRING ROE, PURSE SEINE, BRISTOL BAY	N	67	16	\$120	\$150
H01A	HERRING FOOD/BAIT, PURSE SEINE, SOUTHEAST	N	13	1	\$120	\$150
J11A	GEODUCK CLAMS, DIVING GEAR, SOUTHEAST	Y	44	34	\$120	\$150
K09Z	KING CRAB, POT GEAR VL UNDER 60', NORTON SOUND	N	71	5	\$120	\$150
K59A	BROWN KING/TANNER CRAB, POT GEAR, SOUTHEAST	Y	3	1	\$120	\$150
S01A	SALMON, PURSE SEINE, SOUTHEAST	Y	182	222	\$120	\$150
S03M	SALMON, DRIFT GILLNET, AK PENINSULA	Y	71	77	\$120	\$150
S03T	SALMON, DRIFT GILLNET, BRISTOL BAY	Y	900	911	\$120	\$150
T09M	TANNER CRAB, POT GEAR VL UNDER 60', AK PENINSULA	N	11	2	\$120	\$150
T09O	TANNER CRAB, POT GEAR VL UNDER 60', DUTCH HARBOR	N	3	0	\$120	\$150
D9BA	DUNGENESS CRAB, 225 POTS/OR 75% OF MAX, SOUTHEAST	Y	35	8	\$180	\$150
G02Z	HERRING ROE, BEACH SEINE, NORTON SOUND	Y	4	1	\$180	\$150
H1DK	HERRING, FOOD/BAIT, PURSE SEINE, FIXED VL LENGTH 60', KODIAK	Y	5	0	\$180	\$150
K29A	RED/BLUE/BROWN KING CRAB, POT GEAR, SOUTHEAST	Y	5	0	\$180	\$150
K39A	BROWN KING CRAB, POT GEAR, SOUTHEAST	Y	4	1	\$180	\$150
L21A	HERRING SPAWN ON KELP/POUND, NORTHERN SOUTHEAST	Y	96	14	\$180	\$150
P17A	SHRIMP, BEAM TRAWL, SOUTHEAST	Y	29	2	\$180	\$150
S03E	SALMON, DRIFT GILLNET, PRINCE WILLIAM SOUND	Y	403	135	\$180	\$150
S04K	SALMON, SET GILLNET, KODIAK	Y	130	56	\$180	\$150
S04M	SALMON, SET GILLNET, AK PENINSULA	Y	90	17	\$180	\$150
C91C	SABLEFISH, POT GEAR VL OVER 60', SOUTHERN SOUTHEAST	Y	3	1	\$180	\$225
D09M	DUNGENESS CRAB, POT GEAR VL UNDER 60', AK PENINSULA	N	6	1	\$180	\$225
H01M	HERRING FOOD/BAIT, PURSE SEINE, AK PENINSULA	N	17	5	\$180	\$225
D9AA	DUNGENESS CRAB, 300 POTS/OR 100% OF MAX, SOUTHEAST	Y	43	5	\$240	\$225
M09B	MISCELLANEOUS SALTWATER FINFISH, POT GEAR VL UNDER 60', STW	N	163	15	\$240	\$225
S04E	SALMON, SET GILLNET, PRINCE WILLIAM SOUND	Y	25	5	\$240	\$225
B61B	HALIBUT, LONGLINE VL OVER 60', STATEWIDE	N	231	122	\$240	\$300
C06B	SABLEFISH, LONGLINE VL UNDER 60', STATEWIDE	N	396	125	\$240	\$300
K91Q	KING CRAB, POT GEAR VL OVER 60', BERING SEA	N	9	5	\$300	\$300
T19A	TANNER CRAB, POT GEAR, SOUTHEAST	Y	16	2	\$300	\$300
C09B	SABLEFISH, POT GEAR VL UNDER 60', STATEWIDE	N	4	1	\$300	\$375
K09T	KING CRAB, POT GEAR VL UNDER 60', BRISTOL BAY	N	3	1	\$300	\$375
P07E	SHRIMP, OTTER TRAWL, PRINCE WILLIAM SOUND	N	3	0	\$300	\$375
M91B	MISCELLANEOUS SALTWATER FINFISH, POT GEAR VL OVER 60', STW	N	71	77	\$300	\$525
K49A	RED/BLUE KING/TANNER CRAB, PCT GEAR, SOUTHEAST	Y	23	2	\$300	\$600
M07B*	MISC. SALTWATER FINFISH, OTTER TRAWL, VL UNDER 60', STATEWIDE	N	33	14	\$300	\$675
C61C	SABLEFISH, LONGLINE VL OVER 60', SOUTHERN SOUTHEAST	Y	18	6	\$300	\$750
S01L	SALMON, PURSE SEINE, CHIGNIK	Y	83	17	\$300	\$750
C61B	SABLEFISH, LONGLINE VL OVER 60', STATEWIDE	N	68	88	\$300	\$825
C91B	SABLEFISH, POT GEAR VL OVER 60', STATEWIDE	N	5	7	\$300	\$825
T91Q	TANNER CRAB, POT GEAR VL OVER 60', BERING SEA	N	63	145	\$300	\$825
C61A	SABLEFISH, LONGLINE VL OVER 60', NORTHERN SOUTHEAST	Y	82	27	\$300	\$900
K69A	RED/BLUE/BROWN KING/TANNER CRAB, POT GEAR, SOUTHEAST	Y	42	2	\$300	\$900
K91T	KING CRAB, POT GEAR VL OVER 60', BRISTOL BAY	N	76	180	\$300	\$900
G01A	HERRING ROE, PURSE SEINE, SOUTHEAST	Y	34	17	\$300	\$1,200

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M61B*	MISC. SALTWATER FINFISH, LONGLINE VL OVER 89', STW	N	12	54	\$300	\$1,500
K91O	KING CRAB, POT GEAR VL OVER 60', DUTCH HARBOR	N	9	42	\$300	\$2,025
M07B*	MISC. SALTWATER FINFISH, OTTER TRAWL, VL OVER 59', STATEWIDE	N	45	220	\$300	\$3,975
			16,883	4,880		

Under the proposed methodology, CFEC would assess renewal fees based on gross earnings for the M61B and M07B fisheries by splitting each fishery into two separate fisheries based on vessel length:

- M61B Misc. Saltwater Finfish, Longline VL 60' to 89' STW
- M61B Misc. Saltwater Finfish, Longline VL OVER 89' STW

- * M07B Misc. Saltwater Finfish, Otter Trawl VL to 59' STW
- * M07B Misc. Saltwater Finfish, Otter Trawl VL OVER 59' STW