

SCOMM

138:5

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: January 10, 2005

FURTHER REFERRALS: Resources
Finance

Date of Committee Action: _____

The HOUSE SPECIAL COMMITTEE ON FISHERIES considered:

HB 26

HOUSE BILL NO. 26

SHORT-TERM COM FISHING CREWMEMBER LICENSE

"An Act relating to short-term commercial fishing crewmember licenses; and providing for an effective date."

Recommends it be replaced with [] HCS or [] CS for _____ (_____)
For Senate Bills with new title: [] Technical Title [] New Title: HCR _____ [] Same Title [] New Title

☐ attach amendments

[] add new referral to _____Committee

[] Letter of Intent_____Committee

*List of
Abbrev
for
Depts.:*
ADM
CED
COR
CRT
EED
DEC
DFG
GOV
HSS
LEG
LAW
LWF
MVA
DNR
DPS
REV
DOT
UA

[illegible][illegible]

Signing with recommendations		Printed Last Name	DP	DNP	NR	AM
Reggie Wilson		Wilson	X			
~~A. Prince~~		ELKINS	X			
Kirk Wilson		Salmer			X	
Chair: Alvin L. Day		LeDoux	X			
Chair: Van A. [Signature]		Thorne	X			

Alaska State Legislature
Representative Carl E. Moses
House District 37



MEMORANDUM

DATE: February 1, 2005

TO: Rep. Gabrielle LeDoux, Co-Chair
House Fisheries Committee

FROM: Rep. Carl E. Moses 
House District 37

SUBJ: Request for Hearing – HB 26 (Short-Term Commercial Fishing
Crewmember License)

I respectfully request a committee hearing on HB26, the measure to establish a Short-Term Commercial Fishing Crewmember License. It is in the best interest of the State of Alaska to maximize options available to fishermen to help them earn a living. One option is to allow the purchase of short-term commercial fishing crewmember licenses.

HB 26 would allow visitors an affordable way to engage in the commercial fishing industry by actually participating in the fishery as a crewmember. In turn, it could help fishermen earn extra money by charging those visitors a fee for the experience, similar to what many "extreme adventure" tour operators already practice.

Tourists can currently go out on a commercial boat but cannot have any form of active participation without buying a full-year crewmember license.

HB 26 would give each permit holder the option of at least exploring whether they would want to try taking visitors out to supplement the income from their commercial fishing operation.

I am attaching a copy of the bill and the sponsor statement. Thank you for your consideration.

SESSION

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Juneau, AK 99801-1182
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Alaska State Legislature
Representative Carl E. Moses
House District 37



MEMORANDUM

DATE: February 1, 2005

TO: Rep. Gabrielle LeDoux, Co-Chair
House Fisheries Committee

FROM: Rep. Carl E. Moses *CEM*
House District 37

SUBJ: Request for Teleconference – HB26 – Short-Term Commercial
Crewmember Licenses

I request the committee meeting on HB26 be teleconferenced to Kenai and Dillingham. I would like to have the teleconference open to other interested LIO's and would also like to reserve the chance to add an offnet after finding out the hearing date.

Thank you for your consideration.

SESSION

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Representative Carl E. Moses, House District 37
(907) 465-4451 – Adam Berg, Staff

SPONSOR STATEMENT / SECTIONAL ANALYSIS

HB26 – Short-Term Commercial Fishing Crewmember Licenses

The economic health of certain communities in Western Alaska has been jeopardized by unprecedented low salmon returns and / or prices. It is in the best interest of the State of Alaska and these communities to maximize options available for commercial fishermen to earn a living. One option available is to allow the purchase of short-term commercial fishing crewmember licenses. This would allow visitors an affordable way to engage in a sort of extreme tourism adventure by actually participating in the fishery as a crewmember.

Currently, tourists can go out with a commercial boat but cannot have any form of active participation without buying a full year crewmember license.

BILL SECTIONS 1-2: Change the term from a "crewmember fishing license" to an "annual crewmember fishing license". (Note: The reason for the term change applies to Bill Section 4.)

BILL SECTION 3: Allows residents and non-residents to purchase a one-day commercial fishing crewmember license for \$30 or a three-day license for \$50. (Note: Work Draft 24-LS0181\G also assures a short-term crewmember license holder cannot fish with rod and reel while on a commercial fishing vessel.)

BILL SECTION 4: Assures that a short-term license holder is not considered a fisherman eligible for the Commercial Fishing Revolving Loan Fund.

BILL SECTION 5: Allows the Department of Fish & Game to add and collect an additional administrative fee of \$3 on licenses issued in 2005.

BILL SECTION 6: Makes the effective date July 1, 2005.

24-LS0181\G
Utermohle
2/4/05

CS FOR HOUSE BILL NO. 26()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVE MOSES BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to short-term commercial fishing crewmember licenses; and providing
2 for an effective date."

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

4 * **Section 1.** AS 16.05.480(g) is amended to read:

5 (g) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR
6 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident engaged in
7 commercial fishing who is 11 years of age or older and who does not hold an entry
8 permit or an interim-use permit shall pay a [AN ANNUAL] fee of \$60 for an annual
9 crewmember fishing license. A [. FOR A CREWMEMBER FISHING LICENSE
10 ISSUED FOR CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident
11 engaged in commercial fishing who is less than 11 years of age and who does not hold
12 an entry permit or an interim-use permit shall pay an annual fee of \$5.

13 * **Sec. 2.** AS 16.05.480(h) is amended to read:

14 (h) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR

1 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] nonresident engaged in
2 commercial fishing who is 11 years of age or older and who does not hold an entry
3 permit or an interim-use permit shall pay a [AN ANNUAL] base fee of \$60 for an
4 annual crewmember fishing license, plus an amount, established by the department
5 by regulation, that is as close as is practicable to the maximum allowed by law. A
6 [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR CALENDAR YEAR
7 2002 AND FOLLOWING YEARS, A] nonresident engaged in commercial fishing
8 who is less than 11 years of age and who does not hold an entry permit or an interim-
9 use permit shall pay an annual base fee of \$5 plus an amount, established by the
10 department by regulation, that is as close as is practicable to the maximum allowed by
11 law.

12 * Sec. 3. AS 16.05.480 is amended by adding a new subsection to read:

13 (j) Notwithstanding (g) and (h) of this section, a resident or nonresident
14 engaged in commercial fishing who does not hold an entry permit or an interim-use
15 permit may obtain a one-day crewmember fishing license or a three-day crewmember
16 fishing license under this subsection. During the period for which the license is valid,
17 a person who holds a one-day crewmember fishing license or a three-day crewmember
18 fishing license may not engage in fishing with a rod and reel while present on a
19 commercial fishing vessel. The fee for

20 (1) a one-day crewmember fishing license is \$30; or

21 (2) a three-day crewmember fishing license is \$50.

22 * Sec. 4. AS 16.10.310(a) is amended to read:

23 (a) The department may

24 (1) make loans

25 (A) to individual commercial fishermen who have been state
26 residents for a continuous period of two years immediately preceding the date
27 of application for a loan under AS 16.10.300 - 16.10.370, who have had an
28 annual [A] crewmember or commercial fishing license under AS 16.05.480 or
29 a permit under AS 16.43 for the year immediately preceding the date of
30 application and any other two of the past five years, and who actively
31 participated in the fishery during those periods

1 (i) for the purchase of entry permits; or

2 (ii) to upgrade existing vessels and gear for the purpose
3 of improving the quality of Alaska seafood products;

4 (B) to an individual for the repair, restoration, or upgrading of
5 existing vessels and gear, for the purchase of entry permits and gear, and for
6 the construction and purchase of vessels, if the individual has been a state
7 resident for a continuous period of two years immediately preceding the date
8 of application for a loan under AS 16.10.300 - 16.10.370, and either

9 (i) because of lack of training or lack of employment
10 opportunities in the area of residence, does not have occupational
11 opportunities available other than commercial fishing; or

12 (ii) is economically dependent on commercial fishing
13 for a livelihood and for whom commercial fishing has been a traditional
14 way of life in Alaska;

15 (C) for the purchase of quota shares for fisheries in or off the
16 state by individual commercial fishermen who

17 (i) have been state residents for a continuous period of
18 two years immediately preceding the date of application for a loan
19 under AS 16.10.300 - 16.10.370;

20 (ii) for any two of the past five years, possessed an
21 annual [A] crewmember or commercial fishing license under
22 AS 16.05.480 or a permit under AS 16.43 and actively participated in a
23 fishery for which the license or permit was issued;

24 (iii) qualify as transferees for quota shares under
25 applicable law; and

26 (iv) are not eligible for financing from other recognized
27 commercial lending institutions to purchase quota shares;

28 (D) to an individual commercial fisherman to satisfy past due
29 federal tax obligations, if the fisherman has been a state resident for a
30 continuous period of two years immediately preceding the date of application
31 for the loan, has filed past and current federal tax returns with the federal

1 government, has executed an agreement with the federal government for
2 repayment of past due federal tax obligations, and either

3 (i) has had an annual [A] crewmember or commercial
4 fishing license under AS 16.05.480 or a permit under AS 16.43 for the
5 year immediately preceding the date of application and any other two
6 of the past five years, and has actively participated in the fishery during
7 those periods;

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9 opportunities in the area of residence, does not have occupational
10 opportunities available other than commercial fishing; or

11 (iii) is economically dependent on commercial fishing
12 for a livelihood and for whom commercial fishing has been a traditional
13 way of life in Alaska;

14 (E) for the purchase of fishing quota shares by a community
15 quota entity eligible under federal statute or regulation to purchase the fishing
16 quota shares if the community quota entity is not eligible or qualified for
17 financing from other recognized commercial lending institutions to purchase
18 the fishing quota shares;

19 (2) designate agents and delegate its powers to them as necessary;

20 (3) adopt regulations necessary to carry out the provisions of
21 AS 16.10.300 - 16.10.370, including regulations to establish reasonable fees for
22 services provided;

23 (4) establish amortization plans for repayment of loans, which may
24 include extensions for poor fishing seasons or for adverse market conditions for
25 Alaska products;

26 (5) enter into agreements with private lending institutions, other state
27 agencies, or agencies of the federal government to carry out the purposes of
28 AS 16.10.300 - 16.10.370;

29 (6) enter into agreements with other agencies or organizations to create
30 an outreach program to make loans under AS 16.10.300 - 16.10.370 in rural areas of
31 the state;

1 (7) allow an assumption of a loan if

2 (A) the applicant has been a state resident for a continuous
3 period of two years immediately preceding the date of the request for an
4 assumption; and

5 (B) approval of the assumption would be consistent with the
6 purposes of AS 16.10.300; an applicant for a loan assumption may not be
7 disqualified because the applicant does not meet the loan eligibility
8 requirements of (1) of this subsection;

9 (8) prequalify loan applicants for a limited entry permit loan or a quota
10 shares loan and charge a fee not to exceed \$200 for prequalification;

11 (9) charge and collect the fees established under this subsection;

12 (10) refinance a debt obligation incurred by a borrower or borrowers
13 under this section if the borrower or borrowers otherwise qualify for a loan under
14 AS 16.10.300 - 16.10.370;

15 (11) refinance debt obligations, not to exceed \$300,000, incurred by a
16 borrower or borrowers for the purchase of a commercial fishing vessel or gear if the
17 borrower or borrowers otherwise qualify for a loan under AS 16.10.300 - 16.10.370;
18 the department may collect a refinancing loan origination charge as provided by
19 regulation.

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

22 TEMPORARY SURCHARGE ON ISSUANCE OF SHORT-TERM COMMERCIAL
23 FISHING CREWMEMBER LICENSES. The Department of Fish and Game may collect an
24 additional administrative fee of \$3 for each one-day or three-day crewmember fishing license
25 issued under AS 16.05.480(j), added by sec. 3 of this Act, through December 31, 2005.

26 * **Sec. 6.** This Act takes effect July 1, 2005.

Representative Carl E. Moses, House District 37
(907) 465-4451 – Adam Berg, Staff

SPONSOR STATEMENT / SECTIONAL ANALYSIS

HB26 – Short-Term Commercial Fishing Crewmember Licenses

The economic health of certain communities in Western Alaska has been jeopardized by unprecedented low salmon returns and / or prices. It is in the best interest of the State of Alaska and these communities to maximize options available for commercial fishermen to earn a living. One option available is to allow the purchase of short-term commercial fishing crewmember licenses. This would allow visitors an affordable way to engage in a sort of extreme tourism adventure by actually participating in the fishery as a crewmember.

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24-LS0181VF

Utermohle

2/10/05

CS FOR HOUSE BILL NO. 26()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVE MOSES BY REQUEST

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13 (j) Notwithstanding (g) and (h) of this section, a resident or nonresident
14 engaged in commercial fishing who does not hold an entry permit or an interim-use
15 permit may obtain a seven-day crewmember fishing license under this subsection.
16 During the period for which the license is valid, a person who holds a seven-day
17 crewmember fishing license may not engage in fishing with a rod and reel while
18 present on a commercial fishing vessel. The fee for a seven-day crewmember fishing
19 license is \$30.

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19 AS 16.10.300 - 16.10.370, including regulations to establish reasonable fees for
20 services provided;

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22 include extensions for poor fishing seasons or for adverse market conditions for
23 Alaska products;

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25 agencies, or agencies of the federal government to carry out the purposes of
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6 requirements of (1) of this subsection;

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20 **TEMPORARY SURCHARGE ON ISSUANCE OF SHORT-TERM COMMERCIAL**
21 **FISHING CREWMEMBER LICENSES.** The Department of Fish and Game may collect an
22 additional administrative fee of \$3 for each seven-day crewmember fishing license issued
23 under AS 16.05.480(j), added by sec. 3 of this Act, through December 31, 2005.

24 * **Sec. 6.** This Act takes effect July 1, 2005.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 26
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
Title Short-Term Commercial Fishing RDU Investments (122)
Crewmember License Component Investments
Sponsor Moses
Requester House Fisheries Component No. 383

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						
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 ()						
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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						
Other (Specify Type--Do not abbreviate)						
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						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation provides for a new type of commercial fishing crewmember license that may be obtained for a one or three day time period. The bill will not impact the operations of the division.

Prepared by: Greg Winegar, Director Phone 907.465.2510
Division Investments Date/Time 2/7/05 4:54 PM
Approved by: Edgar Blatchford, Commissioner Date 2/7/2005
Agency Commerce, Community & Economic Development

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: **HB026- DOL/WD-FF-02-07-05**
() Publish Date: _____

Revision Date/Time (Note if correction): _____

Title: **Short-Term Com Fishing Crewmember License**

Department: **Labor and Workforce Development**

RDU: **Workers' Compensation**

Component: **Fishermen's Fund**

Sponsor: **Representative Moses**

Requester: **House FSH**

Component Number: **343**

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						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	*	*	*	*	*	*
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1032)	1.5	1.5	1.5	1.5	1.5	1.5
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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						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2005) cost: None

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

According to information provided by the Department of Fish and Game, it is anticipated:

1. 60 new licensees will purchase the one-day license.
2. 40 new licensees will purchase the three-day license.
3. 10% of revenue generated by those sales will remit to vendors' commissions.
4. Under AS 23.35.060(a) the Fishermen's Fund will receive 39% of the gross revenue (\$1,482.00).

The revenues to the Fund generated by the new licenses (\$10.53/one-day and \$17.55/three-day) compare favorably to those from annual licenses (\$21.06) that expose the Fund to much longer periods of potential liability. However, licensees who are tourists or otherwise inexperienced in fisheries may be more likely to sustain an injury. *Consequently, the ultimate impact on the Fund's claim payment outlays is indeterminate.

Prepared by: **Paul F. Lisankle, Director**
Division: **Workers' Compensation Division**

Phone: **465-6059**
Date/Time: **2/7/05 3:34 PM**

Approved by: **Greg O'Claray, Commissioner**
Agency: **Department of Labor and Workforce Development**

Date: **2/7/2005**

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: H.B. 26
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
 Title Short-term Commercial Fishing RDU Administration and Support
Crewmember License Component Administrative Services
 Sponsor Representative Moses
 Requester House Fisheries Committee Component No. 479

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						
Travel						
Contractual	1.7	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.7	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1024)	1.9	1.9	1.9	1.9	1.9	1.9

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.7	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
1024 Fish and Game Fund						
TOTAL	1.7	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						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Assumptions:

- 100 new short-term licenses will be purchased.
- Per AS 23.35.060(a) Fishermen's Fund will receive 39% of the gross revenue. Fish and Game Fund will receive 61%.
- Given the mid-year effective date, the department must print 5,000 new licenses for distribution statewide. We estimate the printing costs for these new licenses to be a one-time cost of roughly \$1,700. In the following years, this new license option will be incorporated into our standard license, so there will be no additional cost for offering this option.

(Continued on page 2)

Prepared by: Tom Lawson Phone 465-5999
 Division: Administrative Services Date/Time 2/8/05 3:58 PM
 Approved by: Acting Commissioner Wayne Regelin Date 2/8/2005
 Agency: Department of Fish and Game

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. H.B. 26

ANALYSIS CONTINUATION

This bill gives the department the ability to charge a \$3 administrative fee per license that would be imposed through regulation. If such a fee were imposed, printing costs would decrease by \$300 (\$3 fee x 100 new licenses sold).

Type of License Sold	Number of Licenses Sold	Amount	Total Gross Revenue	Vendor Commission	Total Commission	Total Net Revenue
One - day	60	\$30	\$1,800.00	10%	\$180.00	\$1,620.00
Three - day	40	\$50	\$2,000.00	10%	\$200.00	\$1,800.00
			\$3,800.00		\$380.00	\$3,420.00
<u>Break-out of Funds:</u>						
Fishermen's Fund		39%	\$1,482.00			
Fish & Game Fund		61%	\$1,938.00			
		Total	\$3,420.00			

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: **CSH3026- DOLWD-FF-02-15-05**
() Publish Date: _____

Revision Date/Time (Note if correction): _____
Title: **Short-Term Com Fishing Crewmember License**

Department: **Labor & Workforce Development**
RDU: **Workers' Compensation**
Component: **Fishermen's Fund**

Sponsor: **Representative Moses**
Requester: **House FSH**

Component Number: **343**

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						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	*	*	*	*	*	*
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1032)	1.1	1.1	1.1	1.1	1.1	1.1
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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						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (f , 2005) cost: **None**

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

According to information provided by the Department of Fish and Game, it is anticipated 100 new licenses will be purchased. Under AS 23.35.060(a) the Fishermen's Fund will receive 39% of the revenue (\$1,053.00).

The revenues to the Fund generated by the new licenses (\$30 for a seven day license) compare favorably to those from annual licenses (\$21.06) that expose the Fund to much longer periods of potential liability. However, licensees who are tourists or otherwise inexperienced in fisheries may be more likely to sustain an injury. *Consequently, the ultimate impact on the Fund's claim payment outlays is indeterminate.

Prepared by: **Paul F. Lisankie, Director**
Division: **Workers' Compensation Division**
Approved by: **Greg O'Claray, Commissioner**
Agency: **Department of Labor and Workforce Development**

Phone: **465-6059**
Date/Time: **2/15/05 4:36 PM**
Date: **2/15/2005**

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 26 (FSH)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
 Title Short-term Commercial Fishing RDU Administration and Support
Crewmember License Component: Administrative Services
 Sponsor Representative Moses
 Requester House Fisheries Committee Component No. 479

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						
Travel						
Contractual	1.7	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.7	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1024)	1.5	1.5	1.5	1.5	1.5	1.5
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF	1.7	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
1024 Fish and Game Fund						
TOTAL	1.7	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						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Assumptions:

- 100 new short-term licenses will be purchased.
- Per AS 23.35.060(a) Fishermen's Fund will receive 39% of the gross revenue. Fish and Game Fund will receive 61%.
- Given the mid-year effective date, the department must print 5,000 new licenses for distribution statewide. We estimate the printing costs for these new licenses to be a one-time cost of roughly \$1,700. In the following years, this new license option will be incorporated into our standard license, so there will be no additional cost for offering this option.

(Continued on page 2)

Prepared by: Tom Lawson Phone 465-5999
 Division: Administrative Services Date/Time 2/11/05 3:19 PM
 Approved by: Acting Commissioner Wayne Regelin Date 2/11/2005
 Agency: Department of Fish and Game

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. CSHB 26 (FSH)

ANALYSIS CONTINUATION

This bill gives the department the ability to charge a \$3 administrative fee per license that would be imposed through regulation. If such a fee were imposed, printing costs would decrease by \$300 (\$3 fee x 100 new licenses sold).

Type of License Sold	Number of Licenses Sold	Amount	Total Gross Revenue	Vendor Commission	Total Commission	Total Net Revenue
Seven-day	100	\$30	\$3,000.00	10%	\$300.00	\$2,700.00
			\$3,000.00		\$300.00	\$2,700.00
<u>Break-out of Funds:</u>						
Fishermen's Fund		39%	\$1,170.00			
Fish & Game Fund		61%	\$1,530.00			
		Total	\$2,700.00			

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: **CSHB026- DOLWD-FF-02-15-05**
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Department: **Labor & Workforce Development**
 Title: **Short-Term Com Fishing Crewmember License** RDU: **Workers' Compensation**
 Component: **Fishermen's Fund**
 Sponsor: **Representative Moses**
 Requester: **House FSH** Component Number: **343**

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						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	*	*	*	*	*	*
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1032)	1.1	1.1	1.1	1.1	1.1	1.1

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2005) cost: None

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

According to information provided by the Department of Fish and Game, it is anticipated 100 new licenses will be purchased. Under AS 23.35.060(a) the Fishermen's Fund will receive 39% of the revenue (\$1,053.00).

The revenues to the Fund generated by the new licenses (\$30 for a seven day license) compare favorably to those from annual licenses (\$21.06) that expose the Fund to much longer periods of potential liability. However, licensees who are tourists or otherwise inexperienced in fisheries may be more likely to sustain an injury. *Consequently, the ultimate impact on the Fund's claim payment outlays is indeterminate.

Prepared by: **Paul F. Lisankie, Director** Phone: **465-6059**
 Division: **Workers' Compensation Division** Date/Time: **2/15/05 4:36 PM**
 Approved by: **Greg O'Claray, Commissioner** Date: **2/15/2005**
 Agency: **Department of Labor and Workforce Development**

ANALYSIS CONTINUATION

This bill gives the department the ability to charge a \$3 administrative fee per license that would be imposed through regulation. If such a fee were imposed, printing costs would decrease by \$300 (\$3 fee x 100 new licenses sold).

Type of License Sold	Number of Licenses Sold	Amount	Total Gross Revenue	Vendor Commission	Total Commission	Total Net Revenue
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Three - day	40	\$50	\$2,000.00	10%	\$200.00	\$1,800.00
			\$3,800.00		\$380.00	\$3,420.00
<u>Break-out of Funds:</u>						
Fishermen's Fund		39%	\$1,482.00			
Fish & Game Fund		61%	\$1,938.00			
		Total	\$3,420.00			