

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 06/19/2012
POSITION: Neutral

BILL NUMBER: AB 2443
AUTHOR: Williams, Das

BILL SUMMARY: Vessels: registration fee: Quagga and Zebra Mussel Infestation Prevention Program

Existing law requires various state departments to develop and implement programs to prevent the introduction or spread of dreissenid mussels in state waters. Existing law requires a person who owns a boat to pay a registration fee for the boat on a bi-annual basis.

This bill would authorize the Department of Boating and Waterways (Boating) to charge an additional amount, not to exceed \$10, to the bi-annual registration fee, and require the revenue generated from the additional fee to be made available for state agencies and local governments to administer a dreissenid mussel monitoring, inspection, and education program.

FISCAL SUMMARY

The bill would establish the Quagga and Zebra Mussel Infestation Prevention Account (Account) to which the additional registration charge would be deposited. If the additional charge is set at \$10, Boating estimates revenues of \$8.5 million would be deposited into the Account over a two-year period.

The bill identifies specified uses of the revenue as funding for local governments to implement adopted dreissenid mussel prevention plans and funding for the Department of Fish and Game (DFG) for dreissenid mussel prevention plan development in areas of the state where a plan has not been adopted. The bill would allow 15 percent, approximately \$1.3 million, of the total revenue collected to be used for DFG prevention plan development. DFG estimates it would need \$700,000 and 10 positions annually to develop and monitor the prevention plans.

Currently, the Department of Motor Vehicles (DMV) is responsible for issuing and collecting boating registration fees. DMV estimates it would have one-time programming and materials costs of approximately \$150,000 to update vessel registration fee collection systems and information. The DMV does not expect ongoing costs as the number of vessel registrations processed would not change. The bill is silent to the eligible use of revenue for DMV's programming update. Therefore, the one-time costs would most likely be borne by the Harbors and Watercraft Revolving Fund.

COMMENTS

The Department of Finance is neutral on the bill as it would provide additional funding to DFG to supplement the department's current dreissenid mussel program and would provide local governments more opportunities to aide with aquatic invasive species eradication.

Dreissenid mussels are small freshwater mussels that attach themselves to stone or other hard surfaces in aquatic environments. The most common invasive dreissenids in California are the Quagga mussel and the Zebra mussel. Per Fish and Game Code, local agencies are required to develop and implement dreissenid mussel prevention programs. However, the absence of dedicated funding has required local

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COMMENTS (continued)

agencies to fund programs from existing budgets. DFG receives approximately \$2.3 million annually from the Harbors and Watercraft Revolving Fund for the department's dreissenid mussel program. The funding primarily allows DFG to monitor current eradication activities, and are not sufficient to expand eradication efforts to additional areas of the state. There are 25 bodies of water in California infested with dreissenid mussels. Of those 25 bodies, 13 of them have an approved response plan by DFG which is implemented by local water agencies.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)						Fund Code
	LA	(Dollars in Thousands)						
	CO	PROP						
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014
1204/Boating Use	RV	No	U	--	U	750	U	7,000
3600/Dept FishGam	SO	No	A	--	C	350	C	700
2740/DMV	SO	No	C	--	C	75	C	150
<u>Fund Code</u>	<u>Title</u>							
0499	Pending New Special Funds							
0516	Harbors and Watercraft Revolving Fund							