

arch 5, 1973

tee has had  
a study of  
ration and a  
ends it do  
airman, and  
y and Hartig.

to the

tee has had  
Arctic Health  
city of the  
The report  
red in by

ie Rules

tee has had  
al aid; and  
ation and a  
nds it be  
L NO. 181  
HOUSE BILL  
Beirne,  
Hackney,  
o has no

mittee for

tee has had  
on on Post-  
ive date)  
s of the  
EE SUBSTI-  
t COMMITTEE  
report was  
n by Malone,

ommittee.

tee has had  
lation and  
majority of  
placed with  
and that  
do pass.  
and con-  
Hartig.  
tion.

diciary

The Resources Committee has had HOUSE BILL NO. 126 (relating HB to the regulation of entry into Alaska commercial fisheries; 126 and providing for an effective date) under consideration and majority of the members of the Committee recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 126 (same title) and reports it back with individual recommendations. The report was signed by Mr. McGill, Chairman. McGill, Laktonen and Eliason recommend do pass; J. Miller and Gardiner recommend do pass if amended; Wilson and Guy have no recommendations, and Huber and Degnan recommend do not pass unless amended.

HOUSE BILL NO. 126 was referred to the Judiciary Committee.

The Speaker stated that without objection, the reading of the the Resources Committee Chairman's report on HOUSE BILL NO. 126 would be waived and that it would be printed in the journal. There being no objection, it was so ordered and the report appears as follows:

#### "RESOURCES COMMITTEE REPORT

on

#### COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 126

CSHB 126 retains the basic structure and objectives of HB 126, but would require the limited entry commission to utilize a voluntary buy-back program in order to reach optimum levels of gear in the various commercial fisheries. The commission would still proceed area by area and would deal independently with each type of gear. However, instead of making an initial reduction to the optimum number of units of gear, the commission would issue entry permits at the present level of fishing effort and reduce the amount of gear to optimum levels through a voluntary buy-back program. In those fisheries where the present level of gear is acceptable, no buy-back program would be required.

The only exception to this freeze at the present level of effort would be three specifically enumerated distressed fisheries, where an initial reduction to 75 per cent of present gear levels would be permitted. The distressed fisheries enumerated in CSHB 126 are the Bristol Bay drift net and set net fishery, the Cook Inlet drift net and set net fishery, and the Prince William Sound drift net fishery.

The buy-back program would be self-financing. It would be funded by assessments on the holders of entry permits based on a percentage of the value of their annual catch. Separate buy-back funds would be administered for each area and type of gear as required and assessments would be made only on catch values attributable to the entry permit for the given area and type of gear.

The Commission would adopt regulations providing for the purchase of entry permits, and vessels and gear as necessary, until the number of units of gear was reduced to optimum levels. Once the optimum gear level was reached, the buy-back program would terminate for that area and type of gear.

HB  
126

CSHB 126 also makes special provision for establishing the initial number of entry permits in the troll fishery. Rather than issue permits at the present level as with other types of gear, anyone who has licensed and fished troll gear at least one out of the last three years would receive an entry permit for troll gear at the outset of the program. After entry permits have been issued for the troll fishery, it would come back under the general program and be reduced to optimum levels through a voluntary buy-back program. An amendment to the definitions also makes it clear that the commission is to treat power troll gear and hand troll gear separately for the purpose of issuing entry permits.

A new section was added providing for the emergency transfer of entry permits. This will allow the temporary transfer of a permit when sickness, injury, or other unavoidable circumstance temporarily makes it impossible for a holder to fish his gear.

During deliberations on HB 126 the possible problems resulting from the transfer and sale of entry permits were considered at some length. Concern was expressed that the free transferability of entry permits might result in a pattern of economic coercion against fishermen holding permits. Fear was expressed that the general lack of adequate financing for fishermen, particularly in some areas of the state, might make it possible for those providing financing to indirectly control entry permits to some degree.

Certain safeguards against the abuse of the transfer provisions were contained in HB 126 and have been retained in the committee substitute. Entry permits cannot be held by corporations, and can only be fished by the holder. Entry permits cannot be pledged as security for loans or taken pursuant to judgement. To these protections, CSHB 126 has added a special protection for low-income fishermen. When a fishermen whose family income is below federal poverty guidelines receives an entry permit, he may avoid the \$50 annual fee for five years by electing to take his entry permit subject to a five-year prohibition on transfer.

These special fee provisions should help low-income fishermen in two ways. First, it will remove the opportunity for economic coercion aimed at taking their entry permits away from them. Second, it will remove the direct economic burden of the \$50 annual fee.

One more major amendment was included in CSHB 126. HB 126 applied only to the salmon fishery. The committee substitute would allow the commission to designate the specific fishery resources to be subject to limited entry. This would enable the commission to extend limited entry to other fisheries such as the crab and shrimp fisheries without additional legislation.

In addition to the major changes discussed here, CSHB 126 contains several clarifying and consolidating amendments which should improve the basic approach and procedures set forth in the initial bill.

the initial number  
e permits at the  
has licensed and  
would receive  
am. After entry  
l come back under  
through a voluntary  
so makes it clear  
d troll gear

ransfer of entry permits,  
sickness, injury,  
impossible for a holder

sulting from the  
me length. Concern  
its might result  
ing permits. Fear  
g for fishermen,  
sible for those  
some degree.

isions were  
tee substitute.  
ly be fished  
ity for loans  
HB 126 has  
en a fishermen  
ceives an  
rs by electing  
on transfer.

rmen in two  
 coercion  
d, it will

126 applied  
allow the  
a subject  
nd limited  
es without

ontains several  
ve the basic

Joe McGill, Chairman  
House Resources Committee "

HB  
126

*Joe McGill*

INTRODUCTION, FIRST READING AND REFERENCE OF  
HOUSE RESOLUTIONS

HOUSE CONCURRENT RESOLUTION NO. 66 by the Health, Education HCR  
and Social Services Committee 66

Relating to a study of the needs of children

was introduced and read the first time with the following  
Committee report:

The Health, Education and Social Services Committee has had  
HOUSE CONCURRENT RESOLUTION NO. 66 under consideration and  
a majority of the members of the Committee recommends it  
do pass with the following amendment:

Amendment No. 1 by the Health, Education and Social Services  
Committee:

Page 1, lines 23-25: Delete lines 23 through 25  
inclusive.

The report was signed by Mrs. Beirne, Chairman, and con-  
curred in by Fritz, Malone, Petersen and Beirne. Not con-  
curring were Hackney and Hartig, who have no recommendations.

HOUSE CONCURRENT RESOLUTION NO. 66 was referred to the  
Finance Committee.

HOUSE CONCURRENT RESOLUTION NO. 67 by the Health, Education HCR  
and Social Services Committee 67

Relating to a study of the funding of public early  
childhood, elementary and secondary education

was introduced and read the first time with the following  
Committee report:

The Health, Education and Social Services Committee has had  
HOUSE CONCURRENT RESOLUTION NO. 67 under consideration and  
a majority of the members of the Committee recommends it  
do pass. The report was signed by Mrs. Beirne, Chairman,  
and concurred in by Malone, Fritz, Beirne, Hartig, Hackney  
and Petersen.