

BY DAVIDSON, GRUSSENDORF,
HERRMANN, SUND, CATO,
GOLL, HUDSON, SWACKHAMMER,
ELLIS, BOUCHER AND TAYLOR

1 IN THE HOUSE

2 SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 5 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Relating to the reflagging of foreign
6 fish processing vessels.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS the United States is making progress toward the goal of full
9 use of the groundfish resources off the coast of Alaska; and

10 WHEREAS the groundfish processing capacity of United States processing
11 plants has been unable to keep pace with the groundfish harvesting capacity
12 of United States fishermen, which is supported largely by foreign proces-
13 sors; and

14 WHEREAS federal law allows foreign processors to "reflag", i.e.,
15 document foreign-built vessels as United States vessels; and

16 WHEREAS the vessel ownership requirements of federal documentation
17 laws are written so broadly to allow foreign processors to retain effective
18 control of a reflagged processing vessel by setting up a token U.S. corpo-
19 ration; and

20 WHEREAS several operations involving reflagging are being considered;
21 and

22 WHEREAS continuing to allow the reflagging of foreign processing
23 vessels would harm United States processors by hindering their efforts to
24 reach the goal of full use of the groundfish resources; and

25 WHEREAS reflagged foreign processing vessels could destroy Alaskan
26 shore-based processing, which is the economic basis of many Alaskan coastal
27 communities, by invading the salmon, crab, halibut, shrimp, and other
28 fisheries traditionally relied upon by Alaska processors; and

1 WHEREAS the reflagging of foreign processing vessels could prevent
2 United States processing plants from gaining entry into the foreign market;
3 and

4 WHEREAS the reflagging of foreign processing vessels would impede the
5 formation of capital in the United States for investment in processing
6 vessels built in the United States; and

7 WHEREAS the reflagging of foreign processing vessels would be a deter-
8 rent to the employment of the United States labor force; and

9 WHEREAS the North Pacific Fishery Management Council has unanimously
10 endorsed the call for a solution to the significant problem of reflagging
11 foreign processing vessels;

12 BE IT RESOLVED by the Alaska State Legislature that the Congress of
13 the United States is urgently requested to pass legislation that would
14 prevent the foreign take-over of United States fisheries through use of the
15 reflagging mechanism.

16 COPIES of this resolution shall be sent to the Honorable George Bush,
17 Vice-President of the United States and President of the United States
18 Senate; the Honorable John Stennis, President pro tempore of the United
19 States Senate; the Honorable Robert Byrd, Senate Majority Leader; the
20 Honorable Jim Wright, Speaker of the House of Representatives; the Honor-
21 able Ernest Hollings, Chairman, Senate Commerce, Science, and Transporta-
22 tion Committee; the Honorable Walter B. Jones, Chairman, House Merchant
23 Marine and Fisheries Committee; the Honorable Ted Stevens and the Honorable
24 Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Repre-
25 sentative, members of the Alaska delegation in Congress; and to Mr. James
26 Campbell, Chairman of the North Pacific Fishery Management Council.