

HB

642

FISHERIES ECONOMIC IMPACT COUNCIL

—Fisheries Economic Impact Council and Department of Commerce & Economic Development (DEE)

1. Forecast income from Alaska Department of Fish and Game fishery run predictions by fishery
2. Evaluate income forecast
3. Identify potential fishery failures
4. Review and submit recommendation to the Governor for proclaiming fisheries failure area.

—Governor Evaluate Recommendation of Fisheries Economic Impact Council

1. Declare fisheries failure area(s)
 - a. Request (charge) the Fisheries Economic Impact Council to proceed with plans for State's response
 - b. Alert Governor's cabinet members of potential fisheries failure and inform cabinet members of this decision.
2. Ignore recommendation
 - a. Request Fisheries Economic Impact Council to monitor situation
 - b. Declare fisheries disaster at a later date
 - c. Proceed as in "A" above

—Fisheries Economic Impact Council activity related to fishery failure

1. Evaluate current State capital expenditure plans for target area
2. Recommend to Governor what projects which could be expedited to stimulate income earning opportunities.
3. Fisheries Economic Impact Council develop plans (in cooperation with Department of Commerce & Economic Development and other State agencies) to impact employment opportunities
4. Continue to monitor fishing activity throughout the State (concentrate on anticipated fishery failure areas.)
5. Advise the Governor as the fishing season progresses (still possible to take action).

ASSUMPTIONS

1. That the bill has passed
2. That the Governor has appointed the council members to the Fisheries Economic Impact Council
3. That the Alaska Department of Fish and Game has prepared forecasts for the 1977 fishing season and that there are expectations that at least one area is expected to have a poor fishing season

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. HB 642

Title: "An Act Establishing the Alaska Fishery Impact Fund..."

Requested by: House Finance

Date: February 2, 1976

Return Date Requested: _____

Agency: Community & Regional Affairs Program: Development

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Rural Development Assistance

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		70.5				
200 TRAVEL		10.0				
300 CONTRACTUAL		51.8				
400 COMMODITIES		.5				
500 EQUIPMENT		2.8				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		135.6				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		135.6				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	3 /	/	/	/	/
MAN MONTHS (P./T.)	/	36 /	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

It is the Department's understanding that the intent of this bill is to provide for the well-being of fishing communities adversely affected by an expansion or reduction of the fisheries in its area. Grants to assist these communities, assumedly will be made for; 1) short-term income maintenance level purposes, i.e. labor intensive grants made for community public improvement projects similar to the disaster relief program of \$1,000,000 for the Bristol Bay region in fiscal year 1975. Grants would be used for such projects as community facilities construction, stream clearance and stream rehabilitation. 2) long-term capital improvement projects, i.e. major construction projects such as boat harbors, hatcheries or docking facilities in strategic fishery areas which might

IV. ATTACHMENTS

V. DATE: February 18, 1976 PREPARED BY: Mike C Harper

Mike C Harper

Mike C. Harper, Deputy Commissioner

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

significantly improve local economic opportunity.

The Department proposes that for adequate administration during the first year of operation, three positions will be required; Grant Administrator, Accountant and clerical position. These positions will be required for organizational and administrative purposes while current field representatives in Nome, Juneau and Anchorage should be able to monitor the program during the first year of operation. However, if the combination of fisheries expansion and reduction in future years significantly increases, additional field personnel would be required for accurate monitoring. As the Department has little experience in administering major capital improvement projects, we envision that the technical assistance portion of these type grants would be provided by the Department of Public Works through a reimbursable services agreement. The administrative dollar portion includes expenses for an engineer and related costs which, if required, would be transferred to the Department of Public Works for ground work on these type of capital projects.

While complete information on the total Alaskan fishery is unavailable, an example of program dollars that could possibly be required to meet projected need is documented in the last year's disastrous Southeast Alaska fishing season. The Tlingit-Haida Central Council canvassed rural Southeastern villages and found that to simply bring the 1,316 fishery related individuals up to poverty level standards would require approximately \$4.2 million. While the Southeast is a significant portion of the total Alaskan fishery, one realizes total program potential costs only when the other State fisheries are also taken into account.

Administrative Costs

Personal Services

Grant Administrator	\$ 28,727
Accountant II	17,148
Clerk IV	12,420
	<u>\$ 58,295</u>
Benefits	12,242
Total	<u>\$ 70,537</u>

Travel

Grant Administrator and Field Personnel Monitoring and evaluating projects (10 projects with 2 trip per year average)	\$ 10,000
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Contractual

Phones - 3 @ \$25/month	\$ 900
Long Distance	1,400
Postage	300
Printing and Advertising	500
Rent 250 sq. ft. @ 45¢	1,350
Copier	360
Professional Services (RSA to Dept. of Public Works if required - includes Engineer position and related costs)	47,000
Total	<u>\$ 51,810</u>

Commodities \$ 500

Equipment

Executive Desks 2 @ 315	\$ 630
Executive Chairs 2 @ 130	260
Bookcase	105
Desk Lamps 2 @ 60	120
Side Chairs 2 @ 45	90
Secretarial Desks	370
Secretarial Chair	115
Calculator	440
Typewriter	670
Total	<u>\$ 2,800</u>

Total Administrative Costs \$135,647

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5 - JUNEAU 99811

March 15, 1976

The Honorable Nels Anderson
Chairman
House Resources Committee
Alaska State Legislature
State Capitol Building
Juneau, Alaska

Re: House Bill No. 642

Dear Mr. Anderson:

House Bill No. 642, an Act establishing the Alaska fishery impact fund, was introduced in the House on January 23, 1976 and was referred to the House Resources and Finance Committees.

For the consideration of the House Resources Committee, I am enclosing a Fiscal Note and accompanying memorandum prepared by Sterling Gallagher, Commissioner of Revenue advising of effect on General Fund.

If you or any members of the House Resources Committee have any questions on the material submitted, please telephone the writer at 465-2397 and I will contact Commissioner Gallagher for further information or testimony at a hearing.

Very truly yours,



R. D. Stevenson
Special Assistant

Enclosure

cc: The Honorable Hugh Malone
Chairman
House Finance Committee

Sterling Gallagher
Commissioner of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. HB 642

Title: An Act establishing the Alaska Fishery Impact Fund

Requested by: _____ Date: _____

Return Date Requested: _____

Agency: DEPARTMENT OF REVENUE Program: TREASURY

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. ATTACHMENTS

See Attached Schedule

V. DATE: March 12, 1976 PREPARED BY: _____

Sterling Gallagher
Sterling Gallagher
Commissioner of Revenue

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)
Legislative Council Subcommittee on Fisheries

	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>
2% Contribution under HB 642					
Mineral Lease Bonuses	-0-	-0-	-0-	-0-	-0-
Land Rents	30.0	122.8	124.0	124.0	124.0
Mineral Royalties	<u>212.8</u>	<u>1,052.8</u>	<u>6,512.0</u>	<u>14,634.0</u>	<u>17,014.0</u>
Total 2% Contribution	242.8	1,175.6	6,636.0	14,758.0	17,138.0

The monetary impact on the General Fund cannot be determined due to the open-end wording of the bill. As it stands, the range would be between 2% and 100% of receipts of the types names. However, assuming only the 2% minimum and an effective date of April 1, 1976, the dollar amounts would be: (1)

Footnote: Based on information available at the time the 1975-1977 Revenue Source Book was published (January, 1976).

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TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.

PHONE: 526-6440

JUNEAU, ALASKA 99801

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02063 28005 PERRYVILLE AK 03-08 1100A AST

PMS REPRESENTATIVE NELS ANDERSON JR 465-3715

2108

CHAIRMAN HOUSE RESOURCES

POUCH V

JUN

IT HAS COME TO MY ATTENTION THAT HB 642 AS IS OR COMBINED
WITH HB 846 WOULD BE VETOED BY GOVERNOR FOR CONSTITUTIONAL
REASONS RECOMMEND YOUR SUPPORT HB 846. THANK YOU REGARDS

BORIS KOSBRUK