

HB

840

Copies to
Truman Embury
Herman Schroeder
12 Regional Corps
B.B.NA.

Members of board of Fish

Requesting Comments

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5 - JUNEAU 99811

March 4, 1976

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

Re: House Bill No. 840

Dear Mr. Anderson:

House Bill No. 840, an Act relating to commercial fish licensing was introduced in the House on February 25, 1976 and was referred to the House Resources and Finance Committees.

For the consideration of the House Resources Committee, I am enclosing a copy of a memorandum and accompanying schedules prepared by R. H. Pilcher, Manager, Juneau Field Office, Department of Revenue advising of estimated additional revenues and problems of administration and that no additional costs of administration are anticipated as concerns the proposed legislation.

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 Mr. Pilcher for further information or testimony at a hearing.

Very truly yours,



R. D. Stevenson
Special Assistant

Enclosures

cc: The Honorable Hugh Malone
Chairman
House Finance Committee

The Honorable Nels Anderson -2-

March 4, 1976

The Honorable William Parker
Chairman
House Rules Committee

R. H. Pilcher
Manager, Juneau Field Office
Department of Revenue



MEMORANDUM**State of Alaska**

TO: R.D. Stevenson
 Special Assistant
 Department of Revenue

DATE : March 2, 1976

FROM: *R.H. Pilcher*
 R.H. Pilcher
 Manager
 Juneau Field Office

SUBJECT: House Bill No. 840

Passage of HB 840 will:

1. Increase all salmon and long line vessel, gear, and personal commercial fishing license fees threefold, and
2. Require fishermen to renew licenses in person annually before March 31st, except under circumstances of extreme hardship, effective January 1, 1977.

EFFECT ON TREASURY

Based on calendar year 1975 license sales, passage of HB 840 will result in a dollar revenue increase of approximately \$1,634,300.00 for distribution to the General Fund and to the Fishermens fund. (See attached breakdown of revenue estimates).

PROBLEMS OF ADMINISTRATION

The Department of Revenue presently sells commercial fishing licenses to an applicant who applies and pays the fees in person, through an agent, or through the U.S. Mails.

Under the present license structure the various processors can contract for the fishermen and have them fill out applications. The processors can send in groups of applications and a check to cover the license fees thus eliminating the necessity for the individual to come up with the money. Under HB 840 the individual fisherman will have to come up with the money, not only for the licenses but for the transportation to the license agent, which will bring severe hardship for many. Yet this bill specifically states that "financial inability to travel shall not be considered extreme hardship".

The Department of Revenue maintains 36 stations throughout Alaska Coastal areas and Fairbanks, where all three types of commercial licenses are sold (personal, vessel and gear) and another 23 stations where just personal licenses are sold. (See list and map attached). Many Alaska residents, as well as non-residents, will have to travel many miles in order to apply in person for a license to fish commercially. In addition if a resident of Southeast Alaska fishes Bristol Bay, he will have to travel to Bristol Bay before the deadline to purchase his licenses.

The majority of applications are at present received at locations within the areas that will be fished with the greater percentage

being received by mail. It would be quite unfeasible from the vendor standpoint to have to issue all of the licenses while the person was present. Most of the commissioned vendors operate businesses in addition to handling license sales and they are able to handle mail orders during times when they are not required to take care of their own work. By being able to regulate the work we have been able to secure fairly competent vendors in most locations. We would lose some of these people if the proposed law went into effect since the rate of commission would not make it worthwhile to hire additional help for this short period of time.

COST OF ADMINISTRATION

It is anticipated that passage of HB 840 will have little, if any, effect on costs of administration.

ESTIMATED REVENUES BASED ON CALENDAR 1975 COMMERCIAL FISH LICENSE SALES
USING PROPOSED INCREASE IN LICENSE FEES. HB 840.

RECEIPT CODE	TYPE OF LICENSE	NUMBER SOLD	GROSS	COST	NET
126	Vessel	11,630	476,172	16,798.11	459,373.89
127	Troll Line	2,810	149,760	2,882.76	146,877.24
128	Long Line	1,393	111,870	2,727.21	109,142.79
129	Drift Gill Net	4,511	318,630	14,051.16	304,578.84
130	Set Gill Net	3,139	107,700	3,396.09	104,303.91
131	Beach Seine	30	1,200	31.95	1,168.05
132	Purse&Hand Purse Seine	1,265	363,540	12,425.13	351,114.87
133	*Beam Trawl	57	3,150	(15.43)	3,165.43
134	*Otter Trawl	172	14,100	102.33	13,997.67
135	*Shellfish Pots	936	28,875	344.16	28,530.84
136-40%	*Clam Diggers	168	452.	35.79	416.21
137-40%	Res Comm Fishermen	16,064	192,756	14,929.56	176,826.44
138-40%	Nonres Comm Fishermen	5,796	208,656	13,676.88	194,979.12
139	*Scallop Dredge	6	300	5.53	294.47
140	*Comm Fish Ext Fees		945.	-0-	945.00
SUBTOTAL - TO GENERAL FUND		*47,977	1,978,106.	81,391.23	1,896,714.77
843-60%	*Clam Digger's		678	-0-	678.00
844-60%	Res Comm Fishermen		289,134	-0-	289,134.00
845-60%	Nonres Comm Fishermen		312,984	-0-	312,984.00
SUBTOTAL TO FISHERMENS FUND			602,796	-0-	602,796.00
TOTAL RECEIPTS		47,977	2,580,902	81,391.23	2,499,510.77

GROSS SALES	\$ 2,580,902.00
COST OF SALES	81,391.23 - 3.154%
NET RECEIPTS	<u>\$ 2,499,510.77</u>
1975 RECEIPTS	865,168.67
REVENUE INCREASE	<u>\$ 1,634,342.10</u>

STATE OF ALASKA, DEPARTMENT OF REVENUE, FISH AND GAME LICENSE DIVISION

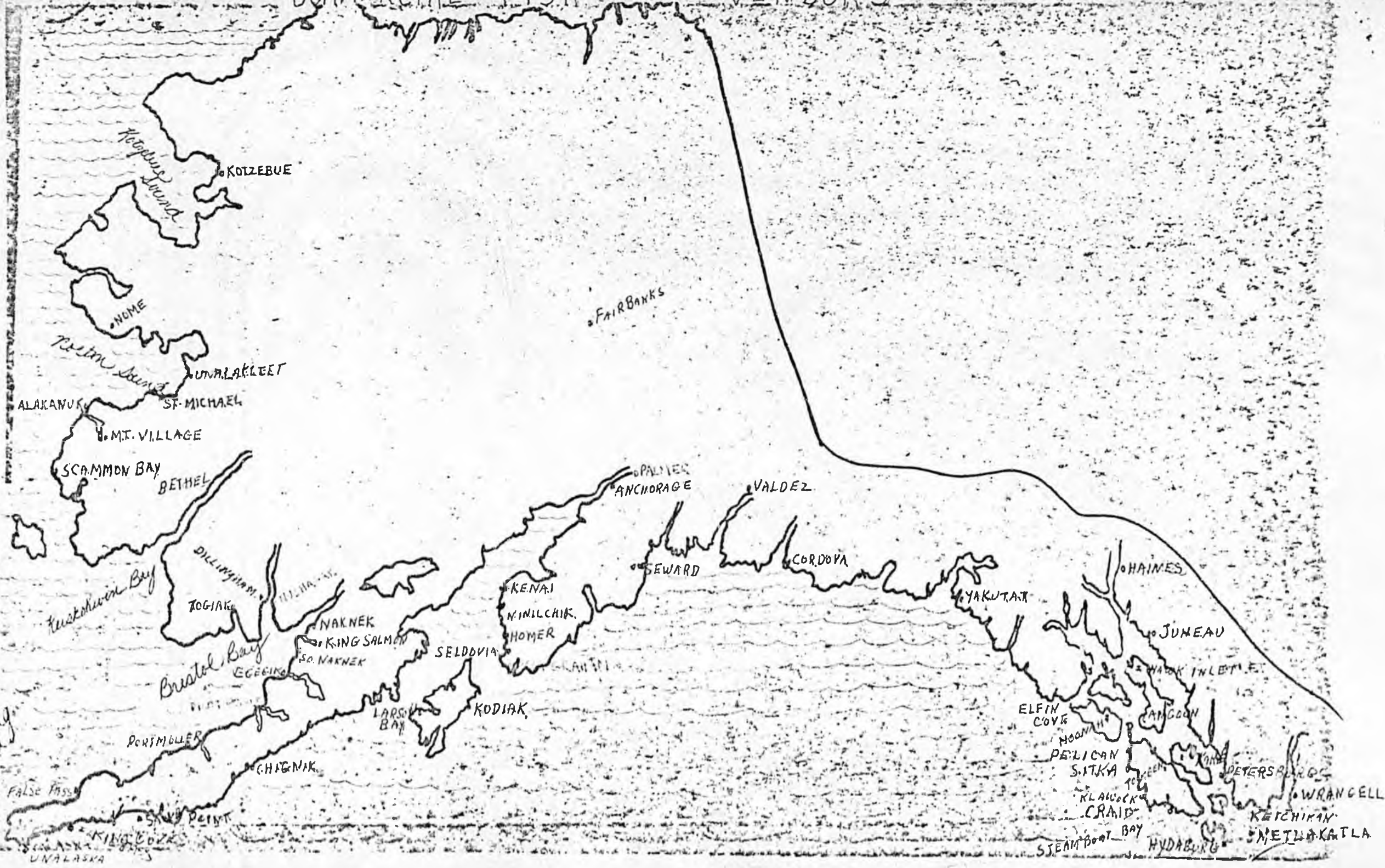
1976 COMMERCIAL FISH LICENSE OFFICER LIST

VENDORS INDICATED WITH AN * ARE SUPPLIED WITH PERSONAL LICENSES ONLY. 2-27-76

1. Frank Alstrom
Alakanuk, Alaska 99554
2. Alaska Dept. of Fish and Game
Anchorage, Alaska 99501
3. Richard L. Powers
Angoon, Alaska 99820
4. Judy Horn
Bethel, Alaska 99559
5. *B. L. Hall
Chignik Lagoon, Alaska 99565
6. Ellen Dettinger
Cordova, Alaska 99574
7. Ralph Pirtle
Cordova, Alaska 99574
8. Patricia Ann Bippus
Craig, Alaska 99921
9. Mike Nelson
Dillingham, Alaska 99576
10. Tom Ward
Dillingham, Alaska 99576
11. *Parascovia Deigh
Egegik, Alaska 99579
12. *Mike Lee
Egegik, Alaska 99579
13. Mary Jo Lord
Elfin Cove, Alaska 99825
14. Alaska Dept. of Fish and Game
Fairbanks, Alaska 99701
15. *William E. Bright
False Pass, Alaska 99583
16. Dave Olerud
Haines, Alaska 99827
17. *Randy Caldwell
Hawk Inlet, Alaska 99828
18. Alaska Dept. of Fish and Game
Homer, Alaska 99603
19. *Arthur D. Aspaas
Homer, Alaska 99603
20. Thomas G. Carney
Homer, Alaska 99603
21. Marlene Johnson
Hoonah, Alaska 99829
22. *Alice Kitkoon
Hydaburg, Alaska 99922
23. Kathleen G. Conn
Juneau, Alaska 99801
24. *Robert N. Blanchard
Kake, Alaska 99830
25. Darlene Crostich
Ketchikan, Alaska 99901
26. Helen Hille
Kenai, Alaska 99611
27. *David Williams
King Cove, Alaska 99612
28. Arnold Omholt
King Salmon, Alaska 99613
29. *Christian A. Peterson
Klawock, Alaska 99925
30. Alaska Dept. of Fish and Game
Kodiak, Alaska 99615
31. *Hewitt Kirkpatrick
Kodiak, Alaska 99615
32. Barbara Steckel
Kotzebue, Alaska 99752
33. *Don Overmiller
Larson Bay, Alaska 99624
34. *Karl Cook
Metlakatla, Alaska 99926

35. Henry Wilde Sr.
Mt. Village, Alaska 99632
36. *Elmer Hauke
Naknek, Alaska 99633
37. *Lionel Kagley
Naknek, Alaska 99633
38. *Tibor Young
Naknek, Alaska 99633
39. Ernest Tiemann
Ninilchik, Alaska 99639
40. Bonnie Deneen
Nome, Alaska 99762
41. William E. Odell
Pelican, Alaska 99832
42. Norma Tefjord
Petersburg, Alaska 99833
43. Dept. of Fish and Game
Petersburg, Alaska 99833
44. *David Kashiwagi
Port Moller, Alaska 99695
45. *Rita Martinsen
Sand Point, Alaska 99661
46. Elaine Giles
Seldovia, Alaska 996633
47. Luella Wilfong
Seward, Alaska 99664
48. Alaska Dept. of Fish and Game
Sitka, Alaska 99835
49. *John Connor
South Naknek, Alaska 99670
50. *Gary R. Johnson
South Naknek, Alaska 99670
51. *Odd Skogstad
South Naknek, Alaska 99670
52. *Henry Gunderson
Steamboat Bay, Alaska
53. George E. Walters
St. Michael, Alaska 99659
54. Sylvia Geraghty
Tokeen, Alaska 99901
55. Mary Ann Haugen
Unalakleet, Alaska 99684
56. *Martha G. Norton
Unalaska, Alaska 99635
57. Eileen Cruver
Valdez, Alaska 99686
58. Alaska Dept. of Fish and Game
Wrangell, Alaska 99929
59. Cornelia Howard
Yakutat, Alaska 99689

COMMERCIAL FISH VENDORS



STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5 - JUNEAU 99811

April 1, 1976

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

Re: House Bill No. 840

Dear Mr. Anderson:

Under the date of March 4, 1976 I forwarded to you a copy of a memorandum and accompanying schedules prepared by R. H. Pilcher, Manager, Juneau Field Office, Department of Revenue advising of estimated additional revenues and problems of administration and further advising that no additional costs of administration would be anticipated as concerns the proposed legislation.

After a further review of the proposed legislation, I am respectfully enclosing a copy of a memorandum prepared by Katie Conn, Supervisor, Fish & Game Licenses, Department of Revenue indicating some further administrative problems. This information is transmitted to the House Resources Committee for your further consideration.

If you or any members of the House Commerce Committee have any questions on the material submitted, please contact the writer and I will contact either or both Mr. Pilcher and Mrs. Conn 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

The Honorable William Parker
Chairman
House Rules Committee

R. H. Pilcher
Manager, Juneau Field Office
Department of Revenue

Katie Conn
Supervisor, Fish & Game Licenses
Department of Revenue

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5 - JUNEAU 99811

March 4, 1976

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

Re: House Bill No. 840

Dear Mr. Anderson:

House Bill No. 840, an Act relating to commercial fish licensing was introduced in the House on February 25, 1976 and was referred to the House Resources and Finance Committees.

For the consideration of the House Resources Committee, I am enclosing a copy of a memorandum and accompanying schedules prepared by R. H. Pilcher, Manager, Juneau Field Office, Department of Revenue advising of estimated additional revenues and problems of administration and that no additional costs of administration are anticipated as concerns the proposed legislation.

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 Mr. Pilcher for further information or testimony at a hearing.

Very truly yours,

R. D. Stevenson
Special Assistant

Enclosures

cc: The Honorable Hugh Malone
Chairman
House Finance Committee

The Honorable Nels Anderson -2-

March 4, 1976

The Honorable William Parker
Chairman
House Rules Committee

R. H. Pilcher
Manager, Juneau Field Office
Department of Revenue

STATE
of ALASKA

MEMORANDUM

TO: [Ralph Kimlinger, Director
Division of Collections
Department of Revenue
State Office Building, Juneau

DATE : March 26, 1976

FROM: Katie Conn, Supervisor
Fish and Game Licenses
Dept. of Revenue, Juneau

SUBJECT: HB 840 Commercial Fish
Licensing

House Bill 840 amends 16.05.440 to provide that all commercial licenses required by Sections 440 through 720 shall be renewed annually before March 31 of the year for which they are issued and that all applications for initial licenses shall be submitted before March 31 of each license year.

16.05.450 is also amended to provide that a license may be issued to each person who files an application in person at places in the state designated by the commissioner.....together with the required fee. It adds a section which says the commissioner may permit persons to acquire commercial fishing gear licenses by mail under circumstances of extreme hardship, as determined by the commissioner. FINANCIAL INABILITY TO TRAVEL SHALL NOT BE CONSIDERED EXTREME HARDSHIP UNDER THIS SUBSECTION. (Emphases ours) The application shall be executed by the applicant under penalty of perjury.

This amendment is to subsection (a) only, therefore, we assume that subsections (b) and (c) remain unchanged.

We would like to amend our memorandum to Mr. Stevenson under date of March 2, 1976 in which we stated there would be little, if any, effect on the costs of administration. Additional research of the effect of the bill, if passed, brought up the following points that need clarification before we can estimate the amount of the increased administrative costs:

1. The amendment to 16.05.440 by using the term "all commercial licenses required by Sections 440 through 720" would be applicable to crew members as well as to gear and vessel licensees since they do not differentiate between personal, vessel or gear licenses. The administration of the March 31 deadline would be under the direction of the Commissioner of Revenue or his duly authorized deputy.

The bill does not amend or repeal 16.05.250 (14) which empowers the Board of Fish and Game to establish the times and dates during which the issuance of fish and game licenses, permits and registrations and the transfer of permits and registrations between registration areas, game management units or subunits, is allowed.

It further does not amend 16.05.065 which empowers the Commissioner of Fish and Game to extend the times and dates during which application may be made for fish and game licensing or registration under certain conditions. No reference was made to this section.

Since under the present structure licenses and registration are one operation for the salmon net fishery, it would be necessary to split this to two

operations with licensing imposing the March 31 deadline and Fish and Game imposing an April 15 and June 1 registration for this fishery.

We have been advised that if the Department of Fish and Game would have to set up a separate registration procedure in their area offices, they would no longer be able to handle commercial license sales in their offices. This would mean the loss of the sole vendors in Sitka, Wrangell, Fairbanks, Anchorage and Kodiak and the back-up vendors in Ketchikan, Petersburg, Cordova, Homer, Dillingham and King Salmon. This would be a severe blow for the commercial licensing program even with the existing regulatory deadlines.

We feel the conflicting statutes should be brought into conformity and that consideration be given to exempting crew members from having to comply with any deadline. We know that it would be a physical impossibility to actually issue the number of licenses sold each year through state and commission vendors by March 31 of each year since in most cases commission vendors handle the licensing within their places of business. It could only be administered by having the vendor accept the application and fees, furnish the licensee with a receipt and allow him to issue the licenses as rapidly as he could reasonably be expected to. This would mean mailing the issued licenses back to the licensee and in some areas could cause enough problems that some vendors would terminate their services.

The amendment to 16.05.450 requiring that each person who files an application must do so in person and pay the required fees. It further adds a section saying the commissioner may permit persons to acquire commercial fishing gear licenses by mail under circumstances of extreme hardship as determined by the commissioner. It further states that FINANCIAL INABILITY TO TRAVEL SHALL NOT BE CONSIDERED EXTREME HARDSHIP UNDER THIS SUBSECTION. We feel that clarification of several points is necessary to determine the additional administrative costs, and more clearly set up extreme hardship guidelines.

The residents of Alaska will be the hardest hit by having to appear in person to license since they are also required to appear in the area in which they register for fishing. Since financial inability to travel shall not be considered a hardship exemption from appearing in person, we feel that either definite guidelines should be set up within the bill or it should be amended to be allowed only in cases of serious illness or injury that prevent the applicant from traveling. In certain areas of Alaska which are considered poverty areas, financial inability to travel would be the only hardship they would have. It does not seem reasonable to set up another barrier for people who are receiving some sort of welfare assistance just to exist.

We would also point out that the permission is granted only for acquiring commercial fishing gear licenses and does not take care of acquiring personal licenses or vessel licenses. We would have to assume that they would still have to appear in person for purchase of those licenses and therefore the exemption for gear would be nullified.

DILLINGHAM VILLAGE COUNCIL
P.O. BOX 247
Dillingham, Alaska 99576

March 24, 1976

Mr. Nels Anderson
District #16 Representative
Pouch V
Juneau, Alaska 99811

Dear Nels:

I looked over the legislation, House Bill No. 840, which you forwarded for review. As I stated clearly in Juneau I support the increase in liscensing fees. However under no circumstances can I accept the in person clause required of all applicants. The people in my district are unable to travel easily from their villages to central points. Such a restriction would work a great hardship on village fisherman. Particularly in view of the fact that financial inability to travel is not considered extreme hardship.

Perhaps the bill can be amended so that the application process can be further decentralized or localized. If authorized revenue personnel were available in more villages and people had ready access to them then this clause would be more palatable. But as it stands the amendments to Section 6 AS 16.05.450(a) spell difficulties for this area's fisherman.

We urge you remedy this defect in House Bill 840.

Sincerely yours,



Herman Schroeder
President

HS/RMH

Wainilchik, Alaska

Mar. 22, 1976

Representative Nels Anderson,
Juneau, Ak.

Dear Representative Anderson,

Enclosed are my comments on HB # 840 as you requested and I thank you for your consideration in this matter.

I believe all fishing and hunting licenses should be increased and at the same percentage. This percentage to be somewhere from 50% to 100%.

The same for all commercial fishing boats and all types of fishing gear.

Having to appear in person to get a license may not be so good. It could be a spot in the bill that the opponents could pick at.

In Sec. 9 page 3

Lines 27 & 28 ; I would like to see the wording read

A license is required for troll lines in the taking, catching, or landing of fish for commercial purposes in the waters of the state.

Respectfully

Dan Garroutte

Dan Garroutte

Board of Fisheries

DG/RG

Post Office Box 1633
Kodiak, Alaska 99615
March 22, 1976

The Honorable Nels Anderson
Chairman
House Resources Committee
Pouch V
Juneau, Alaska 99811

Dear Mr. Anderson:

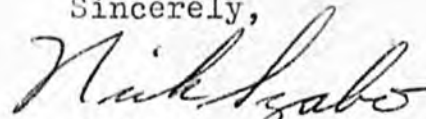
Thank you for the information you sent concerning House Bill No. 840 relating to commercial fish licensing.

I do not have any objection to the raising of license fees. I have long felt a substantial increase in license fees to be a more acceptable alternative to the present limited entry system. For example, if the fee for a commercial license for a resident were raised to \$1000 and the 3:1 ratio retained, then the non-resident fee would be \$3000. In certain cases the State could subsidize the resident license as it presently does by its issuing twenty-five-cent hunting, trapping and sportfishing licenses for individuals who fall below a certain economic level. I think a substantial increase in license fees would tend to eliminate the part-time fisherman and the amateur speculator who usually endangers not only himself but also everyone near him. Needless to say, it would have a similar effect on non-resident participation.

I have no strong feelings on the section that requires applicants to acquire licenses in person. While the intent seems to be to place a hardship on the nonresident, if it also puts a hardship on the resident, it may be self-defeating. I do not think it would create a hardship for residents in the Kodiak area, but I do not know how it would specifically affect other Alaskans in areas where vendors are less accessible.

Thank you for the opportunity to comment on this legislation.

Sincerely,



Nick Szabo
Alaska Board of Fisheries

DILLINGHAM VILLAGE COUNCIL
P.O. BOX 247
Dillingham, Alaska 99576

March 24, 1976

Mr. Nels Anderson
District #10 Representative
Pouch V
Juneau, Alaska 99811

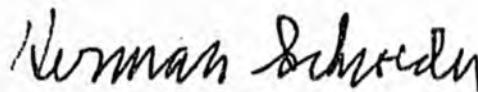
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Board of Fisheries

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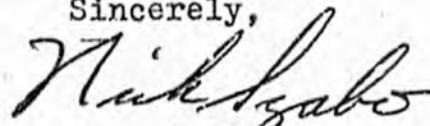
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Alaska Board of Fisheries