

HB

582

Committee on Judiciary

MEMORANDUM

SUBJECT: Legislation on Fishermen's Fund
TO: Avrum M. Gross, Attorney General
FROM: Representative Terry Gardiner, Chairman
House Judiciary Committee

As you know, acting on advice from your office, the legislature amended AS 23.35.060 last year to provide, in effect, that holders of commercial fisheries entry permits need not purchase commercial fishing licenses and to provide as well that an amount equal to what would have been dedicated from those revenues to the Fishermen's Fund would be derived instead from the permit fees. §§8, 15, and 16, ch. 105, SLA 1977.

This year, we have been considering ways in which to have the income, i.e., interest, from the fund deposited in the fund. This has never been done, but Assistant Attorney General Pegues has advised us informally that, as a general rule, income from a dedicated fund is the same as income from a trust fund, and it should either be spent on the fund's purpose or deposited into the fund.

Mr. Pegues has also advised that our attempt to substitute a dedication of a portion of the fees for entry permits for the amount of the dedication eliminated from license fees is probably invalid under the constitution. Alaska Const., art. IX, §7. There was certainly no intention to eliminate the amount of the dedication. All that was intended was to eliminate what was, in effect, a double fee for holders of entry permits and still retain the amount of the dedication.

Mr. Pegues has suggested that legislation is probably the cure to both problems. This is to request that a bill be drafted for the committee which would accomplish that result.

FISHERMEN'S FUND

COMPARISON OF FUND BALANCES, RECEIPTS AND DISBURSEMENTS

<u>Fiscal Year</u>	<u>July 1 Starting Balances</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30 Ending Balances</u>
1963-64	\$ 242,585.96	\$ 114,213.00	\$ 118,081.79	\$ 238,717.17
1964-65	238,717.17	126,938.15	96,695.36	268,959.96
1965-66	268,959.96	139,767.00	93,165.05	315,561.91
1966-67	315,561.91	160,317.00	144,486.97	331,391.94
1967-68	331,391.94	193,290.00	160,043.40	364,638.54
1968-69	364,638.54	195,672.00	164,072.39	396,238.15
1969-70	396,238.15	219,141.00	142,871.10	472,508.05
1970-71	472,508.05	205,254.00	202,078.02	475,684.03
1971-72	475,684.00	184,000.00	179,654.00	480,030.00
1972-73	480,030.00	243,294.00	184,945.00	538,379.00
1973-74	538,379.00	210,198.00	172,862.00	575,715.00
1974-75	575,715.00	185,016.00	167,974.00	592,757.00
1975-76	592,757.00	214,950.00	189,309.00	617,798.00
1976-77	617,798.00	246,258.00	210,246.00	653,310.00

I. REQUEST

HOUSE BILL NO. 582

Bill/Resolution No. _____

Title Bill relating to Fishermen's fund File J-77-009-78

Requested by Governor

Date 11-10-77

II. FISCAL DETAIL

Agency Affected Labor

Program Category Affected Worker Protection

Budget Request Unit(s) Affected Fishermen's Fund

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES			- 0 -	- 0 -	- 0 -	- 0 -
200 TRAVEL			3.0	3.5	4.0	4.5
300 CONTRACTUAL			- 0 -	- 0 -	- 0 -	- 0 -
400 COMMODITIES			.6	1.1	1.6	2.1
500 EQUIPMENT			- 0 -	- 0 -	- 0 -	- 0 -
600 LAND & STRUCTURES			- 0 -	- 0 -	- 0 -	- 0 -
700 GRANTS, CLAIMS, ETC.			21.4	25.4	29.4	33.4
TOTAL			25.0	30.0	35.0	40.0

*Program Costs Only - Travel for transporting injured fishermen. Commodities - For prescription drugs. Grants & Claims - Medical costs & Convalescence.

FUNDING (Thousands of Dollars)

GENERAL FUND	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FEDERAL FUNDS						
OTHER (Specify) - Sick & Disabled Fishermen's Fund			25,000	30,000	35,000	40,000

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME			- 0 -	- 0 -	- 0 -	- 0 -
PART TIME			- 0 -	- 0 -	- 0 -	- 0 -
TEMPORARY			- 0 -	- 0 -	- 0 -	- 0 -

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

Two years ago the Attorney General's Office ruled that the "territorial waters" of the state is limited to three miles seaward. In the two years experience approximately \$10,000 of claims have been denied by Fishermen's fund. However, we do not believe this is an accurate history because knowledge of the law has stopped many claims from being filed.

It is our experience that the additional area will bring more large claims as those occurring on the high seas tend to be more serious in nature. Therefore, we are estimating that the program costs could rise as much as \$25,000, in FY 79 and \$5,000, each succeeding year. Travel indicated above is to transport the injured fishermen to medical facilities and return to his boat or home, which ever meets his needs.

IV. DATE

12-5-77

PREPARED BY

Grace H. Wilson

AGENCY

Labor - Fishermen's Fund

PHONE

466-2792

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

January 10, 1978

The Honorable Hugh Malone
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, and in accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill relating to the fisherman's fund. Under the benefit provisions of the fisherman's fund as they currently exist, AS 23.35.010 - 23.35.150, an injured or disabled fisherman is only entitled to receive benefits if the fishing-related accident leading to his injury or disability occurred ashore in Alaska or within "the territorial waters of the state", which extend only to the three-mile limit. In recognition of the facts that many Alaska-licensed fishermen fish offshore from Alaska but beyond the three-mile limit and that the federal government has now extended its fisheries jurisdiction to 200 miles offshore, I am proposing that AS 23.35.070 be amended to extend benefits to cover fishing-related accidents that occur inside the 200-mile fisheries conservation zone established under the Fishery Conservation and Management Act of 1976, P.L. 94-265.

Sincerely,

S/JSH

Jay S. Hammond
Governor