

HB

590

COMMITTEE REPORT  
SENATE

FURTHER: Resources

3/20/80

Date: April 10, 1980

Mr. President:

The Committee on STATE AFFAIRS has had CSHB 590 am  
relating to herring

under consideration and (a majority of the committee) (the committee)  
reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back <sup>AS FOLLOWS:</sup> without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

*Bob Mulcahy*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

*3 - No Pass*  
*Pat Keady*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Bob Mulcahy*  
CHAIRMAN



Official Business

# Alaska State Legislature

## Senate

### Committee on State Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

CSHB 590 am - An Act relating to herring;  
and providing for an effective  
date.

BY: House Resources Committee

#### SECTION 1 - LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING

The Legislature finds that in certain circumstances herring stripping provides benefits to the state economy that may outweigh the waste involved in the process.

Legislative policy is that the disposal of herring carcasses is acceptable only if:

1. the herring population can support a stripping industry without substantially reducing the availability of herring for other uses; and
2. stripping is conducted in an area of the state where local industry either does not exist, or if it does, is insufficient to provide reasonable economic support of the residents.

#### SECTION 2 - HERRING STRIPPING

Authorizes herring stripping in the Bering Sea, effective September 1, 1980, until July 1, 1982. The Board of Fisheries shall adopt regulations regarding disposal of carcasses. Provisions of AS 46.03.100 (Waste Disposal Permit) attached, apply to the disposal of herring carcasses under this section.

#### SECTION 3 :

Amends AS 16.10 (Fisheries and Fishing Regulations, Herring Spawn) by adding a new section entitled, REMOVAL OF HERRING FROM STATE. Prohibits removal of herring from state before it has been frozen, iced, stripped or salted. However, roe herring (if 5+ per cent of the body weight consists of roe) may not be salted and exported from the state. Provides effective date of September 1, 1981, for this section.

EFFECTS OF CSHB 590 ON BERING SEA HERRING ROE FISHERY

Roe Herring Season	Local Stripping Allowed	Salting then Exporting Allowed
1978	Yes <sup>1</sup>	Yes
1979	No	Yes
1980	No	Yes
1981	Yes <sup>2</sup>	Yes
1982	Yes	No <sup>3</sup>
1983	No	No

1. Herring stripping was prohibited by AS 16.10.173 (attached) SLA 1977, in all areas of the state except Bering Sea as of 1/1/78. Prohibited in Bering Sea as of 1/1/79.
2. Provided by Section 2, CSHB 590 am, effective 9/1/80.
3. Provided by Section 3, CSHB 590 am, effective 9/1/81.

# Terry Gardiner

Box 6092, Ketchikan, Alaska 99901 Pouch V, Juneau, Alaska 99811

To: All House Members  
From: Representative Terry Gardiner  
Date: March 18, 1980  
Re: HB. 590

Dear Fellow House Members:

HB 590 is a good bill. It is a consensus bill of fishermen and processors and ADF&G over what is needed to build an economically healthy herring fishery.

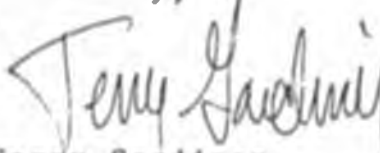
Right now herring is being harvested by foreign fleets. We want this fish to be harvested and processed by Alaskan fishermen and processors. Last year some fishermen directly exported whole herring onto foreign freighters. HB 590 will stop this. HB 590 will force processing of herring within Alaska, not on foreign vessels or soil.

The bill takes a realistic approach to phasing in the processing industry. A fishing industry cannot be built in one year. The bill changes nothing this present season. It allows salting and stripping of herring next year. For 3 years after it allows stripping. After 1984 all herring will be frozen or otherwise processed.

The buildup of the herring processing industry will provide a base of investment for other undeveloped fisheries. This is especially true in the Bering Sea area for which the exemption applies. This will not affect other areas of the state.

The end result will be many jobs and economic benefits to Alaska. British Columbia has already done this successfully. This phase-in alternative is better than the other two alternatives: 1) A foreign fleet and processors or 2) raw export of whole herring.

Sincerely,

  
Terry Gardiner

REFERS TO SEC. 3  
ONLY CSHB 590 AM

TC/mh

Original sponsors: Gardiner and Moss

Offered: 2/28/80  
Referred: Rules

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2

CS FOR HOUSE BILL NO. 590

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to herring; and providing for an  
7 effective date."

8

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9

\* Section 1. LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING. (a)

10

Notwithstanding AS 16.10.172, the legislature finds that in certain circum-

11

stances the processing technique described in AS 16.10.172(3), commonly

12

referred to as "stripping", provides benefits of such importance to the state

13

economy that the benefits <sup>may</sup> outweigh the waste involved in the process.

14

(b) It is the policy of the legislature that notwithstanding AS 16.-

15

10.173 the disposal of herring carcasses is acceptable only if

16

(1) the herring is taken from waters in which the herring popu-

17

lation is large enough to support a stripping industry without substantially

18

reducing the availability of the herring for other uses; and

19

(2) the stripping process is conducted in an area of the state

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where local industry either does not exist or, if it does exist, it is in-

21

sufficient to provide reasonable economic support to the people who live in

22

the area.

23

\* Sec. 2. HERRING STRIPPING. (a) The legislature finds that the Bering

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Sea is an area where the disposal of herring carcasses is acceptable under

25

the criteria established in sec. 1 of this Act.

26

(b) Notwithstanding AS 16.10.173 and until July 1, 1982, the stripping

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of commercially taken herring for the purpose of removing and selling the roe

28

product is authorized if the herring is taken from and the carcass disposal

29

process occurs in the Bering Sea.

delete {

1 (c) The Board of Fisheries shall adopt regulations in accordance with  
2 the Administrative Procedure Act (AS 44.62) regarding disposal of herring  
3 carcasses for each administrative area where disposal occurs.

4 (d) The provisions of AS 46.03.100 apply to the disposal of herring  
5 carcasses under this section.

6 \* Sec. 3. AS 16.10 is amended by adding a new section to article 3 to  
7 read:

8 Sec. 16.10.175. REMOVAL OF HERRING FROM STATE. (a) It is unlaw-  
9 ful for a person to remove herring from the state before the herring has  
10 been frozen or otherwise processed for shipment.

11 (b) In this section, "processed for shipment" includes, but is not  
12 limited to, icing, stripping or salting of the herring; however, it does  
13 not include salting of the herring if five percent or more of the body  
14 weight of the herring consists of roe.

15 \* Sec. 4. Sections 1, 2 ~~and 3~~ of this Act take effect September 1, 1980.  
16 Section 3 of this Act takes effect September 1, 1981.

17  
18 (H) RESOURCES COMMITTEE offered amendment deleting "and 4"  
19 line 15.

20  
21 PASSED HOUSE 24-13-3 3/17/80

22 RECONSIDERED.

23 PASSED HOUSE 26-12-0 3/19/80  
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28  
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CS HB 590 am

An Act relating to herring; and  
providing for an effective date

By (H) Resources

### Section 1. Legislative Findings and Policy on Herring Stripping

Legislature finds that ~~herring~~ in certain circumstances herring stripping provides benefits to the state economy that may outweigh the waste involved in the process. Stripping is described in the present statutes (AS 16.10.172(3)) as "deliberately permitting decomposition of the herring carcass to allow for the removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded."

Legislative policy is that ~~herring~~ disposal of herring carcasses is acceptable only if

- (1) the herring population can support a stripping industry without substantially reducing availability of herring for other uses; and
- (2) stripping is conducted in an area of the state where local industry either doesn't exist, or if it does, is insufficient to provide reasonable economic support to the residents.

### Section 2. Herring Stripping

Authorizes herring stripping in the Bering Sea, effective September 1, 1980, until July 1, 1982. Board of Fisheries shall adopt regulations regarding disposal of carcasses. Provisions of "waste disposal permit" ~~and~~ statutes apply to the disposal of herring carcasses.

### Section 3.

Amends AS 16.10, "Fisheries and Fishing Regulations, Herring Spawn" by adding a new section entitled, "Removal of herring from state."

Prohibits removal of herring from the state before it has been frozen, iced, stripped or salted. However roe herring may not be salted and exported from the state.

Effective September 1, 1981.

### Effect of CS HB 590 am on Bering Sea roe herring fishery

<u>Roe Herring Season</u>	<u>Local Stripping Allowed?</u>	<u>Salting, then Exporting Allowed?</u>
↑	↑	↑
1978	Yes	Yes
1979	No	Yes
1980	No	Yes
1981	Yes <sup>1</sup>	Yes
1982	Yes	No <sup>2</sup>
1983	No	No
↓	↓	↓

1 Provided by Sec. 2 CS HB 590

2 Provided by Sec. 3 CS HB 590

4/4/80

road food fuel

500-700

Dock Price

Oscar D - 486-3694 - W/Regay - No

Problem - <sup>no check</sup> this way  
260-350 8 willin  
285 app

Clyde 486-560<sup>07</sup>

Kenn -

Allen B 486-3234

Ed Van Fleet 486-3266

Suiff Shan

Bucki Paul -

Henry Crab - B B - Ken Alenead -

B x B 486-4112

Tom Major - 486-5789

486-5394

Bens - Penn

29

Buck Shurt

B B Red 22 lb - 2 7,999

33 mill 40 g

24 & Pink -

39 1/2 15 mil 1829

And so, CSHB 586 passed the House.

CSHB  
586

Representative Meekins served notice of reconsideration on CSHB 586 on the next legislative day.

### THIRD READING OF HOUSE BILLS

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 590 amended (relating to herring; effective date) was read the third time. (Reconsideration was brought up and held until today's calendar, page 672 of the journal).

CSHB  
590  
am

Representative Eliason moved and asked unanimous consent that CSHB 590am be returned to second reading for the purpose of specific amendment.

Representative Miller objected and withdrew his objection. There being no further objection, it was so ordered.

Amendment No. 2 by Eliason and Halford:

Page 1, line 13

Between "benefits" and "outweigh"  
insert "may"

Page 1, lines 23 - 25

Delete all material starting with  
"(a)" through "Act."

Page 1, line 26

Delete "1983" and insert "1982"

Renumber following subsections.

Representative Eliason moved and asked unanimous consent that Amendment No. 2 be adopted. There being no objection, it was so ordered.

CSHB Mr. Anderson moved and asked unanimous consent that  
590 CSHB 590am be considered engrossed, advanced to third  
am reading and placed on final passage. There being no  
objection, it was so ordered.

CSHB 590am was read the third time.

The question to be reconsidered bein : "Shall CSHB 590am  
pass the House?" The roll was taken with the following  
result:

CSHB 590AM

Yeas: 28 Anderson, Belrne, Bettisworth,  
Brown, Buchholdt, Carney, Cotten,  
Duncan, Freeman, Fuller, Gardiner,  
Halford, Hayes, McKinnon, Malone,  
Meekins, Matcalfe, Miles, Miller,  
Moss, Munson, Osterback, Parker,  
Parr, Randolph, Rogers, Schaeffer,  
Smith

Nays: 12 Barnes, Branson, Chatterton,  
Eliason, Guy, Haugen, Hurlbert,  
Martin, Montgomery, O'Connell,  
Phillips, Zharoff

Not  
Voting: 0

And so, CSHB 590am passed the House on reconsideration  
of the vote.

Mr. Anderson moved and asked unanimous consent that the  
roll call on the passage of CSHB 590am be considered  
the roll call on the effective date clause. There be-  
ing no objection, it was so ordered.

CSHB 590am was referred to the Chief Clerk for engross-  
ment.

CS Representative Rogers asked that the reconsideration  
MJR of the vote on COMMITTEE SUBSTITUTE FOR HOUSE JOINT  
20am RESOLUTION NO. 20 amended (proposing an amendment to  
the Constitution of the State of Alaska relating to

Section 1 - LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING.

The Legislature finds that in certain circumstances herring stripping provides benefits to the state economy that may outweigh the waste involved in the process.

Legislative ~~poli~~ policy is that the disposal of herring carcasses is acceptable only if:

1. the herring population can support a stripping industry without substantially reducing availability of herring for other uses; and
2. stripping is conducted in an area of the state where local industry either does not exist, or, if it does, is insufficient to provide reasonable economic support to the residents.

Section 2 - HERRING STRIPPING

Authorizes herring stripping in the Bering Sea, effective September 1, 1980 until July, 1982. The Board of Fisheries shall adopt regulations regarding disposal of carcasses. Provisions of AS 46.03.100 Waste & Disposal Permit apply to the disposal of herring carcasses under this section.

(ATTACHED)

Section 3 - Amends AS 16.10 "Fisheries and Fishing Regulations, Herring Spawn" by adding a new section entitled "Removal of Herring from State." Prohibits removal of herring from state before it has been frozen, iced, stripped or salted. However, roe herring (if 5%+ of body weight consists of roe) may not be salted and exported from the state. Provides effective date, this section, of September 1, 1981.

EFFECTS OF CSHB 590 am ON BERING SEA HERRING ROE FISHERY

ROE HERRING SEASON	LOCAL STRIPPING ALLOWED?	SALTING THEM EXPORTING ALLOWED?
1978	Yes <sup>1</sup>	Yes
1979	No	Yes
1980	No	Yes
1981	Yes <sup>1</sup>	Yes
1982	Yes	No <sup>2</sup>
1983	No	No

- 2 1. Provided by Sec. 2 CSHB 590 am, effective September 1, 1980
- 3 2. Provided by Sec. 3 CSHB 590 am, effective date September 1, 1981.

1. Herring stripping prohibited by AS 16.10.173 (ATTACHED) IN ALL AREAS OF STATE EXCEPT BERING SEA, EFF 1/1/78. Prohibited in Bering Sea, effective 1/1/79

## Background

CS HB 590 am <sup>Bering Sea</sup> is a response to two areas of concern regarding the herring roe fishery ~~in general~~, and ~~that fishery in the Bering Sea~~ ~~protection~~. The first of these is the practice of "stripping" the herring to remove the eggs, which ~~results in~~ produces a carcass that is unusable and must be discarded. The second is the export <sup>from the state</sup> of unprocessed, salted roe herring.

Legislative policy on utilization of herring, as adopted in 1977, states that stripping "is wasteful and does not constitute utilization of this resource for the maximum benefit of the people. Therefore, it is the policy of the legislature that this process should be eliminated to the fullest extent possible." Reacting to the mounting pressure against stripping, the Board of Fisheries prohibited by regulation <sup>effective for the 1979 season</sup> the stripping of herring. <sup>from the Bering</sup> The result of this was that most of <sup>the</sup> herring (• ADFG estimates 70%) ~~were~~ <sup>were</sup> lightly salted and shipped overseas, bypassing Alaskan processors ~~and labor~~ and labor altogether.

By prohibiting the export of unprocessed herring, CS HB 590 am ~~would~~ ~~the~~ ~~industry~~ would encourage the development of Alaska-based processing facilities. The two-year moratorium on the stripping ban would theoretically allow processors to ease into the requirement that the whole herring be utilized. According to the sponsor, "the bill takes a realistic approach to phasing in the processing industry."

After the ban on stripping is reinstated, effective beginning with the 1983 season, processors will have to find some use for the herring carcass. In practical terms this means the carcass will

\* when, effective everywhere?

have to be reduced— made into fish meal or fertilizer.— since this is about all that a herring carcass is good for after the roe extraction process. There presently are no reduction plants along the Bering Sea coast, the closest one being in Kodiak.

Section 1. Legislative Findings and Policy on Herring Stripping

Legislature finds that ~~herring~~ in certain circumstances herring stripping provides benefits to the state economy that may outweigh the waste involved in the process. Stripping is described in the present statutes (AS 16.10.172 (3)) as "deliberately permitting decomposition of the herring carcass to allow for the removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded."

Legislative policy is that ~~herring~~ disposal of herring carcasses is acceptable only if

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Prohibits removal of herring from the state before it has been frozen, iced, stripped or salted. However roe herring may not be salted and exported from the state. <sup>PF 5% of body weight above price of roe.</sup>

Effective September 1, 1981.

Effect of CS HB 590 am on Bering Sea roe herring fishery

<u>Roe Herring Season</u>	<u>Local Stripping Allowed?</u>	<u>Salting, then Exporting Allowed?</u>
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1 Provided by Sec. 2 CS HB 590, effective Sept. 1, 1980.

2 Provided by Sec. 3 CS HB 590, effective Sept. 1, 1981.

Pennoyer 9210

Value of roe - 3~~00~~ x that  
for bait.

Board of Fish. prohib

Season starts ~ May 1

Salting 20% solution by volume  
Carcass must be reduced

Last yr. 10,000 m.t., this yr. could go 25-30,000 m.t. depending  
on weather. Little shore-based plants to handle this product

Foreign boats on hand to transport processed herring - ~70% of  
Togiak herring was salted.

Processing other than salting is more labor intensive - more  
beneficial.

Must use available surplus inshore or lose it.

Most herring sent to Orient for stripping. ~~So~~  
Bill doesn't eliminate salting immediately?

Next year both salting + stripping allowed, after that just  
stripping, then neither.

A.N.F. #6. has no problems

Oscar — "More or less go along with it" probably going to happen

Natives wanted to get herring under that control. Cut out roe herring altogether. ~~5~~

Up north no way to utilize the whole body, reduction

~~Regarding the herring stripping provision~~

Oscar Dyson "more or less goes along with this bill" He feels it will probably happen sooner or later (the prohibition against herring stripping). The 1982 time limit will allow the processors to ease into the requirement that the whole herring be utilized. The main problem in the Bering Sea is that reduction plants are so far removed from the herring resource. He noted that other areas, such as Canada, are moving away from herring roe fisheries toward utilization of the entire fish.

Regarding removal of herring from the state, he says this resulted from last year's situation where roe herring was salted and immediately shipped to Japan, thus bypassing state labor altogether.

Lauber - No official comment.

Maybe this could be better handled by regulation

Must be processed before it goes on board a foreign vessel. Board put 20% salt solution.

Hasn't been much transporting out of the state - chilled seawater doesn't really work

Processors on both sides of the fence  
Closest reduction plant is in Kodiak

Positions on CS HB 590

Oscar Dyson - "more or less goes along with the bill" - 486-3694

U.F.A. - no position

Pacific Seafood Processors - no position (Rick Lauber)

Pac. Pearl Seafoods (Royal DeVaney) - no position 276-2181

Washington Fish & Oyster (Bill Hinkston) - Against provision allowing herring stripping in the Bering Sea. Said that wherever herring carcasses are dumped, you lose the herring in that area. Foresees problems with enforcement of dumping-control regulations  
206-245-6800

Hinkston - 206-285-6800

~~Lozett~~ - Clyde Lovett 486-2307 will ~~not~~ get bill & call back  
with comments

Shut Kodiak  
Call -

Lozett DeWaney - Pac Fearl

Not involved w/ herring

Could be detrimental to local fisherman

Comment on pollution only will this be a problem in  
shallow water dumped all at once - dumping 50-100 tons  
at a shot

Could be shipped out of ~~Kodiak~~ the Bay to Kodiak.

No great freezing capacity there

Not that great of quality - frozen ice herring

Larry Cotler

interested parties:

Tom Waterer - Salamatof Seafoods  
Anchorage ~~772-4294~~  
283-7000

Alan Otness - Icicle Seafoods  
d.A. Petersburg 772-4294  
fishing

Larry Cotter 586-6642  
I.L.U. Juneau

~~GFA~~ 586-2820



Official Business

# Alaska State Legislature

## Senate

### Committee on State Affairs

Pouch V  
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1. Herring stripping was prohibited by AS 16.10.173 (attached?) SLA 1977, in all areas of the state except Bering Sea as of 1/1/78. Prohibited in Bering Sea as of 1/1/79.
2. Provided by Section 2, CSHB 590 am, effective 9/1/80.
3. Provided by Section 3, CSHB 590 am, effective 9/1/81.

**Sec. 46.03.100. Waste disposal permit.** (a) A person who conducts an operation which results in the disposal of solid or liquid waste material or heated process or cooling water into the waters or onto the land of the state must procure a permit from the department before disposing of the waste material or water. The permit must be obtained for direct disposal and for disposal into publicly operated sewerage systems.

(b) This section does not apply to a person discharging only domestic sewage into a sewerage system. (§ 3 ch 120 SLA 1971; am § 3 ch 220 SLA 1976)

**Effect of amendment.** — The 1976 amendment in the first sentence of subsection (a), substituted "an operation" for "a commercial or industrial operation," inserted "or heated process or cooling water" and "or onto the land," and added "or water" to the end of the sentence.

**Sec. 46.03.110. Waste disposal permit procedure.** (a) An application for a permit shall be made on forms prescribed by the department or on forms prescribed by the United States Environmental Protection Agency and shall contain the name and address of the applicant, a description of his operations, the quantity and type of waste material sought to be disposed of, the proposed method of disposal, and any other information considered necessary by the department. Application for permit shall be made at least 60 days before commencement of a proposed discharge.

(b) Upon receipt of a proper application the department shall publish notice of the application in two separate publications of a newspaper of general circulation within the general area in which the disposal of waste material is proposed to be made. The notice may also be published in other appropriate information media. The notice shall include a statement that a person who wants to present his views to the department in regard to the application may do so in writing to the

department within 30 days of the second publication of the notice. The written response entitles the writer to a copy of the application.

(c) When the department receives an application, the commissioner shall immediately send copies of the application to the commissioner of fish and game, the commissioner of natural resources, the commissioner of commerce and economic development and the commissioner of health and social services.

(d) The department may specify in a permit the terms and conditions under which waste material may be disposed of. The terms and conditions shall be directed to avoiding pollution and to otherwise carry out the policies of this chapter. No permit may be effective for a period in excess of five years from the date of issuance.

(e) If the department has certified a National Pollutant Discharge Elimination System permit under sec. 401 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. sec. 1341), and the United States Environmental Protection Agency has issued that permit to a person, the department may waive the requirements of this section, and adopt the federal permit as the permit required under § 100 of this chapter. (§ 3 ch 120 SLA 1971; am § 6 ch 104 SLA 1971; am § 116 ch 218 SLA 1970; am §§ 4, 5 ch 220 SLA 1976)

**Effect of amendments.** — The first 1976 amendment substituted "commissioner of commerce and economic development" for "commissioner of economic development" in subsection (c).

The second 1976 amendment inserted "or on forms prescribed by the United States Environmental Protection Agency" in the first sentence of subsection (a) and added subsection (e).

### Article 3. Herring Spawning.

Section  
140 — 170. [Repealed]  
172. Legislative policy on utilization of  
herring

Section  
173. Utilization of commercially taken  
herring

Secs. 16.10.140 — 16.10.170.  
Repealed by § 2 ch 91 SLA 1970.

Sec. 16.10.172. Legislative policy on utilization of herring. The legislature finds the following: (1) extensive and valuable herring populations are available for harvest in waters subject to the jurisdiction of the state; (2) commercial markets are available for herring processed in several forms; (3) one processing technique presently employed involves deliberately permitting decomposition of the herring carcass to allow for removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded. The legislature declares that the process referred to in (3) of this section is wasteful and does not constitute utilization of this resource for the maximum benefit of the people. Therefore, it is the policy of the legislature that this process should be eliminated to the fullest extent possible. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

Sec. 16.10.173. Utilization of commercially taken herring. (a) It is unlawful for a person, as defined in AS 01.10.060 and including a joint venture, to waste or to cause to be wasted any commercially taken herring.

(b) As used in this section, "waste" means the failure to use the flesh of commercially taken herring for reduction to meal, production of fish food, human consumption, food for domestic animals, scientific or educational purposes, or round herring bait. Normal, inadvertent loss of flesh associated with the uses described in this subsection which cannot be prevented by practical means does not constitute waste. The commissioner may authorize other uses of commercially taken herring not inconsistent with the intent of this section and § 172 of this chapter at his discretion upon receipt of a request accompanied by a detailed justification.

(c) For purposes of this section, "flesh" means all muscular body tissue surrounding the bony skeleton of the herring.

(d) The Board of Fisheries may adopt regulations under the Administrative Procedure Act (AS 44.62) it considers necessary for implementation of this section. The board may delegate its authority under this section to the commissioner.

(e) The provisions of this section do not apply to herring taken commercially in the Bering Sea (including appurtenant bays, sounds, estuaries, and water of the state) north of 56° North Latitude, until January 1, 1979. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

# Terry Gardiner

Box 6092, Ketchikan, Alaska 99901 Pouch V, Juneau, Alaska 99811

To: All House Members  
From: Representative Terry Gardiner  
Date: March 18, 1980  
Re: HB 590

Dear Fellow House Members:

HB 590 is a good bill. It is a consensus bill of fishermen and processors and ADF&G over what is needed to build an economically healthy herring fishery.

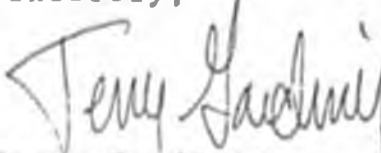
Right now herring is being harvested by foreign fleets. We want this fish to be harvested and processed by Alaskan fishermen and processors. Last year some fishermen directly exported whole herring onto foreign freighters. HB 590 will stop this. HB 590 will force processing of herring within Alaska, not on foreign vessels or soil.

The bill takes a realistic approach to phasing in the processing industry. A fishing industry cannot be built in one year. The bill changes nothing this present season. It allows salting and stripping of herring next year. For 3 years after it allows stripping. After 1984 all herring will be frozen or otherwise processed.

The buildup of the herring processing industry will provide a base of investment for other undeveloped fisheries. This is especially true in the Bering Sea area for which the exemption applies. This will not affect other areas of the state.

The end result will be many jobs and economic benefits to Alaska. British Columbia has already done this successfully. This phase-in alternative is better than the other two alternatives: 1) A foreign fleet and processors or 2) raw export of whole herring.

Sincerely,

  
Terry Gardiner

REFERS TO SEC. 3  
REFERS HB 590 Am.

TG/mh

THE FOLLOWING PAGES WERE TREATED AS  
A UNIT IN THE ORIGINAL FILE.

# Salamatof Seafoods, Inc.



P. O. Drawer 4220

Kenai, Alaska 99611

Phone: (907) 283-7000

March 18, 1980

Honorable Bob Mulcahy, Senator  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Sir:

Enclosed for your review is recent correspondences and information that we have instituted to particular interested parties regarding HB 590. We feel that this Bill is of such great consequence that you should be made aware of the matters of concern as we see them.

At stake is the philosophy of how our fisheries will be developed and whether or not they will be developed in the best interest of Alaskans. It is being suggested as an argument that some operations, whether of outside or foreign interests, should be given consideration because of the economic hardship of not being allowed to proceed with their schemes of removing product from the State. However, if they are allowed, it will be a direct economic hardship to the resident processors and other economic sectors within the State.

Currently there is a mounting effort for floating processors and shore plants to process a new season's catch within the State's jurisdiction. Without some protection, these operations will not be given the emphasis or likelihood of success that they desperately need now.

Thank you for your consideration of these matters.

Cordially,

SALAMATOF SEAFOODS, INC.

*Tom Waterer*  
Tom Waterer, President

TW:dle  
Enclosures

PROPOSED CHANGES

HB 590

Original sponsors: Gardiner and Moss

IN THE HOUSE

BY THE RESOURCES COMMITTEE

CS FOR HOUSE BILL NO. 590

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to herring; and providing  
for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

\*Section 1. LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIP-  
PING.

(a) Notwithstanding AS 16.10.172, the legislature finds that in certain circumstances the processing technique described in AS 16.10.172(3), commonly referred to as "stripping", provides benefits of such importance to the state economy that the benefits outweigh the waste involved in the process.

(b) It is the policy of the legislature that notwithstanding AS 16.10.173 the disposal of herring carcasses is acceptable only if

(1) the herring is taken from waters in which the herring population is large enough to support a stripping industry without substantially reducing the availability of the herring for other uses; and

(2) the stripping process is conducted in an area of the state where local industry either does not exist or, if it does exist, it is insufficient to provide reasonable economic support to the people who live in the area, or insufficient meal or reduction facilities exist within a 100-mile radius.

AS FOLLOWS:

\*Section 2. HERRING STRIPPING

(a) The legislature finds that the Bering Sea is an area of fish origin for which [where] the disposal of herring carcasses is acceptable under the criteria established in sec. 1 of this Act.

(b) Notwithstanding AS 16.10.173 and until July 1, 1983, the stripping of commercially taken herring for the purpose of removing and selling the roe product is authorized if the herring is taken from [and the carcass disposal process occurs] in the Bering Sea.

(c) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) regarding disposal of herring carcasses for each administrative area where disposal occurs.

(d) The provisions of AS 46.03.100 apply to the disposal of herring carcasses under this section.

\*Section 3. AS 16.10 is amended by adding a new section to article 3 to read:

Section 16.10.175. REMOVAL OF HERRING FROM STATE.

(a) It is unlawful for a person to remove herring from the state before the herring has been frozen or otherwise processed for shipment.

(b) In this section, "processed for shipment" includes, but is not limited to, icing, stripping or salting of the herring; however, it does not include salting or icing of the herring if five percent or more of the body weight of the herring consists of roe.

\*Section 4. Sections 1, 2 and 4 of this Act take effect [September 17, 1980.] April 15, 1980. Section 3 of this Act takes effect [September 17, 1981.] April 15, 1980.

PROPOSED CHANGES

HB 590

Original sponsors: Gardiner and Moss

IN THE HOUSE

BY THE RESOURCES COMMITTEE

CS FOR HOUSE BILL NO. 590

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to herring; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

\* Section 1. LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING.

(a) Notwithstanding AS 16.10.172, the legislature finds that in certain circumstances the processing technique described in AS 16.10.172(3), commonly referred to as "stripping", provides benefits of such importance to the state economy that the benefits outweigh the waste even if discard of the carcass is involved in the process.

(b) It is the policy of the legislature that the stripping process wherein the carcass is discarded is acceptable only if the herring is taken from waters in which the herring population is large enough to support a stripping industry [without substantially reducing the availability of the herring for other uses], and only if the [stripping] discarding process is conducted in an area of the state where in which adequate meal or local [industry either does] reduction facilities do not exist within a 50-mile radius or, if it does exist, is insufficient to provide reasonable economic support to the people who live in the area.

WE PREFER SECTION 2 TO BE DELETED, HOWEVER, IF INCLUDED SHOULD READ AS FOLLOWS:

\* Section 2. HERRING STRIPPING.

(a) The legislature finds that the area of purchase described in (b) of this section is an area where the ~~[stripping]~~ purchase of herring for roe is acceptable under the criteria established in sec. 1 of this Act.

(b) Notwithstanding AS 16.10.173 and until July 1, 1981, or 1982 or 1983, \*(options) ~~[the stripping of commercially taken herring for the purpose of removing and selling the roe product]~~ discard is authorized if the herring is taken from ~~[ and the stripping process occurs within]~~ an area north of 58 degrees latitude, south of 60 degrees latitude; east of 162 degrees 10 minutes 30 seconds longitude; and west of 158 degrees 53 minutes 30 seconds longitude.

\* Section 3. AS 16.10 is amended by adding a new section to article 3 to read:

Section 16.10.175. REMOVAL OF HERRING FROM STATE.

(a) It is unlawful for a person to remove herring from the state before the herring has been frozen or otherwise processed for shipment.

(b) In this section, "processed for shipment" includes, but is not limited to, ~~[icing]~~ no stripping or salting of the herring; however, it does not include salting of the herring if five percent or more of the body weight of the herring consists of roe. Such salted herring should be packed in cartons no larger than 200 lbs. net, as is consistent with packaging requirements for food products.

\* Section 4. This Act allows easier enforcement and takes effect immediately in accordance with AS 01.10.070(c).



March 11, 1980

Honorable Terry Gardiner  
Speaker of the House  
House of Representatives  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Sir:

This letter is sent for your consideration of specific problems which I see in the wording and format of HB 590 as offered on 2/28/80. Philosophically, I request that you and other representatives of the State consider with utmost dispatch what might be done to, first, effect the maximum legislation of value added for our fishery resources within the State's jurisdiction by creation of in-State processing and; second, once realizing the benefit of such a goal, do whatever is possible to encourage the survival of in-State processors and the continuation of their resident ownership. If such a direction is not taken, it is likely that in ever greater percentages the impact and survival of in-State processors will cease. The current state of economics of the Alaskan fisheries is such that the continuation of Alaskan processors must be encouraged by whatever measures possible.

The effect of HB 590 if implemented to require in-State processing will add tremendously to the in-State impact of our seafood harvest, especially as it relates to herring. This is accomplished through the impact of Alaskan employment, capital investment, and related sectors.

Whatever forms HB 590 takes, it should not be forgotten that the goal is to create in-State processing of herring to the state of maximum value added at the earliest possible date.

Secondary to that goal is the problem of how and whether such a goal will reasonably be effected. In the most recent draft of HB 590, I take special note of the time factor proposed of September 1, 1980, whereby in-State stripping with carcass discard can be effected. The suggestion thereby is that during the 1980 production season in-State processors will not be afforded the privilege of processing the expanding Bristol Bay herring harvest as they best see feasible, and yet foreign interests are given the opportunity to receive roe herring and export them out of the State lightly salted and used in any manner that they deem fit. This generally correlates to exactly what processors are wishing to do during the 1980 production season within the State's jurisdiction whenever the fish are not frozen.

Honorable Terry Gardiner  
Speaker of the House  
March 11, 1980  
Page 2

I urgently request that the last item of the Bill, Section 4, take effect April 15, 1980, to preclude such unfair disadvantage given to in-State processors. I note also that under Section 4 reference to Section 3 is postponed until September 1, 1981, thereby allowing these foreign and non-resident interests to continue their operations through both the 1980 and 1981 production seasons. I suggest that the time factor of implementation by April 15, 1980, so that the 1980 production season be included.

Additional to the above information, I would wish to suggest that in-State processing can be effected in such a manner that the possibility of handling the proposed Bristol Bay harvest in 1980 can be effected within the State's jurisdiction. The possibility of this being effected increases dramatically as stripping with carcass discard is allowed on an interim period until July 1, 1983, as is proposed in the Bill. However, such provision should not be restricted to the Bering Sea areas, but rather to all processing areas within the State where insufficient meal or reduction facilities do not exist within a 100-mile radius. This is a very important consideration that the stripping and discard processes be allowed not only in the Bering Sea areas, but wherever in the State the product is processed, since much of the product will not be processed in the Bering Sea area.

In the case of our company's goals, we are wishing to freeze as much Bering Sea herring as is possible. However, if we are unable to process some fish by freezing, we then wish to be afforded the opportunity to strip herring at our plant in Kenai and discard the carcasses. Our waste disposal system is used for salmon and halibut wastes and includes a large sophisticated macerating grinder which ultimately pumps a fine mash into deep water where it is rapidly dispersed.

In conclusion, I would like to reemphasize that the objective of HB 590 should be to insure the survival of in-State processing and processors by providing for preferential access to the herring resources they are capable of handling. This further has the substantial benefit by way of enhancing the economic well-being of the processors and the impact of the tremendous payroll dollars for processing labor as well as dollars injected to the transportation and related industries.

The condition of Alaska's resident seafood processing industry is such that it needs immediate assistance in 1980. The only possible negative factor regarding the issue of HB 590 is whether or not the industry can adequately handle the harvest. The stripping provision, however, if extended to the processing sector state wide, should help remove such questions.

Honorable Terry Gardiner  
Speaker of the House  
March 11, 1980  
Page 3

Otherwise it might be argued that there is a potential for economic hardship on those who have invested to export product out of the State to process in Canada, Washington, Japan, or Korea. If there is any such economic hardship, that is unfortunate; however, if this Bill does not pass immediately, their investments and economic hardships will be even more apparent at a later date when they have effected their operations for one or two years; and in the meantime, their arguments are being considered at the expense of Alaskan processors and labor.

The benefit of Alaska and its citizens is best enhanced by favor of in-State processors and processing.

I have included a copy of HB 590 (2 copies), representing copies of the last two drafts and in each case have indicated necessary changes to best effect the goals outlined above.

Thank you for your consideration.

Sincerely,

SALAMATOF SEAFOODS, INC.

Tom Waterer, President  
TW:dle

cc: House Resource Committee Members: Patrick J. Carney  
C. V. Chatterton  
Samuel R. Cotten  
Richard I. Eliason  
John G. Fuller  
Richard W. Halford  
Bill Miles  
Fred S. Zharoff

President of the Senate, Clem R. Tillion  
Hugh Malone, House of Representatives  
Jim Kross, Environmental Services  
John Martins, Environmental Services  
Frank McIlhargey, Economic Development Director

Enclosures

# Salamatof Seafoods, Inc.



P O Drawer 4220

Kenai, Alaska 99611

Phone: (907) 283-7000

February 18, 1980

City of Kenai  
P.O. Box 580  
Kenai, Alaska 99611

Attn: Mayor Vincent O'Reilly

Gentlemen:

This letter will serve to advise you of a very important bill currently in the House which we believe has the potential to provide tremendous economic impact upon the City of Kenai and the entire Borough. Enclosed you will find a copy of HB 590, relating to a requirement to effect processing of herring within the State's jurisdiction. As President of Salamatof Seafoods, Inc., a substantial employer in the City of Kenai and the Kenai Peninsula Borough, I solicit your support for this most important bill.

It has the impact of not only creating employment, but also of plant utilization and in-State quality control. Stepwise this bill may create a vehicle for further guidelines requiring the maximum value added to be realized within the State for all species of our seafood resources. This I strongly advocate.

Referring specifically to herring, I have included an outline from my testimony before the House Resource Committee on Thursday, February 7th. The notes are not fully descriptive since it was my outline, however, the points are basically:

1. If Alaska wishes to receive the maximum benefit from a seafood harvest, it must so direct the processing industry by legislative action, otherwise, overhead and labor will be utilized elsewhere wherever possible.
2. The adverse market reputation for quality of Alaskan seafood can only be overcome by greater quality control measures. This, in turn, can only be scrutinized as processing occurs within the State's jurisdiction.
3. The current economic depression of the Alaskan seafood industry and especially of the Kenai Peninsula processors can be in part lessened by proper utilization of the vast herring resource just recently proven economically so important.
4. In a worst case analysis and in an industry based out of State, there would be left to the State only \$18 per ton or less by way of taxes for the herring harvested. This correlates to a State-wide return of \$720,000-\$900,000. If a best case analysis is a stake, a first wholesale value by in-State processors of up to \$100 Million Dollars of new dollars in 1980 can be realized. These new dollars, in turn, have even greater

City of Kenai  
Attn: Mayor Vincent O'Reilly  
February 18, 1980

impact when the particular multipliers are realized via the economics involved.

5. Our industry rule of thumb is that each ton of herring processed to the roe finished product requires about two man days of labor. If the projected Bristol Bay harvest were all processed to the roe state, it would create about 60,000 man days of employment for process workers. This is in addition to the employment of the fishermen and tendermen levels. Processing to a frozen state would require comparable labor plus capital investment only of a slighter consequence. Salting or brining of herring requires an inconsequential labor impact and, hence, a tremendous economic loss to the State and Borough.
6. Of the 1980 Bristol Bay harvest, we estimate it is probable that a minimal 20% will be processed by Kenai Peninsula processors if the product is not taken from them via foreign bulk transport means. If this is the case, at stake is a minimum 12,000 man days of labor plus the sales dollars generated into the economy by the particular Borough seafood processors involved. This will have impact upon the transportation industry and related supply industry and numerous other segments of our local economy.
7. In both the Canadian province of British Columbia and the state of California, the tremendous impact of requiring in-province or in-state processing has been realized. In each of those areas, legislation for the purpose of limiting the exports of unprocessed seafood, and especially herring, has been effected much more strictly than is proposed by HB 590. In both of those areas it has been realized that if the resource is to be harvested, it should be for the maximum economic benefit, which can only be realized by the export of the finished product.

I thank you for your consideration of this hastily prepared message. The time factor involved is that currently the matter will be brought before House Committee again on Thursday, February 22nd. I solicit a strong and immediate support of this bill to our Representatives as you deem appropriate.

Sincerely,

SALAMATOF SEAFOODS, INC.

Tom Waterer, President

TW:dle

Enc: HB 590

Testimony Outline - House Resource Committee

cc: House Speaker Terry Gardiner  
Senator Clem Tillion  
Representative Hugh Malon

Mayor Tom Bearup - Soldotna  
Mayor Don Gilman - Kenai Pen. Bor.  
Mr. Frank McIlhargey, Econ. Dev. Coun.  
Mr. George Ford, Kenai Chamb. Commerce

I. INTRODUCTION

A. Company - 100% Alaskan owned; incorporated in the State in 1973:

Size, volume, position in industry, particularly in herring, employment, 1979 raw fish tax discussions.

B. Personal -

Time in industry, 18 years fisherman - processor.  
Formal education in Biological Sciences.

II. ORIENTATION

Alaska should review its entire philosophies regarding management of its fishing industry. In light of the fact that its 1979 ex-vessel values alone were on the order of 700 Million Dollars, this thought should surely bear some consideration.

However, true impact of fisheries is fact that in addition to this 700 Million is added substantial payrolls of the State's processors and the notable multiplier effect this has on Alaskan economy, especially in light of the fact that generally these are imported - dollars injected directly into the private sector.

Noting that the socio-economic impact is so great it stands that some consideration be given to how best to manage the economics of a fishing as to the best benefit of Alaska and its citizens.

In my opinion HB 590 is one of first examples of such legislation.

The unfortunate reality - usually fisheries are managed only on premise that when a biological surplus exists it should be harvested by whatever means available w/o due consideration of the particular socio-economics involved. This, of course, is as much a fallacy as is conservation for the sake of conservation. I say, what purpose is there for Alaska to allow harvest if there is not maximum benefit to the State and its citizens to do such? It is time that biological management be coupled with economic management and by economic management I mean maximizing economic benefit to State, its resident fishermen, its processors.

I strongly advocate Alaska proceed stepwise toward maximizing value added within the State. Since processing in the fishing industry is very labor intensive, Alaska can only benefit by such direction. Benefit to labor, transport, taxes, etc.

DEFINE  
PROCESSING  
IN CASE  
OF HERRING

In the case of HB 590, we strongly support it and suggest that since Alaska herring industry is just now experiencing a rapid growth, now is the time to set the guidelines by which to create the most value to the State via in-State processing, and at the same time insure the quality reputation.



February 1980

Dear Fisherman:

This letter submitted for your consideration is to serve the purpose of information flow between processor and fisherman, which is so often inadequate. I hope that you will very seriously consider what information we have to share and that you will realize how greatly your understanding and response to industry problems can, in turn, benefit us all.

The sad state of the Alaska fishing industry in general, and quite specifically that of the salmon industry, is that it is in a pronounced state of depression. Further it is unlikely that this situation will change in the near future. Currently the biggest problem the industry faces is how to cope with a badly depressed market. The problems are immense, the solutions are difficult, and the immediate economic consequences will be difficult on us all.

In the past five years the salmon industry has gone through an immense change, one in which it saw total Alaskan salmon catches in the range of 30 million to 40 million fish leap step-wise to last season's high catch of nearly 90 million fish. The large volume change, coupled with the related logistics problems faced by both fisherman and processor, has lead to a multiple of both quality control and marketing difficulties. At the same time, however, the entire salmon fisheries of the Northwest American coast has strived to make a quantum conversion from canned to frozen processing in response to changing world markets.

These two simultaneous changes in the industry have not been handled well due to lack of foresight, lack of experience, and lack of planning. This is true at both the fisherman and the processor sectors, and is most apparent by the way limited funds have been invested and how markets have been approached. The industry generally has poorly trained itself on how to properly handle fish as required for today's processing standards and today's markets.

The past five years of development has been almost entirely devoted to volume of production and not upon refinement of technique; again, this is true for both fisherman and processor. It might be said that both sectors have geared their operations almost entirely to production and not to market, consequently, both sectors are now suffering the grave consequences.

The consequences referenced above are basically related to market collapse and the resulting substantial decrease in both revenues and profits for effort. To survive in such situations, one must consider seriously the prospect of changing from production orientation to market orientation.

Without protection of bills such as HB 590, in-State processing will not only not develop, but will likely decline once the alternate modes of handling are developed. This is especially true for herring, since roe in fish can be easily preserved in unprocessed state long enough to allow cheap bulk transport to outside and generally foreign processing facilities where plants already exist, and labor is tremendously cheaper.

What's at stake -- herring -- a probably 1980 1st whole value to processors at up to 100 Million Dollars, depending upon actual volume harvested, quality and current market development. If fully realized, and if properly regulated, the large bulk of those dollars can enter the economy; and being new dollars to the State, would be magnified greatly in impact due to the related multiplier of the particular economies.

What is the worst case if HB 590 doesn't pass?

- \*Multitude of Canadian processing plants waiting idle, even greater Japanese trampers carrying lightly salted fish to Korea and Japan. These are being prepared now.

- \*1979 Togiak example

  - Trampers, 300-400 ft. tanker barges

- \*Once proven, these could transport from SE, CI, PWS, anywhere.

Since out-of-state operators have a greater tendency to attract non-resident fishermen and since this is a developing non-limited fishery, there are a multitude of fishermen from Bellingham, Seattle, Astoria, San Francisco, and S \_\_\_\_\_ wishing to join these operations.

In a worse case analysis, an out-of-state fisherman, tenderman, barge, or trumper operator, travel to Bristol Bay to harvest and transport the fish out. In 1979 the Bristol Bay case was about \$600/ton. Alaska gets 3% or \$18 return.

Extending the worst case to 40-50,000 State-wide harvest, Alaska gets \$720,000-\$900,000 in raw fish tax--nothing else.

Obviously this won't result, for all herring close to 50% value is likely lost.

We are required to capitalize in Alaska labor, identify each carton by packer origin, and our Alaska health number, where is this, and Alaska quality control on tanker operations hauling product to Canada or Korea?

\* Processing does exist in Alaska. Bering Sea must apply.  
Canadian herring restrictions.

Rep. Cotten (Sam) Rules House Committee

~~Steven Noyer~~ <sup>Pennoyer</sup> Dir. Commercial Fisheries

Similar  
Unprocessed fish is now required  
Classifying processing

\*Foreign not acceptable any  
cooking, canning, salting - 20%, freezing.

\*Salting not acceptable - in every case the purpose is to get roe.

\*\*Processing required 2 man days/ton for roe

16.10.162

It is policy of legislature process shall be eliminated  
Ref. to item 3.

\*No reason to utilize carcass.

1979 take	(52,000,000	(9,000,000 is bait)
	( 900,000	kelp
	(43,000,000	roe

Bristol Bay 70% salted

Herring is most numerous species in world.

\*\*Salting accomplishes nothing.

The market we are facing today has been pushed harder and harder each year to accept our product, which we're increasing in volume yearly and yet asking ever greater prices. At the same time we have cared little about what our particular market, be it processor for the fisherman or consumer for the processor, really wishes to purchase. We have forced and demanded and pushed and generally have been accepted on the grace of future business and promised future improvements. However, the time of reckoning has come in which both processor and fisherman have been caught. We can push no longer; in today's market we have no choice but to accept the demands of the market or be left without. When it was that our Japanese consumers were fearful of the affects of the 200-mile limit, when their own suppliers were not proven, and when European and domestic consumers were fearful that their supply was being diverted to Japanese markets, processors were able to make ever higher demands, and in turn fisherman upon them.

Two years ago world economies were stronger, consumers more confident, and interest rates much lower. Under such circumstances, inventories could be accumulated without such problems as today, with expectation that although it had to be moved, supplies and suppliers would ultimately be needed. Today economies have changed, interest rates have increased, consumers have become more price conscious, and most especially supply alternatives from ours in Alaska have been developed. In 1979 three areas of major world salmon production all concurrently produced large volumes; Alaska produced nearly 90 million fish, of which approximately 24 million were Bristol Bay sockeye. Both of these figures are expected to increase in 1980. Also, in last season's production was counted nearly record catches by the Japanese fleets in both Siberian waters and the North Japan (hokkaido) fisheries. In the case of the latter, the Japanese chum catch exceeded 80,000 metric tons or nearly 50% greater than last year's bumper Bristol Bay harvest.

The timing of these huge catches was very poor for the market at a time when consumers' acceptance was already pushed to the limit and at a time when interest rates were rising. In a matter of just a few months inventory totals previously unknown became apparent and when coupled with the vast new productions, became awesome compared to the movement rate generally seen at the consumer level. It became apparent that something had to give. Prices could no longer be at such high levels while inventories accumulated. Financial institutions have begun pushing for liquidation of inventories and the harder they pushed the more rapidly the market has fallen. This is true both domestically and abroad.

Concurrent with the present problems of over supply, another nightmare has become apparent, and that is the fact that much of the substantial inventories, again held both domestic and abroad, are not of adequate quality to achieve consumer acceptance other than at give-away prices. Unfortunante, too, is the fact that a majority portion of the low quality product is of Alaskan origin. This factor especially depresses market confidence in future Alaskan supplies. This situation of poor market reputation because of inadequate quality control is a problem which both fisherman and processor must

strive to correct immediately. We at Salamatof must insist of ourselves and of our fishermen that major improvements be made. Without such improvements, neither we nor our fishermen can hope to attain again prices which we once received for our product. However, even though we and individuals among our fishermen move to further establish a quality reputation, we must also each push our constituents toward the same goal even through legislative action if need be. Otherwise, those of us who offer a superior product to the market are often averaged in price with those in the industry who offer lesser products. Even though this is neither fair nor reasonable, it does occur frequently for both the fisherman and processor due to numerous realities that exist both in our Alaskan industry and world markets.

The multitude of problems that have so suddenly come together in our industry have lead to substantial insolvencies in many processing companies, even to the extent of bankruptcy. This problem has developed not only among domestic processors but also among overseas distributors. Again, this itself has further implications; as more and more companies are deemed insolvent, more and more lending institutions are becoming skeptical in their attitude towards financing the fishing industry in both our Alaskan producing areas and in a multitude of distant distribution areas. Overseas buyers in Japan have found themselves pushed hard for high prices by past suppliers, including most Alaskan processors, and at the same time have much smaller purchasing power because of a weaker yen. In October of 1978 the value of the yen was about 180/U.S. Dollar. Today it is about 240/U.S. Dollar. This means that to buy One Dollar's worth of our salmon, a Japanese buyer has to pay about 35% more in yen than he did 16 months ago.

What does this all mean to us today as processor or fisherman?  
What does this all mean to our industry in general? IT MEANS that likely we will see further drastic reductions in both market prices and fisherman prices for most seafood items and most notably salmon. IT MEANS that even to attain these price levels, qualities must be improved, and this in turn is certainly the only way by which we can hope to attain in the future the prices we were once paid. Basically, as mentioned before, IT MEANS that to survive these difficult times we must all reevaluate each step in our operations and consider in more specific terms what it is we can do to improve our efficiencies in response to lower returns. We must also consider what we might do to improve our techniques of product handling so that we might once again increase the values which originally gave us the incentive to expand. We at Salamatof Seafoods have already extensively planned for such change and in the upcoming months will be trying to work more with you, the fisherman, to effect necessary additional changes. To survive in today's glutted markets, you the fisherman and we the processor must both have something superior to offer by way of product or be passed by because of stricter market standards for frozen salmon. We at Salamatof Seafoods wish to enhance our establishing reputation for offering something extra in quality control. This we expect shall become even more important in the changing market situation, which we suspect will lead in 1980 to the greatest price differential ever between what is known as number one and number two quality salmon. This will likely be most apparent in higher value species such as

red salmon.

Speaking specifically about sockeyes...

Due to the record run expected for Bristol Bay in 1980;

Because of the already depressed market;

Plus the adverse exchange rate for the Japanese yen,

the prices likely to be available on the world market will be down substantially. Additionally, the losses sustained by processors last year cannot be continued or the current survivors will themselves fail, resulting in the absence of buyers for fishermen's catches.

The expected drop in salmon prices will mean to the Bristol Bay fisherman that they can expect probably half or even less of last season's prices for reds. This will have a carry over effect to both other species and other areas. Last season the processors generally took such a financial beating that if given the choice to pay higher prices or face the demands of a strike, it is quite possible that they may choose to minimize their loss by refusing to buy, instead of incurring even greater losses by paying too much for product they know cannot be sold at a profit. This information is certainly not pleasant to hear by anyone, but it unfortunately is a reality that does exist and must be reckoned with. In addition to refusing to pay higher prices next season, most processors will probably also be demanding from the fisherman what is demanded from the processor by the market, and, that is, a very big improvement in the techniques in handling salmon. It is likely that most processors next year will completely refuse to buy salmon that are not of top quality. The risk is simply too great.

We at Salamatof Seafoods do not wish to be bearers of gloom, but want to draw your attention, the fisherman, to the fact that it is an entirely new set of circumstances facing us all upon entering the 1980 season. We do wish to encourage you somewhat, too, to the knowledge that some time in the future the market will likely recover and we may all enjoy the returns to which we were once accustomed. The speed of this recovery can be increased by proper handling and quality control as mandated by the market.

We wish to offer the following information and suggestions to best effect quality as required today:

1. All seafood products begin decomposition and softening upon catching, either in or out of the water. The speed of this decomposition varies noticeably from species to species, including various salmon species. Decomposition can generally be classified by two categories with considerable inter-relationship. These are enzymatic and bacteriological. The first is most noticeable by action of the enzymes of the gut cavity, but is also apparent through enzymes contained in the body flesh; the latter is caused by bacteriolog-

1. (continued)

ical action from whatever source, be it from either internal or external inoculation of bacteria. Regardless, in all cases, decomposition is slowed by decreasing the temperature towards freezing and is minimized by careful handling. Careful handling precludes bruising and the breakdown of gut membranes, which speeds enzymatic breakdown. Handling by way of cleanliness in a boat hold or by whatever means will help slow bacteriological decomposition. Quality control additionally includes consideration of how a product is stowed, stored, and transported. Deep stacking because of the resulting pressure should always be avoided. For salmon, quality is best maintained if the depth of fish is kept to less than thirty inches. Whenever bruising, excessive depth in a hold, and warm temperatures occur together, exceedingly rapid decomposition occurs which is itself self-perpetuating. As a salmon begins to decompose, more temperature is generated, which in turn speeds breakdown further. At this point, something must be done quickly or the fish is lost totally.

2. Recommendations can be further extended for salmon as follows:

- a. Deliver product as rapidly as possible from catch to a cool environment. If this is not possible on a fishing vessel, it must be delivered to a processor with such ability within 12 hours of being caught, and in the interim must be kept cool and shaded as is best possible;
- b. Fishing boat hold must be insulated from engine heat;
- c. Avoid deep stacking or any walking on fish in a fish hold. Internal damage by such action will render a fish as number two almost always;
- d. Do not use fish puges or even fish picks other than on net meshes;
- e. Avoid handling salmon by the tail or dropping whenever possible, and keep handling to an absolute minimum;
- f. Before a salmon is caught, thoroughly with proper sanitizing agent, be sure to clean the fish hold into which it will be put. Never allow fish to set in gurry;

2. (continued)

- g. When salmon are first caught in the net, pick them as quickly as possible, and never allow a fish to stay in the net through a change of tide, especially, if the net is stationary, such as is usual for a set net. This has the affect of net meshes macerating a fish's flesh as tidal pressures change direction. A set netter should always take special efforts to protect and cool his catch because of the harsh conditions he generally exposes his catch to upon removal from the water.

The above are but a few suggestions of how quality can be improved to first secure a market for the fisherman and, in turn, the processor, and next to effect an eventual increase in price for the product. We do expect that sometime in the future market conditions will be improved as quality is increased and inventories gradually decrease by increased consumption. When that time comes we shall once again have a healthy industry. In the meantime, we must all work together towards a common goal, that being continuation of business during these difficult times. It is possible that the two-year time factor in effecting this, which is currently suggested by the Japanese, can be attained more rapidly. We shall try in the near future to keep you informed as situations and market conditions change.

Thank you for your past support and consideration of these matters. We look forward to better times as do you.

Cordially,

SALAMATOF SEAFOODS, INC.

*Tom Waterer*  
Tom Waterer  
President

THE PRECEDING PAGES WERE TREATED AS  
A UNIT IN THE ORIGINAL FILE.

**Sec. 46.03.100. Waste disposal permit.** (a) A person who conducts an operation which results in the disposal of solid or liquid waste material or heated process or cooling water into the waters or onto the land of the state must procure a permit from the department before disposing of the waste material or water. The permit must be obtained for direct disposal and for disposal into publicly operated sewerage systems.

(b) This section does not apply to a person discharging only domestic sewage into a sewerage system. (§ 3 ch 120 SLA 1971; am § 3 ch 220 SLA 1976)

**Effect of amendment.** — The 1976 amendment in the first sentence of subsection (a), substituted "an operation" for "a commercial or industrial operation," insert, "or heated process or cooling water" and "or onto the land," and added "or water" to the end of the sentence.

**Sec. 46.03.110. Waste disposal permit procedure.** (a) An application for a permit shall be made on forms prescribed by the department or on forms prescribed by the United States Environmental Protection Agency and shall contain the name and address of the applicant, a description of his operations, the quantity and type of waste material sought to be disposed of, the proposed method of disposal, and any other information considered necessary by the department. Application for permit shall be made at least 60 days before commencement of a proposed discharge.

(b) Upon receipt of a proper application the department shall publish notice of the application in two separate publications of a newspaper of general circulation within the general area in which the disposal of waste material is proposed to be made. The notice may also be published in other appropriate information media. The notice shall include a statement that a person who wants to present his views to the department in regard to the application may do so in writing to the department within 30 days of the second publication of the notice. The written response entitles the writer to a copy of the application.

(c) When the department receives an application, the commissioner shall immediately send copies of the application to the commissioner of fish and game, the commissioner of natural resources, the commissioner of commerce and economic development and the commissioner of health and social services.

(d) The department may specify in a permit the terms and conditions under which waste material may be disposed of. The terms and conditions shall be directed to avoiding pollution and to otherwise carry out the policies of this chapter. No permit may be effective for a period in excess of five years from the date of issuance.

(e) If the department has certified a National Pollutant Discharge Elimination System permit under sec. 401 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. sec. 1341), and the United States Environmental Protection Agency has issued that permit to a person, the department may waive the requirements of this section, and adopt the federal permit as the permit required under § 100 of this chapter. (§ 3 ch 120 SLA 1971; am § 6 ch 104 SLA 1971; am § 116 ch 218 SLA 1976; am §§ 4, 5 ch 220 SLA 1976)

**Effect of amendments.** — The first 1976 amendment substituted "commissioner of commerce and economic development" for "commissioner of economic development" in subsection (c).

The second 1976 amendment inserted "or on forms prescribed by the United States Environmental Protection Agency" in the first sentence of subsection (a) and added subsection (e).

### Article 3. Herring Spawn.

Section	Section
140 — 170. [Repealed]	173. Utilization of commercially taken herring
172. Legislative policy on utilization of herring	

Secs. 16.10.140 — 16.10.170.

Repealed by § 2 ch 91 SLA 1970.

**Sec. 16.10.172. Legislative policy on utilization of herring.** The legislature finds the following: (1) extensive and valuable herring populations are available for harvest in waters subject to the jurisdiction of the state; (2) commercial markets are available for herring processed in several forms; (3) one processing technique presently employed involves deliberately permitting decomposition of the herring carcass to allow for removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded. The legislature declares that the process referred to in (3) of this section is wasteful and does not constitute utilization of this resource for the maximum benefit of the people. Therefore, it is the policy of the legislature that this process should be eliminated to the fullest extent possible. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

**Sec. 16.10.173. Utilization of commercially taken herring.** (a) It is unlawful for a person, as defined in AS 01.10.060 and including a joint venture, to waste or to cause to be wasted any commercially taken herring.

(b) As used in this section, "waste" means the failure to use the flesh of commercially taken herring for reduction to meal, production of fish food, human consumption, food for domestic animals, scientific or educational purposes, or round herring bait. Normal, inadvertent loss of flesh associated with the uses described in this subsection which cannot be prevented by practical means does not constitute waste. The commissioner may authorize other uses of commercially taken herring not inconsistent with the intent of this section and § 172 of this chapter at his discretion upon receipt of a request accompanied by a detailed justification.

(c) For purposes of this section, "flesh" means all muscular body tissue surrounding the bony skeleton of the herring.

(d) The Board of Fisheries may adopt regulations under the Administrative Procedure Act (AS 44.62) it considers necessary for implementation of this section. The board may delegate its authority under this section to the commissioner.

(e) The provisions of this section do not apply to herring taken commercially in the Bering Sea (including appurtenant bays, sounds, estuaries, and water of the state) north of 56° North Latitude, until January 1, 1979. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

# Panel approves in-state herring processing bill

The current practice of salting Bering Sea caught herring and selling it to foreign tramp steamers for shipment back to South Korea and Japan will be stopped by 1984 under a bill approved by the House Resources Committee.

The bill is a compromise between those that want to require in-state processing of all Alaska herring and those that argue the developing herring fishery in Western Alaska will never get off the ground unless the markets remain flexible.

Under the current version, salting will be phased out in the Bering Sea. The fishery will stay the same this season as the act does not take effect until Sept. 1, 1980. In 1981, salting and stripping will be permissible. In 1982 and 1983, only stripping will be allowed. From 1984 on, processors will be expected to have complete freezing and hauling capability.

"Stripping" is a process where the extremely valuable roe (eggs) is extracted from the herring carcass. The herring is put in light brine solution for three or four days which breaks the skin. Processing workers "smack" the herring to pop out the roe. The carcass is so deteriorated by this time it's considered waste.

Under current law, Alaska processors must comply with environmental regulations and run the carcasses through their bio-dry machines so there is no waste.

Since onshore processing facilities, let alone waste disposal facilities, do not exist in most of Western Alaska, the area will be granted an exemption from this requirement until July 1, 1983.

Until then, processors are to follow regulations written by the Board of Fisheries, in conjunction with the state Department of Environmental Conservation.

Board member Jim Beaton said this could be a problem because he doesn't think the department knows what herring waste is. Beaton believes herring carcasses washed up on a beach definitely are pollu-

tion, but carcasses dumped three miles out to sea enter the ecosystem-as food for other organisms.

During a Feb. 21 Resources Committee meeting, Rep. Terry Gardiner, the sponsor, said originally the bill prevented the shipment outside of raw herring. Then it was changed to include salting and then to allow stripping in the Togiak fishery. "I don't mind giving an exception if we can get rid of it over a period of time," he said.

"We can live with it (the bill) if it gives us something to do with the fish," testified Lyle Negus, vice president of the processing firm Pacific-Mist Inc. He said the company had "tried tendering (the herring) back to Kodiak (from Togiak), but it's not feasible because of the distance involved."

Beaton attended a couple hearings on the bill and, in the end, supported it. But he questioned whether the legislature really could mandate an in-state, labor intensive herring processing industry given the chaotic state of the markets.

"The thing about (sac roe) herring, that nobody seems to be able to get through their heads, is that a good catch in Canada, like they had a couple years ago, can saturate the market."

The sac roe product largely is limited to Japan, where it is used in traditional dishes.

Beaton also doubted whether the legislators were informed enough to decide on "something this big." Among the people that testified, only two were active fishermen and only two were processors.

Depending on the markets, "We may not have a herring fishery from year to year," he said.



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ganded. The effect on Kodiak was that the Gods on high had spoken, therefore the decision was irrevocable, and if we didn't like it, too bad - It's just the way it is.

We feel a much more appropriate approach would have been to send a representative to Kodiak, prior to the announcement, and at least go through the motions of consulting with the community about Western's problems with the Kodiak route, to advise us Western was considering cancellation, and ask for Kodiak input which might throw a more favorable light on the situation.

To our knowledge, since deregulation, Kodiak has never been consulted about problems by either airline providing

## Violin

(Continued from Page 1)

Hopson had led workshops in fiddle, mandolin and guitar. He has been touring as Rosenhal's accompanist since 1977. Currently he is transcribing music for a forthcoming book on folk music of Southeast Alaska and performing regularly in the Juneau area.

Kodiak Baranof Productions wishes to thank both the Kodiak Community Schools and Kodiak Community College for their support and assistance with the Winter-Spring Concert Series.

With Western's departure, we are, more or less, at the mercy of Wien, which while promising they "may" begin direct flights to Seattle by April 27th on a six day a week basis, we truly have no guarantee this will occur or continue. Their direct service was discontinued in early January with no notice.

I might add that in the Kodiak tourist brochure which is mailed to inquirers, of which there are several thousand each year, there is a picture of a Western aircraft. Unfortunately, a 30,000 re-order was placed just prior to your cancellation announcement.

No only does it leave us with an incorrect, out-of-date brochure, it proves Western Airlines with free publicity from a community which you have chosen to ignore.

A little community consideration and public relations on your part would certainly be appreciated.

Sincerely,

**KODIAK AREA CHAMBER OF COMMERCE**

Arthur F. Johnson  
President

# Herring carcass waste may continue

**JUNEAU (AP)** — The House voted Wednesday to allow the process of stripping roe from commercial caught Bristol Bay herring and then wasting the herring carcasses to continue for two more years.

The Legislature voted 28-12 on a reconsideration ballot to pass a bill aimed at halting the current practice of salting Bering Sea-caught herring and selling it to foreign vessels for shipment to Japan.

Under the bill, the salting of herring would be phased out in the Bering Sea. By mid-1983 processors would be required to have complete freezing and

## Shrimp price negotiations

Negotiations for this year's shrimp prices are scheduled to begin soon.

Letters of intent to negotiate have been sent to all processors by the Alaska Druggers Association, according to association manager Al Burch.

Association representatives also plan to meet with Sand Point druggers in an effort to work together on shrimp price negotiations, according to Burch.

## Kodiak Kalendar

FRIDAY

Museum 12 noon - 3 p.m.

Well Baby Clinic, call for appointment, 486-3319 Health Center

A. Holmes Johnson Library 1 - 9 p.m.

Ram Committee Weekly Breakfast meeting, 6:45 a.m., Shelikof Lodge

Kodiak Women in Crisis

HELPLINE: 486-3625

hauling capability.

The most controversial provision of the bill would allow herring carcasses to be wasted — after the valuable roe (eggs) has been stripped from the herring — until mid-1982.

The original bill would have allowed the practice to continue until 1983, but Rep. Dick Eliason, R-Sitka, successfully argued for passage of an amendment to reduce the time period.

"In 1977 we unanimously passed a bill that said stripping of herring is a waste of a resource," Eliason said. But he said the 1977 legislation allowed a two-year exemption to permit the stripping of herring in Bristol Bay, so that American processors could gear up to process the entire herring.

"That was two years ago and they (processors) haven't done anything," Eliason said. "To be quite frank, I don't think processors will gear up" until they absolutely have to, he added.

## No Breakwater

The Tuesday and Friday column Breakwater does not appear this week because assistant publisher Roger Brigham is on vacation and editor Kent Brandley is recovering from surgery, leaving Breakwater columnist Chris Blackburn acting Mirror editor.

## No Abby

Dear Abby and the daily crossword puzzle do not appear in this week's Kodiak Daily Mirror because the two features have not arrived in The Mirror office. As soon as the features wend their way through the postal system to Kodiak they will again appear on our pages.

Supporters of the bill said they don't necessarily favor harvesting of herring only for the roe. "But if we don't, the foreign fleets will," said Rep. Alvin Osterback, D-Sand Point.

The bill (CSHB590 amended) now goes to the Senate.



## Russell dies

Services were held in Vale, Ore. Tuesday for former Kodiak resident Ralph F. Russell, 36, who died at home in Boise, Idaho after an extended illness.

Russell is survived by his wife, Donna Russell, and his parents, Lester and Mary Russell. Russell is also survived by three daughters, two sons, three sisters, and brothers Wayne, LeRoy and Leslie.

Russell grew up in Nampa, Idaho. He lived in Seattle from 1965 to 1967, where he was employed by Boeing Aircraft Co. He then moved to Kodiak where he operated his own fishing boat and was a real estate land developer. Russell married Donna Stoler in Kodiak in 1973.

The Russells moved to Boise in 1977, where he was association with Baldwin Realty until retiring in January of 1979.

Russell attended the Hillview Church of the Nazarene in Boise, and was a member of the Nazarene Church in Nampa, Idaho. He was also a member of the Eagle Lions Club.

## THE KODIAK DAILY MIRROR

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# Parks and Recreation



**TEEN CENTER DANCES** will be held Friday, March 21, for junior students and Saturday, March 22, for high school students. The high dance will run from 8 to 11 p.m. and no one will be admitted after 9:30 p.m. Chaperones for this dance will be: parent-teacher Jody Thomas and recreation staff members Jim Balamaci, teen center manager, Steve Donaldson and Alex Legaspi. The school age dance will run from 9 to 12 p.m. and no one will be admitted after 10:30 p.m. Chaperones for this dance will be: parent-teacher Marilyn McKinnon and recreation staff members: Jim Balamaci, Alex Legaspi, Steve Donaldson, Barb Jastran, and Chris

**WATER BABIES** begins a new four week session Monday, March 17. There are three levels of instruction: New Water Babies for all children who are new to the program; Guppies, the next level, is a place where children continue to work and learn until they develop the physical capability to swim; and Super Guppies for children who are big enough to kick, stroke with their arms, and hold their head to get a breath of air on their own. For information on registration and class times, call the Parks and Recreation Department at 486-5363.

**LEAGUE BASKETBALL** ends this week in the junior high on Monday evening at 7 p.m. in the "B" tournament, Mack's Shop, the consolation bracket winner, faces the unbeaten team; and at 8:30 p.m. in the "AA" tournament, consolation winner Sweeney-Berg takes on unbeaten Sea-Land. Although these championship games, since this is a double elimination tournament, if one of the unbeaten teams lose, they will have to play Wednesday evening. This past Wednesday evening, Wien won the tournament and Afognak Natives took runner-up honors.

**PARKS AND RECREATION ADVISORY BOARD** meets Wednesday, March 19, at 5 p.m. in the Baranof Park Office. Agenda includes a narrative review of the annual budget and appearances by Chuck Krusz regarding a proposal for a roller skating program, and by Krusz regarding possible location of a visitor information and chamber building on the vacant museum lots. This meeting is open to the public.

**Monday, March 17**  
Swimming Pool - Morning Lap Swim 6-7 a.m.; Water Babies: Water Babies 11:40-12 a.m., 12-12:20 p.m., Guppies 3 p.m., Super Guppies 3:25 p.m.; Evening Lap Swim 6-7 p.m.; Open Swim 7-8:30 p.m.; School Gym - Girl Dribblers Basketball 5:30-10 p.m.  
High School - Women's Basketball: 1st Session 5:30-6:30 p.m.; 2nd Session 6:30-7:30 p.m.; League Basketball: 7 p.m. Sea vs. Juniors, 8:30 p.m. Sweeney-Berg vs. Sea-Land.  
Teen Center - Open Center 6:30-10 p.m.

**Tuesday, March 18**  
Swimming Pool - Morning Lap Swim 6-7 a.m.; Water Babies: Water Babies 11:30-11:50 a.m.; Guppies 11:50-12:10 p.m.; Lessons 3:30-4:30 p.m.; Swim 7-9 p.m.; Adult Fitness Class 9-10 p.m.; Adult Lessons 9-10 p.m.; School Gym - Open Gym 7-10 p.m.  
High School - Volleyball 7-10 p.m.

**Wednesday, March 19**  
Swimming Pool - Morning Lap Swim 6-7 a.m.; Water Babies: Schedule as on Monday; Evening Lap Swim 6-7 p.m.; Open Swim 7-10 p.m.; School Gym - Girl Dribblers Basketball 6:30-10 p.m.  
High School - Women's Basketball: 1st Session 5:30-6:30 p.m.; 2nd Session 6:30-7:30 p.m.; League Basketball: "B"

and "AA" Championships.  
Teen Center - Open Center 6:30-10 p.m.  
**Thursday, March 20**  
Swimming Pool - Morning Lap Swim 6-7 a.m.; Youth Lessons 3:30-4:30 p.m.; Open Swim 7-9 p.m.; Adult Fitness Class 9-10 p.m.; Adult Lessons 9-10 p.m.; High School Gym - Open Gym 7-9 p.m.  
Junior High School - Girl Dribblers Basketball 8:30-10 p.m.; Women's Exercise: 1st Session 5:30-6:30 p.m., 2nd Session 6:30-7:30 p.m.; School Gym - Open Gym 7-10 p.m.  
Teen Center - Open Center 6:30-10 p.m.

**Friday, March 21**  
Swimming Pool - Morning Lap Swim 6-7 a.m.; Water Babies: Guppies 3:15-3:35 p.m., Super Guppies 3:35-4 p.m.; Evening Lap Swim 6-7 p.m., Open Swim 7-9 p.m.; Quiet Swim 9-10 p.m.; Junior High School - Volleyball 7-10 p.m.  
Teen Center - Junior High Dance 8-10 p.m.

**Saturday, March 22**  
Swimming Pool - Open Swim 2-5 p.m.  
High School Gym - Girl Dribblers Basketball 1-5 p.m.  
Teen Center - High School Dance 9-12 p.m.

**Sunday, March 23**  
Swimming Pool - Open Swim 2-4 p.m.; Quiet Swim 4-6 p.m.  
High School Gym - Open Gym 2-9 p.m.; Indoor Soccer 7-9 p.m.  
Junior High School - "B" League Practice Night.

**JUNEAU (AP)** — The House today passed legislation aimed at halting the current practice of salting Bering Sea-caught herring and selling it to foreign vessels for shipment to South Korea and Japan.

But a controversial provision in the bill would allow herring carcasses to be wasted — after the valuable roe (eggs) has been stripped from the carcasses — until mid-1983.

Supporters of the legislation billed it as a "compromise" between those who want to require in-state processing of all Alaska herring and those who argue that markets must remain flexible if the developing herring fishery is to expand.

The bill passed 24-13 after considerable debate mostly focused on the provision allowing Alaska processors, until mid-1983, to waste the herring carcasses after stripping away the roe.

"We're talking about an absolute waste of a resource," Rep. Dick Eliason, R-Sitka, said in arguing for defeat of the bill (CSHB590 amended). He called for a reconsideration vote, which probably will come on Tuesday.

Under the bill, the salting of herring would be phased out in the Bering Sea.

Until July 1, 1983, the stripping of commercially taken herring for the purpose of removing the roe would be authorized if the herring is taken from the Bering Sea and the carcasses are disposed of there.

The bill would not make any changes for the current season. In 1981 salting and stripping would be permissible. In 1982 and 1983 only stripping would be allowed. From mid-1983 on, processors would be required to have complete freezing and hauling capability.

Stripping is the process where the extremely valuable roe (eggs) is extracted from the herring.

Rep. Phillip Guy, D-Kwethluk, said he could not "in good conscience support the bill." Guy said herring is the mainstay of the people in his district, who depend on herring, including the carcass, to provide protein for their diets.

But Rep. Rick Halford, R-Anchorage, urged support of the bill, which he termed a "compromise." He said that by mid-1983 industry would be required to utilize all the herring, including the carcass.

He and other supporters said that allowing waste of the carcasses until mid-1983 is necessary to give American processors time to gear up.

"I've never been in favor of harvesting for roe only," said Rep. Alvin Osterback, D-Sand Point. "But if we don't, the foreign fleets will."

# Marine weather



By the Associated Press

The National Weather Service reports millibar low near Cape Saint Elias will move Monday morning and weaken over western Tuesday morning. A high pressure ridge from Island north to McGrath will move east and day evening. A weather front from Saint Paul Bay and southward will move northward to southwest of Bethel and King Salmon to 100 miles Island by early Tuesday morning then dissipate low about 380 miles south of Cold Bay will move 100 miles south of Sitkinak Island by early Tuesday.

**Area 3.** Kodiak Island waters, Gore Point. Storm warning. Northwest wind to 50 knots diminishing to 30 knots Monday afternoon. Wind to southeast to 20 knots Monday evening increasing Tuesday morning. Seas to 23 feet subsiding evening then building to 15 feet early Tuesday. Moderate freezing spray diminishing Monday. Outlook: East to northeast wind to 45 knots Tuesday. Shuyak Island to Castle Cape including Shelikof Sound. West to northwest wind to 25 knots except south of Cape Sitkinak southwest wind switching to east to southeast to 20 knots south Monday morning and increasing to 35 knots then spread to Shuyak Island Monday night building to 13 feet Monday night. Increasing with snow late Monday. Outlook: East to south knots.

**Area 5.** Coastal waters south of the Alaska Cape to Cape Sarichef. Gale warning.

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## Limited entry

(Continued from Page 1)

limited entry permits to qualified fishermen who failed to apply to the Commission for a limited entry before the original deadline, but did file after the original deadline and before the enactment of Anderson's HB 665.

Copies of the limited entry permits are available at the Kodiak Office in the Office of the Alaska Department of Fish and Game. Those wishing to apply should contact the word telegrams office at the Kodiak Office.

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## Coast Guard rescues injured man on Calista Sea

Coast Guard performed a rescue for a crewman on the vessel Calista Sea last night, reports the Coast

Douglas, Tony and Darrel Blair were picked up from the island by the Coast Guard after Ray Hickman reported the incident. All

The cutter released a small boat which towed the disabled boat back to the Support Center

## 1980 Bering Sea herring regulations

In an attempt to manage an "exploding fishery," which one member of the Alaska Board of Fisheries predicts will be "utter chaos," the Board has passed regulations governing the 1980 inshore herring fishery. The more salient decisions:

### Fishing season

The May 1 opening date has been moved up two weeks to April 15. The season will still close June 30. According to ADF&G biologists, the water temperature in the Bering Sea last year was the warmest on record. The result: the herring run, which normally peaks in the Bristol Bay/Togiak area between the 20th and 25th of May, peaked May 5th—before most of the fishermen and processors were on the grounds. The earlier opening "may insure that a fleet will be on the grounds in time to harvest those fish excess to spawning requirements."

### Gear limitations

In order to alleviate a situation which one Board member characterized as "where you have the protection guy running around up there with gear here, there and everywhere and he doesn't know whose gear is whose," the Board has passed limits on the number of gillnets per boat. Each permit holder per vessel may have a maximum of 150 fathoms of gillnet. The total amount of gillnets per vessel may not exceed 300 fathoms. Each gillnet must be bouyed at both ends and at least one buoy at each end of the net must be plainly marked with the operator's interim use or entry permit number as well as the ADF&G number of the vessel from which the gear is being operated.

The use of hand purse seines will be allowed, as well as gillnets and purse seines, in the Bristol Bay/Togiak districts. Originally submitted as a proposal to allow the use of lampara nets (described by one fisherman as an "old man's seine"), the Board amended the proposal to allow the use of hand purse seines.

### Area gear restrictions

Ungalikthluk Bay will be closed to herring fishing to protect fragile eel grass beds from damage. The closure does not apply to the roe-on-kelp fishery.

In the Cape Romanzof district herring may be taken only with gillnets for commercial purposes.

In the Norton Sound district only gillnets and beach seines may be used to take herring for commercial purposes.

In the Bering Sea/Kotzebue area herring may be taken for commercial purposes with purse seines, beach seines and gillnets from Fort Clarence to Point Hope.

### Guideline harvest levels

Bristol Bay/Togiak — Between 20,000 and 40,000 metric tons  
Security Cove — 750 metric tons  
Goodnews Bay — 300 metric tons  
Norton Sound — 1000 metric tons

### Allocation by gear types

A proposal to guarantee a minimum of 6,000 metric tons to gillnetters in the Bristol Bay/Togiak area was rejected by the Board. Instead, the Board adopted the following management strategy: "When the total reported harvest reaches 20,000 metric tons, ADF&G shall determine the reported tonnage for gillnet and seine (purse and hand purse) gear. If the harvest for either gear type has not reached 6,000 metric tons, the fishery on the gear with the higher reported catch shall be closed for 24 hours."

[continued on previous page]

fishing, the rest is regulations on subsistence fishing ... If we open fishing to commercial interests, we are inviting state and federal people to control our resources. First we lose control of the resources, and then we lose the resources!"

It's a different story in Hooper Bay, Scammon Bay and Chevak, though. Local residents there want a commercial herring fishery. As long as it's just gillnets, and as long as it's only local fishermen. Because only a few of the herring around Kokechik Bay and Cape Romanzof are still used for subsistence, local residents contend there are enough fish available for a commercial fishery.

Fishermen from the three villages, none of whom have fished commercially for herring before, have formed the Stoknavik Cooperative and secured a loan to finance the purchase of thirty wood skiffs and outboard motors. The loan is being made by the Alaska Renewable Resources Corporation. Although Kokechik Bay has been open to commercial herring fishing since 1978, this spring's fishery will be the first opportunity for local fishermen. It will be the first year any processors have showed up to buy fish. The coop has convinced at least one processor to stop by Cape Romanzof. Icicle Seafoods, Inc., plans to have their 137' vessel *Alaska Star*, capable of freezing 25 tons of herring a day, drop anchor outside the entrance to the bay.

Cape Romanzof fishermen will now have the chance to sell their herring for cash. And that, says local fisheries coordinator Frank Fox, "is what we've been praying for." □

*Western Alaska fishermen go on a buying spree*

## Herring fleet multiplies rapidly

by Peter Redmayne

Western Alaska natives, claiming an inshore roe fishery is "their best chance to get off welfare", are rapidly gearing up to go after herring this spring in a big way. In view of the troubled Japanese herring roe market though, it may turn out to be a case of too much, too soon.

In the coastal villages of the Yukon-Kuskokwim Delta, aspiring herring fishermen have invested over \$1 million in new boats and gear, according to a preliminary analysis recently completed by the Alaska Native Foundation for the Governor's office. Considering the limited amount of herring available in the area and the fact that many of the boats are efficient gillnetters "with hydraulics and the whole works", there may be some problems when it comes time to slice up the pie.

According to Alaska Native Foundation spokesperson, Kay Koweluk, "There's more than enough of the local people to go out and get the resource. As far as I'm concerned, right now there is a state of over-capacity for the amount of resource that's there." Furthermore, she adds, that million dollar

figure may be low. The analysis was done on a "very cursory kind of basis" using only readily available "hard data" such as actual boat purchases from local dealers.

Commercial herring fishing, with gillnets only, is permitted in three areas along the Yukon-Kuskokwim coast. The locations and their guideline harvest levels: Security Cove (750 metric tons), Goodnews Bay (300 metric tons) and Cape Romanzof (350 metric tons). Security Cove and Goodnews Bay already have established commercial herring roe fisheries, but this year will be the first time a commercial fishery has been attempted at Cape Romanzof, where most of the action takes place along the north shore of very shallow Kokechik Bay.

Koweluk expects as many as five processors to drop anchor outside the entrance to Kokechik Bay on their way up to Norton Sound. If that's the case, the herring quota could be taken in three or four days. At its December meeting, the Alaska Board of Fisheries decided to ban purse seiners from Cape Newenham to Port Clarence because local residents expressed fears that seiners could move up the coast and pick up some quotas in three days or less. Ironically, village spokesmen argued at the time that banks

wouldn't loan money to local gillnetters on a three day fishery.

Further up the eastern Bering Sea coast, the Alaska Native Foundation study shows fishermen in the Norton Sound and Kotzebue Sound region have spent slightly more than half a million dollars outfitting for this spring's herring fishery. The lower figure does not necessarily mean there is less interest in the north than the south. Norton Sound already has an established salmon fishery, unlike the Cape Romanzof area, and it doesn't require as much of an investment for salmon fishermen to convert their boats so they can go after herring. The guideline harvest level in Norton Sound is 1000 metric tons. North of Port Clarence, where seining is allowed, the level is 300 metric tons.

Much of the "incredible interest" shown by western Alaska fishermen can be attributed to the high prices paid for herring last year. Although word of the turmoil in the Japanese herring roe market is "trickling in", Koweluk indicates "for the most part the people are hoping there will be higher prices and higher roe percentages than last year". And, she predicts, "There could be some problems if the price is lower or comparable to what was happening last year." □

# Western Alaska natives win herring lawsuit

A U.S. District Court judge in Anchorage, ruling in favor of a group of Yukon-Kuskokwim villages, has found the Commerce Department violated federal guidelines recently when issuing new herring regulations for the eastern Bering Sea.

The decision effectively stops the Marine Resources joint venture from taking its allotted herring quota of 5000 metric tons this winter. It also means foreign trawlers fishing in the eastern Bering Sea must treat herring as a prohibited species, returning it to the sea along with any salmon, crab or halibut.

The suit, filed in January, argued the Commerce Department didn't have "good cause" when it waived the 60-day period for public comment and "cooling off" normally required

before new regulations can take effect. The Commerce Department contended it had no choice but to waive the 60-day period in order to prevent "serious disruption" of the eastern Bering Sea groundfishery.

In siding with the villages, the judge ordered Commerce to republish the herring regulations, this time allowing for the full 60 days required before the regulations take effect. Until the regulations go into effect, no offshore herring fishing is allowed.

The Japan Fisheries Agency, intervening on the side of the Commerce Department, called the judge's decision "quite an inconvenience" for Japanese stern trawlers and appealed the ruling to the Ninth Circuit Court of Appeals. □

# Bleaching chemical is suspected carcinogen

The Japanese seafood industry, already suffering serious credibility problems with the Japanese consumer, has been ordered by the Ministry of Health and Welfare to cut back on the use of their favorite bleaching agent, hydrogen peroxide. The popular chemical has been identified by government researchers as a possible carcinogen.

Hydrogen peroxide is widely used in the Japanese food processing industry to give everything from noodles to kazunoko (herring roe) that critical visual appeal. In Japan, the better it looks the more it costs. Even though the government softened its initial position, which was to completely ban the use of hydrogen peroxide, the damage may have already been done. "The problem," as one processor explains, "is anytime you identify a product with cancer, even if it's erroneous, you're going to get some kind of reaction."

After shooting mice up with what one Japanese executive claimed were "ridiculous dosages" of hydrogen peroxide, scientists detected cancer in the mice. The government

responded by slapping an outright ban on the use of the chemical in food. Food processors, complaining they would be forced out of business, were given a reprieve, of sorts, when the government vacillated and said it was still alright to use hydrogen peroxide as a bleaching agent, but only in amounts small enough so that after the chemical evaporated no residue remained.

The first sector of the Japanese seafood industry to feel the effects of the restrictions placed on the use of hydrogen peroxide was the kamoboko processors. Large quantities of kamoboko, a highly processed fish sausage usually made from Alaska pollock, reportedly had to be destroyed. A more expensive substitute chemical was quickly found and kamoboko was soon back on supermarket shelves with labels disclaiming the use of hydrogen peroxide.

As yet, no substitute has been found to replace the hydrogen peroxide used in the final processing of kazunoko. It is also too early to determine whether any of the large kazunoko inventory carried over

from last New Year's will have to be destroyed. According to Jerry Spitz, president of the Fisheries Association of British Columbia, "Most of the problems with kazunoko can be overcome if you don't use much of the hydrogen peroxide. You can still come out with a product that's maybe not quite as nice a color, but it's still a very edible and saleable product. The stuff tastes better without hydrogen peroxide and dye anyway."

Because of the many other factors influencing the price of kazunoko, the general consensus in the industry is "will be very tough to isolate what affects, if any, the continued use of hydrogen peroxide might have on price."

Is the United States government concerned about the recent brouhaha in Japan over the use of hydrogen peroxide in food products? Apparently not. Federal Food and Drug Administration official Pat Adamo reports the FDA recognizes hydrogen peroxide is safe when used as a bleaching agent. Besides, he adds, "We don't usually concern ourselves with other country's regulations." □

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food trading companies have lost credibility. The *Asahi Evening News* says one of the reasons Mitsubishi Corp., which had been giving Hoku-sho financial aid, decided it could no longer sustain the company was because of "much padding of past accountings."

Mitsubishi Corp. would probably like a full accounting from Hoku-sho President Nakamura. But that won't be easy. The problem is they can't find him. According to the Japanese press, Mr. Nakamura "has disappeared with about \$6 million."

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# Herring fishery eyed by Alaskan natives

by Peter Redmayne

Cape Romanzof and the tiny villages of Hooper Bay, Scammon Bay and Chevak are situated along some of the world's most desolate coastline. The land where the Yukon and Kuskokwim rivers dump their load into the Bering Sea is low and lonely. Little about the region has changed since Captain James Cook carefully navigated the muddy coast over 200 years ago.

Describing the area, one of Cook's officers on that voyage wrote:

The Country . . . has a wretched barren appearance, we can see no single article it produces, indeed this seems upon the whole a damned unhappy part of the world, for the Country appears just as destitute as a Country can be, and the surrounding seas are scarcely navigable for the numberless shoals . . .

Voyagers into the Bering Sea normally passed Cape Romanzof at least 50 miles out to sea, sparing the villages the "benefits" of white civilization. Until recently, the people, mostly Yup'ik Eskimos, have led a nomadic existence. Depending on the season, where there was food there was a village. According to regional historians, in the last 100

years only one village has apparently retained its original name and location. Every spring the villages moved to the coast to catch herring.

Village fishermen used gillnets made from seal skin thongs. Captain C.L. Hooper, a visitor to Cape Romanzof in 1880 aboard the U.S. Revenue Cutter *Corwin*, observed the local herring fishery where the gillnets were "set from shore in a very ingenious manner." The nets were about 30 to 40 feet long and about five feet deep. After watching the fishermen, Hooper wrote:

(The net) is held vertically in the water in the usual manner by means of floats and sinkers, wood and stone being used for that purpose. To the outer end is secured a flat stone, somewhat larger than the rest, which serves as an anchor. A number of short poles, about three inches in diameter, are joined together by lashing to a length of 60 or 70 feet. This pole, used for pushing the net from shore into the desired depth of water, has its end attached to the stone anchor by a loop which allows it to be withdrawn when the net is set, the outer end of the net being held in place by the stone anchor while to the inner end is secured a line of seal thong leading to the shore by which the net is drawn in.

## Cape Romanzof fishermen go outside for new skiffs

The construction of thirty wood-herring skiffs for the Stoknavik Coop is not a typical boat story. The 23' x 9' skiffs have been designed by one of the North Pacific fishing industry's more popular naval architects, Ed Monk. Although he says "they're just a nice little utilitarian boat—sturdy as hell," the skiffs will be substantially bigger than those used previously by most of the fishermen. They should pack close to 4 tons.

The boats being built by Admiral Marine Inc. of Port Townsend, Washington, will be delivered to the coop fishermen in assorted pieces, ready for final assembly. According to company president, Earle Wakefield, "We've tried to take all the hard work out of it for them."

Jigs, along with supervisory people from Admiral Marine, will be sent up to Cape Romanzof with the unassembled boats so the fishermen "don't have to put anything in much alignment. It will actually be put together," claims Wakefield. Communications, though, he explains, "have been a little tough because you can't talk to anybody on the other end who has any familiarity with boatbuilding."

Not as familiar as Wakefield,

anyway. He has taught boatbuilding at technical schools and community colleges for 26 years, or as he likes to put it, "I was really weaned on wooden boats." Wakefield says no two of the Stoknavik fishermen agree on how they're going to fish their boats. "Each one is going to be different. Each one will have their own specific detail." That, he says, "is the real beauty of the thing."

The biggest challenge of the whole operation appears to be getting the unassembled boats to an isolated place at a price the local fishermen can afford. Wakefield complains he has encountered a "ghastly amount" of miscellaneous costs involved with shipping the boats. The over 5000 separate pieces will be packed into 40' container vans and sent up to Anchorage on a Sea-Land ship. The vans then have to be unpacked before the pieces can be loaded on a cargo plane for Hooper Bay. "A new twist was added recently when a section of Hooper Bay's airstrip washed away in a storm.

All in all, Wakefield says, "It's a hell of a big job. You just can't believe it." □

The processing methods Hooper reported are very similar to those used by coastal villagers today. The herring, strung through the gills with long strings of braided grass, were hung up to dry on teepee-style racks. The process took anywhere from 4 to 8 weeks depending on how frequently it rains. The fish were

then put into grass baskets, made in such a way to allow air to circulate around the fish, thereby retarding spoilage. The grass used to make the baskets, was the same grass used to string up the herring. The fish, which were dipped in seal oil before being eaten, were a staple part of the year-round diet for the

# Dilemmas in allocating Bering Sea herring roe

by Peter Reimayne

The Alaska Board of Fisheries, in a controversial effort to promote some semblance of orderly development in the state's exploding Bering Sea herring roe fishery, has laid down the rules for the 1980 season.

As Board Chairman, Nick Szabo, observed, "everybody is expecting a lot of herring up there."

The onshore Bering Sea herring fishery is another chapter in Alaska's struggle to prevent the economic benefits of a resource from flowing out of state. Testifying before the Board, State Senator George Hohman of Bethel took a cue from the movie *Network* when he complained, "I'm getting mad as hell and I don't think we should put up with it any more. Outside people continually get the jump on us." Board member Jim Beaton was more specific. "There must be some way of stopping this money from flowing to Seattle—and that's exactly where it's going."

The dilemma of resident versus non-resident is particularly acute along the remote reaches of the desolate eastern Bering Sea coast—a region one politician described as "the poorest area in the whole state." Salmon canneries never got up that far and local residents like Joe Panigak of Chevak (Pop. 500) "want herring in our future. It's our best chance to get off welfare."

But they may never get that chance. As one fisherman remarked,

"Processors are in the business of making money—they're not in the business of rural rehabilitation. Fishing is a competitive business and if you're not competitive, you're not going to make it."

It's too early to predict how many fishermen will take a chance on the herring roe fishery next spring. AFD&G statistics indicate close to 700 fishermen participated last year. Everyone is expecting a lot more this season. Analyzing the Board's role, Beaton explained, "The locals certainly don't have an equal shot at it. We have to get around that and give them some protection."

The Board voted down a number of proposals designed to give local residents, many of whom are recovering from a severe storm last November that destroyed homes, boats and subsistence fish traps, maximum protection. Rejected were proposals to: ban seiners from the Bristol Bay/Togiak area, require exclusive registration by area, limit the length of boats used in the fishery to 32 feet and ban the use of spotter aircraft.

The rationale, according to Beaton, a herring seiner, is: "You can't start putting impediments in front of the processors. I'm getting a little bit concerned... there are so many impediments being placed upon a developing industry that it amazes me they even survive. I'm not convinced this processing is such a great game."

Reflecting on his analysis, Beaton adds, "I know that's kind of a joke among the fishermen who think all

the industry people are getting fabulously wealthy. But if you start thinking in terms of taking a processor all the way up into Norton Sound and the money it costs to cut away from the docks, you have to have a safety valve."

Icicle Seafoods, Inc., is apparently willing to take that chance. According to company spokesman, Alan Otness, "We intend to be in the gillnet business buying gillnet herring north of Cape Newenham, specifically the Cape Romanzof and Hooper Bay area." Icicle plans to go north with a floating processor capable of handling 25 tons of herring a day. Icicle's policy, he claims, "is to support the local industry in the area." Observed one board member, "It looks like Icicle is cornering the market up there."

While acknowledging "our basic philosophy is to keep whatever we have operating at full capacity—like any other processor would," Otness assured the Board local fishermen would receive priority. "We don't intend to bring a fleet of Viking marauders up there to terrorize the area."

The Board spent considerable time listening to testimony weighing the merits of banning purse seiners from the fishery. Brent Keene, a herring seiner who moved to Alaska from Dover, New Hampshire, said, "We broke our butts pioneering this fishery and now we have payments. It's the only fishery left open. I'm not out to eliminate gillnetters, I don't think they should be out to eliminate me. If I'm not

allowed to seine, there goes my livelihood."

In Beaton's opinion a seiner's days may be numbered anyway. "The distribution pattern of herring for the last 2,000 years is that they come to the beach and spawn. The gillnetters are sharp—they've figured this out and that's where they put all their nets... If I was a consultant looking for a way to save the gillnet fleet a lot of money, I'd have the fishery pioneered by the seine fleet and then the gillnetters would come right in back of them and shove them out of the way."

The best protection the Board decided they could give inexperienced local fishermen was an enforceable limitation on the amount of gear gillnetters can use. The Board was reacting to reports of highly efficient boats, outfitted with herring shakers and costing as much as \$500,000, being readied for this spring's fishery. And, as one Board member pointed out, "These people aren't coming up here with 3 sets of nets like the law reads. They're coming up here with 25 nets."

The Board's decision to ban purse seines from Cape Newenham to Port Clarence reflected the fears of local residents that seiners could move up the Bering Sea coast and pick up various quotas in 3 days or less. A spokesman for one village explained local banks were ready to loan money to local gillnetters—but not on a 3-day fishery. According to testimony before the Board, various banks and the Alaska Renewable

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