

COMMITTEE REPORT

HOUSE

2/24

FURTHER: FINANCE

2/4/81

(11)

Date: FEBRUARY 23, 1981

Mr. Speaker:

The Committee on RESOURCES has had HB 116

"An Act relating to king crab marketing and quality control."

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 without recommendation
- [] referred to the _____ Committee

MEMBERS SIGNING DO PASS

Joseph Chynoweth - No Rec. →

Vernon Furber

DJ Smith

Earl G. Litchfield

James O. Barnes

Anthony Vaska

Robert H. Bristow

Ben Sussman

MEMBERS HAVING OTHER RECOMMENDATIONS:

Paul F. Zhanoff No Rec

Paul F. Zhanoff
Co-CHAIRMAN

*Letter
FM*

Introduced: 2/4/81
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 116

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to king crab marketing and quality
7 control."

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

9 * Section 1. AS 18.90.220(6) is amended to read:

10 (6) "gross dollar value paid" means the actual price paid by
11 a processor to fishermen for king crab, including indirect considera-
12 tions such as fuel or supplies furnished by the processor or offsets to
13 the price for gear furnished; however, if the king crab is caught by the
14 processor or his agent or employee, then "gross dollar value paid"
15 means the market value of the raw king crab.
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HB 116

February 2, 1981

Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill adding to the definition of "gross dollar value paid" which is used in determining assessments for king crab marketing and quality control. Under the present definition, it is unclear what the assessment should be when the crab are caught by a catcher-processor and no actual price is paid for the crab. Although the present definition has been interpreted to apply to catcher-processors, this bill will clear up any confusion. The catcher-processor will be liable on the basis of the market value of the raw king crab. The bill will have the same effect as a similar provision recently enacted in the definitions section for the raw fish tax (AS 43.75.140(7), enacted in ch. 79 SLA 1979).

Sincerely yours,

S/SSH

Jay S. Hammond
Governor

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HOUSE BILL NO. 116
 Title An Act relating to King Crab Marketing and Quality Control
 Requested by The Rules Committee by request of the Governor Date January 21, 1981

II. FISCAL DETAIL
 Agency Affected Department of Fish and Game
 Program Category Affected NRMEC
 BRU, Program, or Subprogram(s) Affected Alaska King Crab Marketing and Quality Control Board
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | | | | | | |
| 200 TRAVEL | | | | | | |
| 300 CONTRACTUAL | | | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | | | | | |
| TOTAL | -0- | -0- | -0- | -0- | -0- | -0- |

FUNDING (Thousands of Dollars)

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|-----------------------------|-------|-------|-------|-------|-------|-------|
| GENERAL FUND | -0- | -0- | -0- | -0- | -0- | -0- |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Fund Source) | | | | | | |
| | | | | | | |

POSITIONS

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|-----------|-------|-------|-------|-------|-------|-------|
| FULL TIME | -0- | -0- | -0- | -0- | -0- | -0- |
| PART TIME | | | | | | |
| TEMPORARY | | | | | | |

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

This bill will amend Section 1, AS 18.90.220(6) by adding to the definition of "gross dollar value paid" which is used in determining assessments for king crab marketing and quality control. Under the present definition, it is unclear what the assessment should be when the crab are caught by a catcher-processor and no actual price is paid for the crab. Although the present definition has been interpreted to apply to catcher-processors, this bill will clear up any confusion. The catcher-processor will be liable on the basis of the market value of the raw king crab.

Russell H. Clark

IV. DATE January 21, 1981 PREPARED BY Russell H. Clark
 AGENCY Department of Fish and Game
 PHONE 465-4120
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST... Session

HOUSE ... BILL NO. 116.

By THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

"An Act relating to king crab
marketing and quality control."

King crab marketing and
quality control

Introduced in the House ... 2/4..., 19...⁸¹

HISTORY IN THE HOUSE

19 81

Feb. 4

Read first time and referred
to Committee on
Resources and Finance

Reported back with
recommendation that

Read second time and

Read third time and

| | |
|---------|----------------|
| PASS | Effective Date |
| Yeas | Yeas |
| Nays | Nays |
| Absent | Absent |
| Excused | Excused |

Reconsideration

| | |
|------------------------------|----------------|
| PASS | Effective Date |
| Yeas | Yeas |
| Nays | Nays |
| Absent | Absent |
| Excused | Excused |
| Reported correctly engrossed | |
| Signed by Speaker | |
| Sent to Senate | |

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

| | |
|---------|----------------|
| PASS | Effective Date |
| Yeas | Yeas |
| Nays | Nays |
| Absent | Absent |
| Excused | Excused |

Reconsideration

| | |
|------------------------------|----------------|
| PASS | Effective Date |
| Yeas | Yeas |
| Nays | Nays |
| Absent | Absent |
| Excused | Excused |
| Reported correctly engrossed | |
| Signed by President | |
| Returned to House | |

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Concurred in Senate amendment
thus adopting:
VOTE

Failed to concur in Senate amend-
ment; asked Senate to recede
VOTE

Senate receded from amendment
VOTE

Senate failed to recede from
amendment
VOTE

CC appointed by House

CC appointed by Senate

CC adopted by House
VOTE

CC adopted by Senate
VOTE

To enrolling
Reported correctly enrolled
Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HOUSE BILL NO. 116
 Title An Act relating to King Crab Marketing and Quality Control
 Requested by The Rules Committee by request of the Governor Date January 21, 1981

II. FISCAL DETAIL
 Agency Affected Department of Fish and Game
 Program Category Affected NRMEC
 BRU, Program, or Subprogram(s) Affected Alaska King Crab Marketing and Quality Control Board
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | | | | | | |
| 200 TRAVEL | | | | | | |
| 300 CONTRACTUAL | | | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | | | | | |
| TOTAL | -0- | -0- | -0- | -0- | -0- | -0- |

FUNDING (Thousands of Dollars)

| | | | | | | |
|-----------------------------|-----|-----|-----|-----|-----|-----|
| GENERAL FUND | -0- | -0- | -0- | -0- | -0- | -0- |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Fund Source) | | | | | | |
| | | | | | | |

POSITIONS

| | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL TIME | -0- | -0- | -0- | -0- | -0- | -0- |
| PART TIME | | | | | | |
| TEMPORARY | | | | | | |

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

This bill will amend Section 1. AS 18.90.220(6) by adding to the definition of "gross dollar value paid" which is used in determining assessments for king crab marketing and quality control. Under the present definition, it is unclear what the assessment should be when the crab are caught by a catcher-processor and no actual price is paid for the crab. Although the present definition has been interpreted to apply to catcher-processors, this bill will clear up any confusion. The catcher-processor will be liable on the basis of the market value of the raw king crab.

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 AGENCY Department of Fish and Game
 PHONE 465-4120
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HB 116

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Pouch V
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Introduced: 2/4/81
Referred: Resources and
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ELEVENTH LEGISLATURE

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FUNDING (Thousands of Dollars)

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|-----------------------------|-------|-------|-------|-------|-------|-------|
| GENERAL FUND | -0- | -0- | -0- | -0- | -0- | -0- |
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| OTHER (Specify Fund Source) | | | | | | |

POSITIONS

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| PART TIME | | | | | | |
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IV. DATE January 21, 1981 PREPARED BY Russell H. Clark
 AGENCY Department of Fish and Game
 PHONE 465-4120
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

5/20/81

ADDITIONAL INFORMATION HB 118

Below are some revised figures showing that HB 118 would still save the TRS fund money even when figuring no cost of living increases for teachers during the initial five year period.

| | | |
|----------------------|----------------------------|----------------------|
| \$37,000 | estimated average salary | \$37,000 |
| X 40% | % rate | X 50% |
| <u>\$14,800</u> | annual benefit paid | <u>\$18,500</u> |
| X 30 yrs | life expectancy | 25 yrs |
| <u>\$444,000</u> | pay-out to age 75 | <u>\$462,500</u> |
| 540 | max number of participants | 540 |
| <u>\$239,760.000</u> | | <u>\$249,750,000</u> |

The estimated difference of \$9,990,000 still show a savings to the fund over the benefit period. It must be noted though, that these figures are way too conservative. The Anchorage School District just yesterday ratified a three year contract granting at least an eight percent cost of living for the next three years. Therefore the original dollar amounts are even too conservative and the actual savings to the fund would be more than the 110 million dollar figure stated in the earlier estimate.

It should also be noted that not all teachers would take advantage of this option so that even the "540" number of persons would also be lower.

Eugene Kubina, President
Alaska Federation of Teachers
P.O. Box 1665
Valdez, Alaska 99686
(907) 835-2663