

COMMITTEE REPORT

HOUSE

FURTHER:

4/1/81

(11)

Date: April 11 1981

Mr. Speaker:

The Committee on FINANCE has had HB 198

"An Act establishing the Alaska Seafood Marketing Institute; and providing for an effective date."

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 HB 198 (FIN) same title new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

CHAIRMAN

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 198 (Finance)

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 the promotion of the marketing of
7 seafood; and providing for an effective date."

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

9 * Section 1. FINDINGS. The legislature finds that a cooperative effort
10 by the state and private industry to stabilize and develop the seafood indus-
11 try of Alaska, promote quality control within the industry, and foster
12 expansion of the market for Alaska seafoods throughout the state, nation,
13 and world is in the public interest and is a valid public purpose. The
14 legislature further finds that such a cooperative effort would inure to the
15 benefit of the seafood industry in Alaska, and that some of the costs of
16 maintaining such an effort should be borne by the industry. The legislature
17 further recognizes that assessments which seafood processors levy upon them-
18 selves under this Act are levied to reimburse the state for the industry's
19 rightful share of the seafood marketing effort, while reserving its right
20 under the state constitution to spend the money so collected for any purpose.
21 The legislature finds that public financing of this program in excess of the
22 amounts realized from the assessment during the development phases of the
23 program is appropriate.

24 * Sec. 2. PURPOSE. The purposes of this Act are to

25 (1) encourage the seafood industry in the state to make greater
26 use of the seafood resources in the coastal and freshwater areas of the
27 state;

(2) expand the range of species of seafood harvested by the
seafood industry in the state;

1 (3) enable the seafood industry to maintain and enhance the
2 quality and purity of seafood harvested and processed by fishermen and
3 processors in the state;

4 (4) enable the seafood industry in the state to stimulate consumer
5 identification of Alaska seafood to increase the use and consumption of
6 seafood harvested and processed in the state;

7 (5) stabilize and diversify the distribution of seafood products
8 processed and harvested in the state by encouraging consumers to purchase
9 Alaska seafood;

10 (6) provide for the reimbursement to the state, through assess-
11 ments made on seafood processors, a part of the financial assistance provided
12 by the state to maintain the seafood marketing effort provided for under
13 this Act;

14 (7) create an effort which will be financed jointly by the state
15 and by seafood processors.

16 * Sec. 3. AS 16 is amended by adding a new chapter to read:

17 CHAPTER 51. ALASKA SEAFOOD MARKETING INSTITUTE.

18 Sec. 16.51.010. ALASKA SEAFOOD MARKETING INSTITUTE ESTABLISHED.

19 There is established the Alaska Seafood Marketing Institute. The
20 institute is a public corporation of the state. It is an instrumental-
21 ity of the state in the Department of Commerce and Economic Development,
22 but has a legal existence independent of and separate from the state.
23 Exercise by the institute of the powers conferred by this chapter is an
24 essential governmental function of the state.

25 Sec. 16.51.020. BOARD OF DIRECTORS. (a) The governing body of
26 the institute is a board of directors.

27 (b) The board shall consist of 18 voting members appointed as
28 follows:

29 (1) thirteen members appointed by the governor from the

1 seafood processing industry;

2 (2) five commercial fishermen appointed by the governor.

3 (c) The board shall also include the following three nonvoting
4 members:

5 (1) one member of the senate appointed by the president of
6 the senate at the beginning of each legislature;

7 (2) one member of the house of representatives appointed by
8 the speaker of the house of representatives at the beginning of each
9 legislature;

10 (3) the commissioner of commerce and economic development or
11 his designee.

12 (d) Nine members of the board appointed under (b)(1) of this
13 section must be persons nominated by seafood processors having an
14 annual payroll in the state of \$1,000,000 or more. Four members of the
15 board appointed under (b)(1) of this section must be persons nominated
16 by seafood processors having an annual payroll in the state of at least
17 \$100,000, but less than \$1,000,000. Five members of the board appointed
18 under (b)(2) of this section must be persons nominated by organizations
19 of commercial fishermen.

20 (e) The board shall annually elect a chairman and other necessary
21 officers from among its members.

22 Sec. 16.51.030. TERM OF OFFICE. (a) The members of the legisla-
23 ture appointed to the board under AS 16.51.020(c) serve for the duration
24 of the legislature during which they were appointed.

25 (b) The members of the board appointed by the governor under
26 AS 16.51.020(b) serve three-year terms and may be reappointed. Terms
27 shall be staggered. An appointee to fill a vacancy shall hold office
28 for the balance of the term for which his predecessor on the board was
29 appointed.

1 Sec. 16.51.040. REMOVAL AND VACANCIES. The members of the board
2 appointed by the governor under AS 16.51.020(b)(1) serve at his plea-
3 sure. A vacancy on the board occurring other than by expiration of
4 term shall be filled in the same manner as the original appointment but
5 for the unexpired term only.

6 Sec. 16.51.050. QUORUM. Nine members of the board appointed
7 under AS 16.51.020(b) constitute a quorum for the transaction of busi-
8 ness and the exercise of the powers and duties of the board.

9 Sec. 16.51.060. COMPENSATION OF BOARD MEMBERS. Board members
10 receive no salary, but are entitled to per diem and travel expenses
11 authorized by law for other state boards and commissions under AS 39.-
12 20.180.

13 Sec. 16.51.070. MEETINGS. The board shall meet at least once a
14 year. A meeting of the board shall occur at the call of the chairman,
15 or upon the written request of two members of the board.

16 Sec. 16.51.080. EMPLOYMENT OF PERSONNEL. The board may employ
17 and determine the salary of an executive director. The executive
18 director may, with the approval of the board, select and employ addi-
19 tional staff as necessary. The executive director and all employees of
20 the board are in the exempt service under AS 39.25.

21 Sec. 16.51.090. POWERS. In carrying out the powers of the insti-
22 tute, the board may

- 23 (1) adopt, alter, and use a corporate seal;
- 24 (2) prescribe, adopt, amend, and repeal bylaws;
- 25 (3) sue and be sued in the name of the institute;
- 26 (4) enter into any agreements necessary to the exercise of
27 its powers and functions;
- 28 (5) cooperate with a public or private board, organization,
or agency engaged in work or activities similar to the work or activi-

1 ties of the institute, including entering into contracts for joint
2 programs of consumer education, sales promotion, quality control,
3 advertising and research in the production, processing, or distribution
4 of seafood;

5 (6) conduct, or contract for, scientific research to develop
6 and discover health, dietetic, or other uses of seafood harvested and
7 processed in the state;

8 (7) receive contributions of money from persons;

9 (8) establish offices in the state and otherwise incur
10 expenses incidental to the performance of its duties;

11 (9) appear on behalf of the institute before boards, commis-
12 sions, departments, or other agencies of municipal, state, or federal
13 government;

14 (10) acquire, hold, lease, sell, or otherwise dispose of
15 property of any kind, real, personal, or mixed, or an interest in it;

16 (11) establish and maintain one or more bank accounts for the
17 transaction of the institute's business;

18 (12) prepare market research and product development plans
19 for the promotion of any species of seafood and their by-products which
20 may be harvested in the state and processed for sale;

21 (13) do everything necessary or desirable to carry out the
22 purposes of the institute.

23 Sec. 16.51.095. EXECUTIVE BUDGET ACT. The operating budget of
24 the institute shall be prepared and submitted in accordance with the
25 Executive Budget Act (AS 37.07).

26 Sec. 16.51.100. DUTIES. The board shall

27 (1) conduct programs of education, research, advertising, or
28 sales promotion designed to accomplish the purposes of this chapter;

(2) promote all species of seafood and their by-products

1 which are harvested in the state and processed for sale;

2 (3) propose quality control programs including product
3 quality standards for seafood harvested and processed in the state;

4 (4) prepare market research and product development plans
5 for the promotion of all species of seafood and their by-products which
6 are harvested in the state and processed for sale; and

7 (5) submit an annual report to the governor and the legisla-
8 ture describing the activities of the institute.

9 Sec. 16.51.110. PROHIBITED PROMOTIONS. The board may not promote
10 or make a contact which promotes seafood by

11 (1) geographic origin other than from the state generally;

12 (2) geographic region of the state; or

13 (3) specific brand name.

14 Sec. 16.51.120. SEAFOOD MARKETING ASSESSMENT. (a) A seafood
15 marketing assessment shall be levied on seafood products purchased in
16 Alaska as provided in (b), (c), or (d) of this section if an election
17 is held in accordance with AS 16.51.140 in which the assessment is
18 approved by eligible processors who together purchase at least 51
19 percent of the value of seafood purchased in Alaska in the calendar
20 year.

21 (b) Each processor who purchases at least \$50,000 or more of
22 seafood products in Alaska shall pay a seafood marketing assessment of
23 .2 percent of the value paid by the processor.

24 (c) Each processor who purchases at least \$50,000 or more of
25 seafood products in Alaska shall pay a seafood marketing assessment of
26 .4 percent of the value paid by the processor.

27 (d) Each processor who purchases at least \$50,000 or more of
28 seafood products in Alaska shall pay a seafood marketing assessment of
29 .6 percent of the value paid by the processor.

1 (e) An election under (a) of this section shall be held if the
2 proposed election for the levying of an assessment under AS 16.51.120-
3 (b), (c), or (d) is approved by a majority of the whole membership of
4 the board at a regularly scheduled meeting.

5 Sec. 16.51.130. TERMINATION OF THE SEAFOOD MARKETING ASSESSMENT.

6 (a) A seafood marketing assessment levied under AS 16.51.120(b), (c),
7 or (d) shall be terminated by the commissioner if

8 (1) an election is held in accordance with AS 16.51.140 in
9 which the termination is approved by eligible processors who together
10 purchase at least 51 percent of the total value of seafood products
11 purchased in Alaska during the calendar year; or

12 (2) the board, at a regularly scheduled meeting, adopts a
13 resolution approved by two-thirds of the voting membership of the board
14 requesting the commissioner of revenue to terminate the assessment.

15 (b) An election under (a)(1) of this section shall be held if

16 (1) the proposed election for the termination of the assess-
17 ment is approved by a majority of the whole membership of the board at
18 a regularly scheduled meeting; or

19 (2) a petition is presented to the director of the division
20 of elections requesting termination of the seafood marketing assessment
21 by eligible processors who together purchase at least 25 percent of the
22 total value of seafood products purchased in Alaska during the calendar
23 year.

24 (c) The institute shall provide notice of an election in accor-
25 dance with AS 16.51.140 within 60 days after receiving notice from the
26 director of the division of elections that a valid petition under
27 (b)(2) of this section has been received.

28 (d) The seafood marketing assessment is terminated under AS 16.-
29 51.120 on the effective date stated on the ballot.

1 Sec. 16.51.140. PROCEDURES FOR AN ELECTION TO APPROVE OR TERMINATE
2 A SEAFOOD MARKETING ASSESSMENT. (a) The institute may conduct an
3 election under this section after the director of the division of
4 elections approves

5 (1) the notice to be published by the institute;

6 (2) the ballot to be used in the election; and

7 (3) the registration and voting procedures for the approval
8 or termination of the seafood marketing assessment.

9 (b) In conducting the election under this section, the institute
10 shall adopt the following procedures:

11 (1) The proposed levy or termination of the assessment shall
12 be adopted at a regularly scheduled meeting of the board held not less
13 than 60 days before the date on which the ballots must be postmarked to
14 be counted unless the election is for termination of the assessment and
15 has been initiated by a petition under AS 16.51.130(b)(2).

16 (2) The institute shall hold at least one meeting, not less
17 than 30 days before the date on which ballots must be postmarked to be
18 counted, to explain the reason for the proposed seafood marketing
19 assessment or termination of the assessment and to explain the voting
20 procedure to be used in the election. The institute shall provide
21 notice of the meeting by

22 (A) mailing the notice to each eligible processor; and

23 (B) publishing the notice in at least one newspaper of
24 general circulation in each region of the state at least two weeks
25 before the meeting.

26 (3) The institute shall mail ballots to each eligible
27 processor not more than 45 days before the date specified as the date
28 ballots must be postmarked.

 (4) The ballot shall

1 (A) indicate whether the assessment is to be levied
2 under AS 16.51.120(b), (c), or (d) and shall state the percentage
3 of the assessment;

4 (B) indicate the effective date of the levy of the
5 assessment or termination of the assessment;

6 (C) ask whether the assessment shall be levied or, if
7 the election is to terminate the assessment, whether the assess-
8 ment shall be terminated.

9 (5) The ballots shall be returned by mail and shall be
10 counted by the director of the division of elections or his representa-
11 tive.

12 (c) The director of the division of elections shall certify the
13 results of an election under this section if the director determines
14 that the requirements of (a) and (b) of this section have been satis-
15 fied.

16 (d) For the purposes of this section a ballot submitted by a
17 corporation is presumed valid if the ballot is signed by an individual
18 who is indicated to be an officer of the corporation and the ballot is
19 imprinted with the corporate seal.

20 Sec. 16.51.150. DETERMINATION OF VALUE. Upon request from the
21 director of the division of elections, the commissioner of revenue
22 shall determine

23 (1) the total value of seafood products purchased in Alaska
24 during any calendar year;

25 (2) whether the eligible processors approving the levy or
26 termination of a seafood marketing assessment together purchased at
27 least 51 percent of the total value of seafood products purchased in
28 Alaska during the calendar year; or

(3) whether the eligible processors petitioning for an

1 election under AS 16.51.130(b)(2) together purchased at least 25
2 percent of the total value of seafood purchased in Alaska during the
3 calendar year.

4 Sec. 16.51.160. COLLECTION OF ASSESSMENTS AND DISPOSITION OF
5 PROCEEDS. (a) Processors shall remit to the Department of Revenue by
6 April 15 of each year the total amount of the assessment owed on the
7 value paid for seafood products by the processor in the previous cal-
8 endar year.

9 (b) The seafood marketing assessment collected under this chapter
10 shall be deposited in the general fund. The legislature may make
11 appropriations to the Department of Commerce and Economic Development
12 for the purpose of providing financing to the institute based on
13 collections of the seafood marketing assessment, and may appropriate
14 additional money beyond the assessment collected under AS 16.51.120 as
15 need is demonstrated by the institute.

16 Sec. 16.51.170. ENFORCEMENT OF ASSESSMENTS. The provisions of
17 AS 43.10 apply for the enforcement and collection of the seafood
18 marketing assessment.

19 Sec. 16.51.180. DEFINITIONS. In this chapter,

20 (1) "board" means the Board of Directors of the Alaska
21 Seafood Marketing Institute;

22 (2) "institute" means the Alaska Seafood Marketing Insti-
23 tute;

24 (3) "processor" means a person who engages in processing
25 seafood for sale by freezing, cooking, salting, or other method and
26 includes but is not limited to canneries, cold storages, freezer ships,
27 and processing plants;

28 (4) "promote or make a contract which promotes seafood"
means to advertise or publicize, or make a contract for advertising or

1 publicizing, the use, value, attractiveness, or quality of seafood;

2 (5) "seafood" means fin fish, shellfish, and fish by-
3 products, including but not limited to salmon, halibut, herring,
4 flounder, crab, clam, cod, shrimp, and pollock;

5 (6) "value" means the actual price paid for the seafood by
6 the eligible processors, including indirect consideration such as fuel,
7 supplies, or gear, whether paid at the time of purchase of the seafood
8 or tendered as a deferred or delayed payment, except that "value" means
9 the market value of the seafood if the seafood is procured in company-
10 owned or company-subsidized boats operated by employees of the eligible
11 processors or in boats which are operated under lease or other arrange-
12 ment.

13 * Sec. 4. AS 39.25.110 is amended by adding a new paragraph to read:

14 (26) employees of the Alaska Seafood Marketing Institute.

15 * Sec. 5. AS 39.50.200(b) is amended by adding a new paragraph to read:

16 (44) Alaska Seafood Marketing Institute (AS 16.51.010).

17 * Sec. 6. AS 18.90 is repealed.

18 * Sec. 7. AS 16.51.095 added by sec. 3 of this Act applies to operating
19 budgets of the Alaska Seafood Marketing Institute for fiscal years beginning
20 after June 30, 1982.

21 * Sec. 8. Initial appointments to the Board of Directors of the Alaska
22 Seafood Marketing Institute under AS 16.51.020 enacted in sec. 3 of this Act
23 shall be made for the following terms:

24 (1) six members shall serve for one year;

25 (2) six members shall serve for two years;

26 (3) six members shall serve for three years.

27 * Sec. 9. This Act takes effect immediately in accordance with AS 01.10.-
28 070(c).

Orig

HB 198

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 198

Title Establishing the Alaska Seafood Marketing Institute

Requested by House Resources

Date 3/5/81

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected _____

BRU, Program, or Subprogram(s) Affected _____

(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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		151.6				
200 TRAVEL		35.0				
300 CONTRACTUAL		1902.8				
400 COMMODITIES		6.6				
500 EQUIPMENT		4.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars)

GENERAL FUND		2100.0				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		2				
PART TIME		1				
TEMPORARY		1				

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

- 1) Appropriation based upon 10% of estimated tax receipts to be collected under AS 43.75 for calendar year 1980 (see attached letter from the Department of Revenue).
- 2) Administrative costs estimated by the Dept. of Commerce & Economic Development (see attached)

IV. DATE 3/5/81

PREPARED BY Elmer Lindstrom

AGENCY Legislative Finance

PHONE 465-3795

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

MEMORANDUM


State of Alaska

TO: Elmer Lindstrom
Legislative Finance

DATE: March 3, 1981

FILE NO:

TELEPHONE NO:

FROM: John Mintken 
Department of Revenue

SUBJECT: House Bill 198

Sec. 16.51.030(b) of House Bill 198 calls for the amount of fish tax collected in the tax year which ended in the prior fiscal year. This means to me that the tax collected figure needed for FY81 is from the tax year ending on 12/31/79. The tax collected for the tax year ending on 12/31/79 would take place in 1980 since the due date of the 1979 tax return is April 1, 1980, and payment is generally made with the filing of the tax return.

The amount of taxes collected for calendar year ending December 31, 1979, by the audit division is approximately \$18,000,000.

This should not be confused with the amount collected for FY80 (ending 6/30/80) which totaled \$14,645,426.

The tax collection figure for FY82 is from the calendar year ending on 12/31/80. The tax collected would take place in 1981 since the due date of the 1980 tax return is April 1, 1981.

The estimate for the calendar year 1980 taxes to be collected in 1981 is approximately \$21,000,000.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 198 (Page 1 of 2)
 Title Establishment of Alaska Seafood Marketing Institute
 Requested by Governor Date 2/17/81

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
 Program Category Affected Board & Commissions
 BRU, Program, or Subprogram(s) Affected _____
 (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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		151,612	166,773	183,451	201,796	221,975
200 TRAVEL		35,000	38,000	42,000	46,585	51,284
300 CONTRACTUAL		103,388	1,433,727	1,577,000	1,734,800	1,908,200
400 COMMODITIES		6,000	6,600	7,200	7,985	8,785
500 EQUIPMENT		4,000	4,400	4,840	5,320	5,856
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		1,500,000	1,650,000	1,815,000	1,996,500	2,196,150

FUNDING (Thousands of Dollars)

GENERAL FUND		750,000	825,000	907,500	998,250	1,098,075
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Private contribution derived		750,000	825,000	907,500	998,250	1,098,075
From proposed tax credit						

POSITIONS

FULL TIME		2	2	2	2	2
PART TIME		1	1	1	1	1
TEMPORARY		1	1	1	1	1

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

See attachment

IV. DATE _____

PREPARED BY Richard E. Casanovi
 AGENCY Commerce and Economic Development
 PHONE 465-2018

AMENDMENTS TO CSHB 198 (Finance Resources)

Pg. 4, line 20, add: The executive director and all employees of the board are in the exempt service under AS 39.25.

Pg. 5, after line 22, add:

Sec. ____ . EXECUTIVE BUDGET ACT. The operating budget of the institute shall be prepared and submitted in accordance with the Executive Budget Act (AS 37.07) for fiscal years beginning after June 30, 1982.

Pg. 5, delete lines 26-27.

Pg. 11. Add a new section after line 20 to read:

Sec. 7 . AS 39.25.110 is amended by adding a new paragraph to read:

(26) employees of the Alaska Seafood Marketing Institute

Original sponsor: Rules/Governor

Offered: 4/1/81
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 198 (Resources)

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 the promotion of the marketing of
7 seafood; and providing for an effective date."

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

9 * Section 1. FINDINGS. The legislature finds that a cooperative effort
10 by the state and private industry to stabilize and develop the seafood indus-
11 try of Alaska, promote quality control within the industry, and foster
12 expansion of the market for Alaska seafoods throughout the state, nation,
13 and world is in the public interest and is a valid public purpose. The
14 legislature further finds that such a cooperative effort would inure to the
15 benefit of the seafood industry in Alaska, and that some of the costs of
16 maintaining such an effort should be borne by the industry. The legislature
17 further recognizes that assessments which seafood processors levy upon them-
18 selves under this Act are levied to reimburse the state for the industry's
19 rightful share of the seafood marketing effort, while reserving its right
20 under the state constitution to spend the money so collected for any purpose.
21 The legislature finds that public financing of this program in excess of the
22 amounts realized from the assessment during the development phases of the
23 program is appropriate.

24 * Sec. 2. PURPOSE. The purposes of this Act are to

25 (1) encourage the seafood industry in the state to make greater
26 use of the seafood resources in the coastal and freshwater areas of the
27 state;

28 (2) expand the range of species of seafood harvested by the
29 seafood industry in the state;

1 (3) enable the seafood industry to maintain and enhance the
2 quality and purity of seafood harvested and processed by fishermen and
3 processors in the state;

4 (4) enable the seafood industry in the state to stimulate consumer
5 identification of Alaska seafood to increase the use and consumption of
6 seafood harvested and processed in the state;

7 (5) stabilize and diversify the distribution of seafood products
8 processed and harvested in the state by encouraging consumers to purchase
9 Alaska seafood;

10 (6) provide for the reimbursement to the state, through assess-
11 ments made on seafood processors, a part of the financial assistance provided
12 by the state to maintain the seafood marketing effort provided for under
13 this Act;

14 (7) create an effort which will be financed jointly by the state
15 and by seafood processors.

16 * Sec. 3. AS 16 is amended by adding a new chapter to read:

17 CHAPTER 51. ALASKA SEAFOOD MARKETING INSTITUTE.

18 Sec. 16.51.010. ALASKA SEAFOOD MARKETING INSTITUTE ESTABLISHED.

19 There is established the Alaska Seafood Marketing Institute. The
20 institute is a public corporation of the state. It is an instrumental-
21 ity of the state in the Department of Commerce and Economic Development,
22 but has a legal existence independent of and separate from the state.
23 Exercise by the institute of the powers conferred by this chapter is an
24 essential governmental function of the state.

25 Sec. 16.51.020. BOARD OF DIRECTORS. (a) The governing body of
26 the institute is a board of directors.

27 (b) The board shall consist of 18 voting members appointed as
28 follows:

29 (1) thirteen members appointed by the governor from ~~nominees~~

1 ~~presented to the governor by~~ ^{the} seafood processors;

2 (2) five members appointed by the governor, ^{Commercial fishermen} ~~from nominees~~
3 ~~presented to the governor by commercial fishermen.~~ ^{ing industry}

4 (c) The board shall also include the following three nonvoting
5 members:

6 (1) one member of the senate appointed by the president of
7 the senate at the beginning of each legislature;

8 (2) one member of the house of representatives appointed by
9 the speaker of the house of representatives at the beginning of each
10 legislature;

11 (3) the commissioner of commerce and economic development or
12 his designee.

13 (d) Nine members of the board appointed under (b)(1) of this
14 section must be persons nominated by seafood processors having an
15 annual payroll in the state of \$1,000,000 or more. Four members of the
16 board appointed under (b)(1) of this section must be persons nominated
17 by seafood processors having an annual payroll in the state of at least
18 \$100,000, but less than \$1,000,000. Five members of the board appointed
19 under (b)(2) of this section must be persons nominated by organizations
20 of commercial fishermen.

21 (e) The board shall annually elect a chairman and other necessary
22 officers from among its members.

23 Sec. 16.51.030. TERM OF OFFICE. (a) The members of the legisla-
24 ture appointed to the board under AS 16.51.020(c) serve for the duration
25 of the legislature during which they were appointed.

26 (b) The members of the board appointed by the governor under
27 AS 16.51.020(b) serve three-year terms and may be reappointed. Terms
28 shall be staggered. An appointee to fill a vacancy shall hold office
29 for the balance of the term for which his predecessor on the board was

1 appointed.

2 Sec. 16.51.040. REMOVAL AND VACANCIES. The members of the board
3 appointed by the governor under AS 16.51.020(b)(1) serve at his plea-
4 sure. A vacancy on the board occurring other than by expiration of
5 term shall be filled in the same manner as the original appointment but
6 for the unexpired term only.

7 Sec. 16.51.050. QUORUM. Nine members of the board appointed
8 under AS 16.51.020(b) constitute a quorum for the transaction of
9 business and the exercise of the powers and duties of the board.

10 Sec. 16.51.060. COMPENSATION OF BOARD MEMBERS. Board members
11 receive no salary, but are entitled to per diem and travel expenses
12 authorized by law for other state boards and commissions under AS 39.-
13 20.180.

14 Sec. 16.51.070. MEETINGS. The board shall meet at least once a
15 year. A meeting of the board shall occur at the call of the chairman,
16 or upon the written request of two members of the board.

17 Sec. 16.51.080. EMPLOYMENT OF PERSONNEL. The board may employ
18 and determine the salary of an executive director. The executive
19 director may, with the approval of the board, select and employ addi-
20 tional staff as necessary.

21 Sec. 16.51.090. POWERS. In carrying out the powers of the insti-
22 tute, the board may

- 23 (1) adopt, alter, and use a corporate seal;
24 (2) prescribe, adopt, amend, and repeal bylaws;
25 (3) sue and be sued in the name of the institute;
26 (4) enter into any agreements necessary to the exercise of
27 its powers and functions;
28 (5) cooperate with a public or private board, organization,
29 or agency engaged in work or activities similar to the work or activi-

1 ties of the institute, including entering into contracts for joint
2 programs of consumer education, sales promotion, quality control,
3 advertising and research in the production, processing, or distribution
4 of seafood;

5 (6) conduct, or contract for, scientific research to develop
6 and discover health, dietetic, or other uses of seafood harvested and
7 processed in the state;

8 (7) receive contributions of money from persons;

9 (8) establish offices in the state and otherwise incur
10 expenses incidental to the performance of its duties;

11 (9) appear on behalf of the institute before boards, commis-
12 sions, departments, or other agencies of municipal, state, or federal
13 government;

14 (10) acquire, hold, lease, sell, or otherwise dispose of
15 property of any kind, real, personal, or mixed, or an interest in it;

16 (11) establish and maintain one or more bank accounts for the
17 transaction of the institute's business;

18 (12) prepare market research and product development plans
19 for the promotion of any species of seafood and their by-products which
20 may be harvested in the state and processed for sale;

21 (13) do everything necessary or desirable to carry out the
22 purposes of the institute.

23 Sec. 16.51.100. DUTIES. The board shall

24 (1) conduct programs of education, research, advertising, or
25 sales promotion designed to accomplish the purposes of this chapter;

26 (2) annually prepare a budget of those expenses proposed to
27 be incurred by the board in carrying out this chapter;

28 (3) promote all species of seafood and their by-products
29 which are harvested in the state and processed for sale;

1 (4) propose quality control programs including product
2 quality standards for seafood harvested and processed in the state;

3 (5) prepare market research and product development plans
4 for the promotion of all species of seafood and their by-products which
5 are harvested in the state and processed for sale; and

6 (6) submit an annual report to the governor and the legisla-
7 ture describing the activities of the institute.

8 Sec. 16.51.110. PROHIBITED PROMOTIONS. The board may not promote
9 or make a contact which promotes seafood by

10 (1) geographic origin other than from the state generally;

11 (2) geographic region of the state; or

12 (3) specific brand name.

13 Sec. 16.51.120. SEAFOOD MARKETING ASSESSMENT. (a) A seafood
14 marketing assessment shall be levied on seafood products purchased in
15 Alaska as provided in (b), (c), or (d) of this section if an election
16 is held in accordance with AS 16.51.140 in which the assessment is
17 approved by eligible processors who together purchase at least 51
18 percent of the value of seafood purchased in Alaska in the calendar
19 year.

20 (b) Each processor who purchases at least \$50,000 or more of
21 seafood products in Alaska shall pay a seafood marketing assessment of
22 .2 percent of the value paid by the processor.

23 (c) Each processor who purchases at least \$50,000 or more of
24 seafood products in Alaska shall pay a seafood marketing assessment of
25 .4 percent of the value paid by the processor.

26 (d) Each processor who purchases at least \$50,000 or more of
27 seafood products in Alaska shall pay a seafood marketing assessment of
28 .6 percent of the value paid by the processor.

29 (e) An election under (a) of this section shall be held if the

1 proposed election for the levying of an assessment under AS 16.51.120-
2 (b), (c), or (d) is approved by a majority of the whole membership of
3 the board at a regularly scheduled meeting.

4 Sec. 16.51.130. TERMINATION OF THE SEAFOOD MARKETING ASSESSMENT.

5 (a) A seafood marketing assessment levied under AS 16.51.120(b), (c),
6 or (d) shall be terminated by the commissioner if

7 (1) an election is held in accordance with AS 16.51.140 in
8 which the termination is approved by eligible processors who together
9 purchase at least 51 percent of the total value of seafood products
10 purchased in Alaska during the calendar year; or

11 (2) the board, at a regularly scheduled meeting, adopts a
12 resolution approved by two-thirds of the voting membership of the board
13 requesting the commissioner of revenue to terminate the assessment.

14 (b) An election under (a)(1) of this section shall be held if

15 (1) the proposed election for the termination of the assess-
16 ment is approved by a majority of the whole membership of the board at
17 a regularly scheduled meeting; or

18 (2) a petition is presented to the director of the division
19 of elections requesting termination of the seafood marketing assessment
20 by eligible processors who together purchase at least 25 percent of the
21 total value of seafood products purchased in Alaska during the calendar
22 year.

23 (c) The institute shall provide notice of an election in accor-
24 dance with AS 16.51.140 within 60 days after receiving notice from the
25 director of the division of elections that a valid petition under
26 (b)(2) of this section has been received.

27 (d) The seafood marketing assessment is terminated under AS 16.-
28 51.120 on the effective date stated on the ballot.

29 Sec. 16.51.140. PROCEDURES FOR AN ELECTION TO APPROVE OR TERMINATE

1 A SEAFOOD MARKETING ASSESSMENT. (a) The institute may conduct an
2 election under this section after the director of the division of
3 elections approves

4 (1) the notice to be published by the institute;

5 (2) the ballot to be used in the election; and

6 (3) the registration and voting procedures for the approval
7 or termination of the seafood marketing assessment.

8 (b) In conducting the election under this section, the institute
9 shall adopt the following procedures:

10 (1) The proposed levy or termination of the assessment shall
11 be adopted at a regularly scheduled meeting of the board held not less
12 than 60 days before the date on which the ballots must be postmarked to
13 be counted unless the election is for termination of the assessment and
14 has been initiated by a petition under AS 16.51.130(b)(2).

15 (2) The institute shall hold at least one meeting, not less
16 than 30 days before the date on which ballots must be postmarked to be
17 counted, to explain the reason for the proposed seafood marketing
18 assessment or termination of the assessment and to explain the voting
19 procedure to be used in the election. The institute shall provide
20 notice of the meeting by

21 (A) mailing the notice to each eligible processor; and

22 (B) publishing the notice in at least one newspaper of
23 general circulation in each region of the state at least two weeks
24 before the meeting.

25 (3) The institute shall mail ballots to each eligible proces-
26 sor not more than 45 days before the date specified as the date ballots
27 must be postmarked.

28 (4) The ballot shall

29 (A) indicate whether the assessment is to be levied

1 under AS 16.51.120(b), (c), or (d) and shall state the percentage
2 of the assessment;

3 (B) indicate the effective date of the levy of the
4 assessment or termination of the assessment;

5 (C) ask whether the assessment shall be levied or, if
6 the election is to terminate the assessment, whether the assessment
7 shall be terminated.

8 (5) The ballots shall be returned by mail and shall be
9 counted by the director of the division of elections or his representa-
10 tive.

11 (c) The director of the division of elections shall certify the
12 results of an election under this section if the director determines
13 that the requirements of (a) and (b) of this section have been satis-
14 fied.

15 (d) For the purposes of this section a ballot submitted by a
16 corporation is presumed valid if the ballot is signed by an individual
17 who is indicated to be an officer of the corporation and the ballot is
18 imprinted with the corporate seal.

19 Sec. 16.51.150. DETERMINATION OF VALUE. Upon request from the
20 director of the division of elections, the commissioner of revenue
21 shall determine

22 (1) the total value of seafood products purchased in Alaska
23 during any calendar year;

24 (2) whether the eligible processors approving the levy or
25 termination of a seafood marketing assessment together purchased at
26 least 51 percent of the total value of seafood products purchased in
27 Alaska during the calendar year; or

28 (3) whether the eligible processors petitioning for a
29 election under AS 16.51.130(b)(2) together purchased at least 25 percent

1 of the total value of seafood purchased in Alaska during the calendar
2 year.

3 Sec. 16.51.160. COLLECTION OF ASSESSMENTS AND DISPOSITION OF
4 PROCEEDS. (a) Processors shall remit to the Department of Revenue by
5 April 15 of each year the total amount of the assessment owed on the
6 value paid for seafood products by the processor in the previous cal-
7 endar year.

8 (b) The seafood marketing assessment collected under this chapter
9 shall be deposited in the general fund. The legislature may make
10 appropriations to the Department of Commerce and Economic Development
11 for the purpose of providing financing to the institute based on collec-
12 tions of the seafood marketing assessment, and may appropriate addi-
13 tional money beyond the assessment collected under AS 16.51.120 as need
14 is demonstrated by the institute.

15 Sec. 16.51.170. ENFORCEMENT OF ASSESSMENTS. The provisions of
16 AS 43.10 apply for the enforcement and collection of the seafood market-
17 ing assessment.

18 Sec. 16.51.180. DEFINITIONS. In this chapter,

19 (1) "board" means the Board of Directors of the Alaska
20 Seafood Marketing Institute;

21 (2) "institute" means the Alaska Seafood Marketing Institute;

22 (3) "processor" means a person who engages in processing
23 seafood for sale by freezing, cooking, salting, or other method and
24 includes but is not limited to canneries, cold storages, freezer ships,
25 and processing plants.

26 (4) "promote or make a contract which promotes seafood"
27 means to advertise or publicize, or make a contract for advertising or
28 publicizing, the use, value, attractiveness, or quality of seafood;

29 (5) "seafood" means fin fish, shellfish, and fish by-

1 products, including but not limited to salmon, halibut, herring,
2 flounder, crab, clam, cod, shrimp, and pollock;

3 (6) "value" means the actual price paid for the seafood by
4 the eligible processors, including indirect consideration such as fuel,
5 supplies, or gear, whether paid at the time of purchase of the seafood
6 or tendered as a deferred or delayed payment, except that "value" means
7 the market value of the seafood if the seafood is procured in company-
8 owned or company-subsidized boats operated by employees of the eligible
9 processors or in boats which are operated under lease or other arrange-
10 ment.

11 * Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

12 (44) Alaska Seafood Marketing Institute (AS 16.51.010).

13 * Sec. 5. AS 18.90 is repealed.

14 * Sec. 6. Initial appointments to the Board of Directors of the Alaska
15 Seafood Marketing Institute under AS 16.51.020 enacted in sec. 3 of this Act
16 shall be made for the following terms:

17 (1) six members shall serve for one year;

18 (2) six members shall serve for two years;

19 (3) six members shall serve for three years.

20 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).

HB 198

February 13, 1981

The Honorable Jim Duncan
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 which would establish the Alaska Seafood Marketing Institute. This bill would also provide a tax credit to seafood processors who contribute money to the institute.

The intent of this bill is to establish one policy-making group with enough authority and financing to promote seafood harvested in Alaska waters. The Alaska Seafood Marketing Institute would be charged with the task of making consumers aware of Alaska seafood products. Equally important would be the duty of the institute to recommend quality control programs and product quality standards for adoption by fishermen and seafood processors in the state.

Proposed sec. 16.51.030 would provide, basically, a statement of intent that the legislature would appropriate money for the operation of the institute according to the amount contributed to the institute by seafood processors. While this section does not prevent a later legislature from appropriating more or less money to the institute, my philosophy that those who receive must also pay is clearly implied. However, seafood processors are given a substantial financial benefit in sec. 4 of the bill. This section would provide a tax credit to a processor who contributes money to the institute. The intent of this section is to encourage and reward those processors who are concerned enough to invest in the program and the future of the seafood industry in the state.

Sincerely,

S/JSH

Jay S. Hammond
Governor

THE ALASKA SEAFOOD MARKETING INSTITUTE - A BRIEFING PAPER

What is the Institute?

The Alaska Seafood Marketing Institute (ASMI) is a private non-profit corporation of seafood processors and fishermen formed last year as a result of the disastrous market disruptions that hit the Alaska seafood industry. Legislation and funding for ASMI passed the legislature in 1980, but the legislation was vetoed due to constitutional problems. Despite the veto, the governor supported the concept, and provided \$1.2 million to continue to develop the idea through the Alaska Renewable Resources Corporation (ARRC).

ASMI is directed by a 22-member board; 18 voting members represent Alaska fishermen and large and small processors, and four non-voting members represent the legislature, the Administration, and ARRC. Dues-paying members currently account for a large percentage of the seafood processed in Alaska.

The overall goal of ASMI is to promote consumption and stabilize market demand for Alaska seafood products through generic promotion and advertising, directed to national and international consumers. ASMI is also developing quality assurance guidelines for its members to ensure Alaska's reputation as a producer of excellent quality seafood products.

Why should the State of Alaska assist in the funding of ASMI?

Fisheries are the state's largest private employer. Fishing has been and will continue to be the backbone of many communities in the state. The industry has been supporting a number of species promotion groups - combined industry contributions equaled \$807,000 in 1980. But, the economic crisis currently affecting the industry makes it impossible to do even the long-term market development work necessary to support the marketing of species with existing promotional efforts - let alone to do the work needed to develop markets for the bottomfish resources of Alaska. A partnership between the state and the industry will allow for planned and proven real growth in the fishing industry that will stabilize the income for all Alaskans involved in or associated with it.

Strong evidence of the need for a partially state-supported marketing group is the fact that while 1980 saw the 4th largest year in history for the salmon industry, the highest king crab harvest level, and record herring harvests, the value of Alaska's fisheries products to its fishermen declined --from an estimated \$630 million in 1979 to about \$550 million in 1980. Because of the collapse of Alaska's primary market, Japan, the price paid for nearly every species harvested in the state's waters dropped, during a period of high inflation. Estimates of the total

ASMI BRIEFING PAPER

wholesale value of Alaska's fish reflect the same dismal picture, dropping nearly \$100 million (to just over \$1 billion) in 1980 despite an increase of at least 30 million pounds of production.

Generic marketing is not a new concept. The state currently supports the \$280 million tourism industry with approximately \$3 million in public monies annually. The Florida Citrus Growers annual budget is \$50 million, California Avocado Growers spend \$5 million, Washington spends about \$3 million annually promoting apples, and the California Dairy Association spends about \$14 million in California alone promoting milk. Many coastal states have developed and supported seafood marketing groups.

What has ASMI done with the \$1.2 million grant for this fiscal year?

Almost the entire budget is going directly to advertising and promotional efforts. \$730,500 is going to support existing promotional groups--\$481,000 for canned and frozen salmon, \$215,500 to king and snow crab, and \$34,000 for halibut. This money is being used to match sums already committed by the industry. Among the results is a national radio advertising campaign with supporting recipes and promotional materials urging people to "Buy Salmon" in 21 major cities across the country, beginning February 2, 1981.

One of the most important projects is the development of a strategic marketing plan. A \$50,000 contract has been let to the nation's largest food service advertising firm to develop that plan. It will provide market research and strategy development regarding consumers, or potential consumers of Alaska seafood. With a solid base of marketing information built, ASMI will be able to target promotional efforts so marketing dollars can provide the greatest return. The plan will also provide a baseline to measure the success or failure of ASMI with respect to its goals. The marketing strategy will include budget levels that should result in greater returns on promotional investments than costs of the program, to ensure that the state and the industry are using their money wisely.

50,000
quality
control
100,000
admin
services
200,000
remain

\$20,000 is being used to develop bottomfish strategy and basic marketing materials. The goal of ASMI is to help the greatest number of participants in the industry to the maximum extent possible, which means that we won't be spending a lot of money promoting bottomfish until there are a lot of Americans harvesting and processing bottomfish. Outside of administrative expenses and appropriations for development of quality guidelines, the balance of the 1980 fiscal year budget for ASMI is currently unallocated.

Why target on high-value species like salmon & crab rather than bottomfish?

As mentioned above, the goal is to help create a healthy industry - that means working to increase the market demand for existing species. Unless the industry is making money on their primary products there is

ASMI BRIEFING PAPER

no incentive to move into the riskier bottomfish fisheries. Products like frozen salmon and blackcod (sablefish) represent an area of great potential for the industry - and marketing efforts will follow the growth of the products.

Why should the state support a group that includes non-Alaskan companies?

The reality of the Alaskan fishing industry is that much of the ownership is "outside". However, it is a labor intensive industry, and much of the economy generated from the industry remains in Alaska. The goal of an industry-wide promotional group is to promote a healthier market for the entire industry, which means working in close concert with the strength of the industry regardless of location of ownership.

Is ASMI organized to help "big guys" or "little guys"? What is ASMI doing to help the fishermen?

The efforts of ASMI are designed to help everyone. Fishermen, and large and small processors sit on the board, and all will benefit from the programs. As "target areas" are defined, the marketing efforts of all the companies will be directed to take advantage of the promotion. Smaller companies will be able to utilize promotional material developed by ASMI, and also target their marketing plans to follow the trail-breaking efforts of ASMI. The Institute does not provide actual marketing services for any company - just promotional and advertising efforts for the industry as a whole. The fishermen, by sitting on the board and participating in the committees, will gain and maintain a greater understanding of all aspects of the marketing of the products, and be in a better position to negotiate for their fair share of the results.

What about Japanese ownership?

More important than foreign ownership is the issue of market control. One of the primary reasons for the creation of ASMI is to broaden the market base so that a collapse of one market won't throw the entire industry into a tailspin as it did late in 1979. The most graphic result was the waste of at least 100 million pounds of harvestable sockeye salmon in Bristol Bay in 1980, while fishermen struck as prices offered were about half of 1979 prices paid. The bankruptcy of many involved in the seafood industry, including one of Alaska's largest processors, is also attributable to the market collapse in Japan.

Assuming that the state wishes to address the issue of greater Alaskan ownership of the fisheries industry, an oft-heard cry from many Alaskans, the efforts of ASMI should be valuable. Clearly a stable and prosperous industry will attract greater interest in terms of its investment potential, and this in itself can be expected to encourage more Alaskans to enter into the fisheries business field, by creation of new companies, purchase of interest in existing companies, or in industry support services. Given the historical background of the industry,

ASMI BRIEFING PAPER

it is highly unrealistic to expect a dramatic turnaround in the basic ownership character overnight, or even in the 2-3 years since this has become an issue.

What about quality control?

The industry recognizes that quality is the most important factor in marketing the product. ASMI is developing quality guidelines for the members, through a contract with the National Food Processors Association. These guidelines will play an important role in the marketing strategy of ASMI. If the industry can deal effectively with the quality issue, it should be unnecessary for the state to get involved in quality control, circumventing the enlargement of the bureaucracy in this connection.

Summary

The Alaska Seafood Marketing Institute is an organization set up to help identify and solve the problems which have caused an economic crisis in the Alaska seafood industry. The virtually unprecedented cooperation of fishing organizations and processing companies in this endeavor, and the combination of industry and State of Alaska financial contributions gives a favorable outlook for the achievement of ASMI's stated goals of increasing the quality, marketability and consumption of Alaska seafood products. This effort is particularly important due to the need of the State of Alaska to develop stable renewable resource based industries to provide continued economic growth.

Memo: To House Finance Committee
From: Eric Eckholm, Executive Director
Alaska Seafood Marketing Institute
Re: Technical amendments to HB 198

Page 2, line 29--Change to read the Governor may choose from a list supplied from the industry for each category. This requested by Governor's office so as to be not restrictive to the Governor.

Page 3, line 6-10 Governor's office would like to see legislative appointments deleted. They cite possible conflicts.

Page 6, line 20--add sections including .1%, .3%, delete .6% . This would allow greater flexibility on the part of the industry in determining assessment.

Page 6, line 1--(propose), add Develop and Administer quality ..
line 2--(standards), add Specifications

Page 11, line 3--"value" means actual price paid for the seafood by the eligible processors as reflected on the fish ticket documents, and includes all advances or fuel allowances given to the fisherman.

Page 11, line 11--add;"eligible processor" means a person or company with a valid intent to operate from the Alaska Department of Fish and Game.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 198
Title "An Act relating to the promotion of the marketing of seafood;"
Requested by Senator Mulcahy Date 5-6-81

II. FISCAL DETAIL

Agency Affected Office of the Governor
Program Category Affected Legislative and Elective Operations
BRU, Program, or Subprogram(s) Affected Division of Elections
(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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	- 0 -	- 0 -				
200 TRAVEL	- 0 -	- 0 -				
300 CONTRACTUAL	- 0 -	- 0 -				
400 COMMODITIES	- 0 -	- 0 -				
500 EQUIPMENT	- 0 -	- 0 -				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	- 0 -	- 0 -				

FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Negligible fiscal impact for the Division of Elections.

Dana C. Coffman

IV. DATE May 6, 1981 PREPARED BY Dana C. Coffman
AGENCY Division of Elections
PHONE 586-6181
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 198 (page 1 of 2)
Title Establishment of Alaska Seafood Marketing Institute
Requested by Governor Date 2/17/81

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
Program Category Affected Board & Commissions
BRU, Program, or Subprogram(s) Affected _____

(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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		151,612	166,773	183,451	201,796	221,975
200 TRAVEL		35,000	38,500	42,350	46,585	51,244
300 CONTRACTUAL		303,388	1,433,727	1,577,099	1,734,809	1,908,290
400 COMMODITIES		6,000	6,600	7,260	7,986	8,785
500 EQUIPMENT		4,000	4,400	4,840	5,324	5,856
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		1,500,000	1,650,000	1,815,000	1,996,500	2,196,150

FUNDING (Thousands of Dollars)

GENERAL FUND		750,000	825,000	907,500	998,250	1,098,075
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Private contribution derived from proposed tax credit		750,000	825,000	907,500	998,250	1,098,075

POSITIONS

FULL TIME		2	2	2	2	2
PART TIME		1	1	1	1	1
TEMPORARY		1	1	1	1	1

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

See attachment

IV. DATE _____ PREPARED BY Richard E. Reynolds
AGENCY Commerce and Econ. Dev.
PHONE 465-2018
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

Fiscal Note - Alaska Seafood Marketing Institute

Part III - Analysis

Assumptions: That contributions based on credits against fisheries business tax (and corresponding general fund appropriations) are able to increase at a rate of 10 percent per year. 1982 base costs are similarly inflated for the years following.

Positions: The following positions and costs in 1982 are summarized under personal services:

	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
Director/Office Manager	\$52,000	\$12,007	\$64,007
Research, writing, reception	25,000	5,839	30,839
Special Projects Manager (part-time)	28,000	5,525	34,525
Data Programmer (part-time)	18,000	4,241	22,241
			<u>\$151,612</u>

Expenditures:

Detail of contractual total in 1982 is provided below:

Program	\$1,262,388
Space rental	6,000
Janitorial	2,000
Legal/accounting	12,000
Telephone	4,000
Equipment rental	5,000
Copying & printing	8,000
Board meeting related	4,000
	<u>\$1,303,388</u>

Program:

The budgeted program encompasses seafood market promotion, product development, market research activities called for in the legislation. Specific projects to be developed by the appointed board.

The program amount is derived by subtracting "administrative" costs from the amount presumed to be available.

Orig

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 198
Title An Act establishing the Alaska Seafood Marketing Institute
Requested by House Resources Committee Date 2-25-81

II. FISCAL DETAIL

Agency Affected Department of Revenue
Program Category Affected Revenue Collection and Management
BRU, Program, or Subprogram(s) Affected Audit Division
(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) NONE

	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

FUNDING (Thousands of Dollars) NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 3-4-81

PREPARED BY Gary L. Jenkins
AGENCY Audit Division
PHONE 465-2320

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

Orig
HB 198

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 198
 Title An Act establishing the Alaska Seafood Marketing Institute
 Requested by House Resources and Finance Committee Date 02/27/81

II. FISCAL DETAIL

Agency Affected _____
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND		(880.0)	(970.0)	(1,065.0)	(1,170.0)	(1,285.0)
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

The above figures reflect the subsequent decrease in the fisheries business taxes (AS 43.75.015 and AS 43.75.100) if a tax credit is granted to partially fund the Alaska Seafood Marketing Institute. Assumptions are based on a 100% participation by the industry, a maximum 5% tax credit, and a 10% inflation rate for the years following a FY 1982 base year for which revenues have been estimated.

IV. DATE 02/27/81 PREPARED BY Robert W. Elliott
 AGENCY Revenue
 Original: Legislative Finance PHONE 465-2309
 cc: Budget and Management
Prime Sponsor (First Legislator Named)