

SCOMM

48:17

STATE OF ALASKA THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

MEMORANDUM

March 12, 1985

SUBJECT: Merging HB 260 with HB 229

TO: Representative Peter Goll
Chairman, House Special Committee on
Fisheries

FROM: Edward H. Hein *EHA*
Legislative Counsel

You have asked whether any legal or drafting problems are created by merging HB 260 with HB 229. I see none and have therefore done so in your Fisheries Committee draft substitute. The two bills relate to the same subject -- herring stripping -- so they may be logically combined under the bill title of HB 229. Also, the provisions of both bills are not inconsistent with each other. HB 260 repeals an exception to the ban on herring stripping; HB 229 creates a new exception.

If you have any questions or comments, feel free to contact me at your convenience.

EHH:ojb
J12/084



Official Business

Alaska State Legislature

House of Representatives

Special Committee on Fisheries

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

LETTER OF INTENT FOR HOUSE BILL 229

It is the intent of the Legislature that the approval process by the Alaska Department of Fish and Game for 1986 herring stripping operations be kept as simple as possible. The Commissioner should base his determination upon a letter or other documentation from the operators of the processing plant detailing specific plans to operate in accordance with the provisions of AS 16.10.173 after July 1, 1986.

STATE OF ALASKA THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

FOUCH V - STATE CANTON
JANES, ALASKA 99511
907-465-2800

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/12/85, 8:30 am

REP. JOHN G. (JACK) FULLER

DISTRICT 23

ALAKANUK
BREVIG MISSION
CHEVAK
DIOMEDE
ELIM
EMMONAK
GAMBELL
GOLOVIN
HOOPER BAY
KOTLIK
KOYUK
NOME

SAVOONGA
SCAMMON BAY
SHAKTOOLIK
SHELDON'S POINT
SHISHMARF
STEBBINS
ST. MICHAEL
TELLER
UNALAKLEET
WALES
WHITE MOUNTAIN



CHAIRMAN
BUSINESS COUNCIL
LEGISLATIVE COUNCIL
ADMINISTRATIVE REGULATION
REVIEW COMMITTEE

MEMBER
POLICY COMMITTEE
SPECIAL COMMITTEE ON LOANS
RULES COMMITTEE
COMMITTEE ON COMMITTEES

Alaska House of Representatives

MEMORANDUM

TO: Rep. Peter Goll, Chairman
House Special Committee on Fisheries
FROM: Rep. Jack Fuller *Jack*
DATE: March 2, 1985
SUBJECT: Additional information regarding HB 229 - herring stripping

Three different groups of fishermen in Western Alaska have contacted either Rep. Herrmann or me requesting a temporary waiver of the herring stripping law.

In my district, 3NC Fisheries, a cooperative effort of the native corporations of Unalakleet, Stebbins and Shaktoolik, has asked for additional time to gear up. These local people began to fish herring commercially in 1979, and at this time don't have enough on-shore freezing capacity to process all of the herring caught by their members.

In the Yukon-Kuskokwim area, the people of Nelson Island plan to begin their first commercial herring fishery next year. Until now, herring was fished for subsistence only, but with the rebuilding of herring stocks they are looking to this new fishery for much-needed cash income.

In Togiak, about 35 local gillnet fishermen without markets have asked Kemp-Paulucci to operate the shore-based plant this year. This plant will be able to provide a market for all their fish. Kemp just recently bought the plant and plans to install freezers within the next two years, but would only be able to operate the plant this season if they were able to strip.

The closest fish meal plant is in Seward, thousands of miles away, and there is not enough freezing capacity for all of the fish. Because the non-local fishermen who come up to western Alaska to fish sell their catch mostly to floating processors with freezing capacity, the herring stripping law affects local fishermen who are relatively new to the fishery and do not have established markets.

Unlike the rest of the state, the herring fishery in western Alaska is in its infancy. The fishery used to be almost entirely within the domain of outsiders, with very few locals participating even as fishermen. Local fishermen are just now learning to take vertical control of the fishery themselves, without total dependence on outsiders. As fishermen and as managers, they have gained much valuable

experience in a short time. With limited entry for Bering Sea herring fisheries looming on the horizon, I want local people to have every opportunity to become established in the fishery. Outside of fishing, there are very few ways of making a living in these villages.

The herring season comes at the end of the long winter and before salmon season starts, a time when cash is very low. On-shore herring processing provides much-needed cash income for local people, as well as markets for local fishermen. In Unalakleet alone, stripping 50-60 tons of fish provides up to twenty people with jobs, and puts up to \$35,000 into the economy. With an average annual income of less than \$3,000 in rural Alaska, this is an important source of cash.

I will be providing you with additional back-up from 3NC, Nelson Island and Togiak Natives Limited, which will set out each group's reasons for requesting an extension of the time they are allowed to strip herring, as well as their plans for compliance as the fishery is developed.

cc Rep. Herrmann

MAR 9 1985

February 28, 1985

Representative A. Herrman
Pouch V
Juneau, AK

RE: Herring Carcass Utilization

Dear Rep. A. Herrman:

It has come to our attention that you are introducing legislation towards a moratorium on the Herring Carcass Utilization bill now in effect.

We have been deluged with calls from native fishermen in Togiak Twinn Hills and Manakotak villages on the possibility of our company purchasing drift net herring during the Togiak fisheries.

At this time we are budgeting for 2,200 tons of herring (seine) for processing on the M/V Bering Trader and our shore plant in Dillingham. These facilities are set up to freeze the product and will not be able to take any additional product other than that which is already committed.

Most of these fishermen are alternates on the list for the Japanese Herring Co-op in Dillingham, Alaska. These people in the past have not been able to sell because of the volume already caught by the co-op. We would be able to offer these fishermen a market if we could process at our Togiak facility. But there is no freezing. We would have to strip the roe then grind the carcasses.

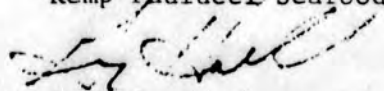
We would be able to purchase approximately 350 to 400 of gillnet herring if processing is available in Togiak.

This would mean, in dollars, a total of \$297,500 to \$340,000 for the fishermen that would not have been there previously. The fish tax would be \$2,975.00 to \$3,400.00 for a shore based facility. The local labor for the herring processing would be approximately \$43,000. This is for the nonfishermen type of local villagers.

Again our company would be happy to offer a market but are unable to do so as the laws stand now. We do not want a total moratorium, only for the next two seasons to place freezers into our Togiak facility.

Regards,

Kemp Paulucci Seafoods


Greg Hull

Togiak Plant Manager



KEMP-PAULUCCI SEAFOODS, INC. 2613 NORTHWEST 54th SEATTLE, WA 98107 206-783-7512

MAR 3 1985

Rep. Jack Fuller
ATTENTION: Linda Wilde
Capital Room # 500/502
Pouch V
Juneau, Alaska 99811

Dear Rep. Fuller:

On behalf of 3NC Fisheries, I am requesting a permit to dump the herring carcasses in the Norton Sound area for this coming 1985 fishing season. We anticipate to open the herring processing in the Stebbins area, in hopes that their economy will benefit both their people and our company. We understand that dumping herring has special guidelines and know that there are certain limits to dumping.

3NC Fisheries consists of the Unalakleet, Shaktoolik, and Stebbins Native corporations and is a profit company. Our main goal is to provide some form of economy for our people and service the people in our region. We have worked with the salmon species for the past two years and look forward for a profitable one this coming season.

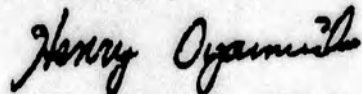
We understand the problems that may occur with discarding of the herring and we plan to work on this along with your help. Our latest talk with other companies was to sell the whole female herring and transport them out of the Norton Sound Region. It is also our contention that some plan be made with male herring, and in working with your office, we hope that a solution will be drawn up.

If you need further information please call me at 624-3053 during the workhours and at 624-3931 during the evenings. You may also call Davis Nashalook with the Arctic Sea Fisheries in Anchorage at 562-2322.

Our anticipated tonage with herring for the 1985 season is 300 metric tons.

Thank you.

Sincerely yours,



Henry Oyoumick, 3NC President

cc: Henry Mitchell, Bering Sea Fisheries

MAR 27 1981

INC FISHERIES
P.O. BOX 100
UNALAKLEET, ALASKA 99684

Representative Jack Fuller
Alaska State Legislature
Pouch V (MS-Space 3100)
Juneau, Alaska 99811

Dear Representative Fuller:

The three village Corporations of Unalakleet, Shaktoolik and Stebbins along with the Norton Sound Fishermen's Cooperative have formed a new joint venture for commercial fishing in the southern Norton Sound. The interim board is made up of myself as Chairman, member Chuck Degnan from Unalakleet Native Corporation; Eugene Asicksik as vice-chairman and Alex Sookiayak from Shaktoolik Native Corporation; Cornelius Dan as Secretary/Treasurer and member Morris Coffey from Stebbins; and R. Weaver Ivanoff from the Norton Sound Fishermen's Cooperative.

In our second organizational meeting a motion was passed unanimously to send you a letter of support toward requiring a 2-year residency in the State of Alaska to qualify for fisheries loans and also increasing the minimum loan amount of \$35,000 on the Fisheries Mortgage and Note Sale Program. We feel that the 1-year requirement opens to the program to too many fishermen which puts even more constraints on our local fishermen qualifying for the loans. The least that should be required is that the one year be 12 consecutive months. The current \$15,000 limits ourselves to getting a small somewhat substandard boat and outboard motor. The minimum a work outboard motor costs is approximately \$5,000. If we allocate \$2,000 for freight, that leaves us only \$8,000 to buy a boat. The base price for a 24-foot Monson Boat open model, costs \$10,000. We have had fishermen interested in this boat, but because of the \$15,000 limit, it cannot be bought with that loan program. The 26-foot boat that most would like costs \$12,500 and it would be impossible to buy this boat with the loan program.

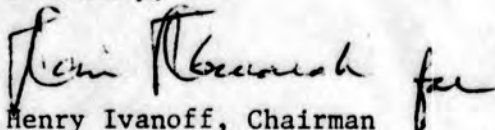
We have been informed that House Bill 267 has been introduced by yourself regarding dumping of herring carcass in western Alaska. Through a telephone poll our Board of Directors would like to go on record as fully supporting such a bill.

As you well know and as classified by the Board of Fish, herring fishing in the Norton Sound is a developing fisheries. We have been fishing herring since 1976 but the real effort by local fishermen did not start until 1979. In 1980 the Norton Sound Fishermen's Cooperative entered into it's first contract for herring and in that year approximately 800 tons of herring flown out of Unalakleet. It was flown out because of lack of experience of handling the fish product any other way, much less processing of the herring. In 1981 the Norton Sound Fishermen's Cooperative processed herring and experienced a modest success of approximately 400 tons. It proved more of a success in creating an opportunity for employment by our local labor force rather than a profitable one for the Cooperative. Approximately \$60,000 in wages were paid with all local labor and a few women flown in from St. Michael. Attempts were made to bring in more laborers, but because of the fast pace of the herring season, it did not materialize. In 1982 partially because of the need to review all facets of herring operations, Norton Sound Fishermen's Cooperative did not process herring but had the fishermen deliver directly to floating processors who brought the fish elsewhere in Alaska for processing. Needless to say, Norton Sound Fishermen's Cooperative did not benefit as much from the herring season that year.

The 3NC Board supports House Bill 267 because of the past experience learned by Norton Sound Fishermen's Cooperative. As a group of village corporations with a joint venture, we feel responsible in utilizing our investment to have the broadest positive impact to our area and our stockholders. Unless we are able to dump the herring carcass into the Norton Sound we would not be able to process herring locally. Financial analysis show that a stripped herring carcass in the Norton Sound is worth in the neighborhood of \$200 per ton but at the same time it would cost approximately \$400 per ton to ship that product out. Clearly more money is spent shipping the product out than what the product is worth and the economics of that alone would prevent us from processing herring.

In an area where employment is one of the lowest in the State, any means of assistance that the State could allow would be a boost for our standard of living. Were we to dump the herring carcass in the Norton Sound we would be able to create jobs for our people, especially women. The men have an opportunity to derive income from fishing and with processing herring we would be able to hire as processors, women, college students and those not able to participate in herring fishing. For discussion purposes if 3NC processed 500 tons of herring in Unalakleet, Stebbins or Shaktoolik and the processors were paid .50 cents per pound for eggs extracted and we averaged 8% roe recovery, that means that there would be roughly 80,000 pounds of eggs processed. This would provide \$40,000 paid to processors. Additionally there would be helpers, generally high school aged males to do lifting and other sundry workers that would probably earn half again the amount paid to processors so that 3NC would have approximately \$60,000 in wages paid to local employees. At this time of the year, after a long winter of not working, this income would be a valuable source of new income to the communities. This would pay for approximately 30,000 gallons of heating fuel, or other much needed basic necessities otherwise not possible should there not be any processing.

Sincerely,


Henry Ivanoff, Chairman
3NC Fisheries



Bering Sea Fishermen's Association

805 West 3rd Avenue
Anchorage, Alaska 99501
(907) 279-6519

March 4, 1985

Representative Binkley
Pouch V
Juneau, AK 99811

Dear Representative Binkley:

I am writing to express our strong support for House Bill 229. The bill proposes to waive, for the Bering Sea, the statute prohibiting fishermen from stripping herring for roe.

A number of fishermen from Nelson Island and Nunivak Island are interested in participating in the herring fishery which will open this year. The Bering Sea Fishermen's Association (BSFA) anticipates training a minimum of 80 fishermen from Nelson Island and Nunivak Island in order to prepare them for the fishery. As you know, these areas are poor in terms of a cash economy, and commercial fishing will be the main source of jobs and income for many.

As this is the first time residents of Nelson Island and Nunivak Island will be participating in a commercial herring fishery, their lack of experience during the first year or two will naturally put them at a significant disadvantage in competing for the limited quota of herring available.

The participation of Nelson and Nunivak Island fishermen during the start-up of the commercial herring fishery is dependent upon their being able to strip for roe. At present, there are no facilities available on either Nelson Island or Nunivak Island for refrigeration and processing of herring carcasses. And, it is neither practical nor feasible to build these facilities prior to initial participation in the fishery.

We see waiving the statute prohibiting the stripping of herring for roe in the Bering Sea as an interim yet crucial measure which will provide the people of Nelson and Nunivak Island the opportunity to become competitive in the fishery. Once the fishery is successful, it would then make sense to build refrigeration facilities and to process

Representative Binkley
March 4, 1985

herring carcasses -- thus providing more jobs and income for residents.

If I can provide any further information on this very important issue, please do not hesitate to contact me.

Sincerely,

Henry Mitchell

Henry Mitchell, Director
Bering Sea Fishermen's Association

cc: Adelheid Herrmann
Co-Chairman, House Resources Committee

JLS

Hein
3/11/85 /

Original sponsors: Herrmann, Fuller
and Binkley

1 IN THE HOUSE

BY THE HOUSE SPECIAL
COMMITTEE ON FISHERIES

2 CS FOR HOUSE BILL NO. 229 (Fisheries)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 * Section 1. HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and
10 until July 1, 1986, the stripping of commercially taken herring for the
11 purpose of removing and selling the roe product is authorized if the
12 herring is taken from and the carcass disposal process occurs in the Bering
13 Sea. Herring stripping may be allowed during 1986 only if the commissioner
14 of fish and game has given written approval after determining that the
15 processing operation that is seeking approval is capable of continuing
16 after July 1, 1986, without the commercial stripping of herring.

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

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

22 * Sec. 2. Section 1, ch. 27, SLA 1980 is repealed.

23 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
24 10.070(c).



Alaska State Legislature

House of Representatives

SPECIAL COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE:

March 12, 1985

HB 229
HB 260

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
X JANET FRIES FOR REP. HERRMANN		REP. HERRMANN	YES	-4942
Ken PARKER		ADF+G	No	4210
X Chumma Ady	4241 21st Ave W Seattle	Chugach Alaska Fishin.	Yes	
X Larry Catter	307 So. Franklin Juneau	ILWU	Yes	586- 4442
X REP JACK FULLER	JUNEAU	DISTRICT 23	YES	
Bob Clasky	Juneau	ADF+G	No	4210
Bob Clasky	Juneau	Rep. Bunkley	No	
○ HENRY Oyoumick	PO Box 37 UNALAKLET	3NC Fisheries	YES	624-3931
Chris Kelly	Pouch KB Juneau	CFEC	NO	465-4081
Rand Pearson	Pouch V. Juneau	Rep Jenkins	No	4453
X Terry Abramczyk	7	Rep Pignatelli	Yes	4944
Reed Stoops	Suite 218 #2 Marine Way	Chugach Fishin	No	6-3561

Article 3. Herring Spawn.

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."

Article 3. Herring Spawn.

Section

175. Removal of herring from state

Sec. 16.10.172. Legislative policy on utilization of herring.

Editor's notes. — Section 1, ch. 27, SLA 1980 provides: "LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING. (a) Notwithstanding AS 16.10.172, the legislature finds that in cer-

tain 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 may

36

§ 16.10.173

FISH AND GAME

§ 16.10.200

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."

Sec. 16.10.173. Utilization of commercially taken herring.

Editor's notes. — Section 2, ch. 27, SLA 1980 provides: "HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1982, 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.

"(b) The Board of Fisheries shall adopt

regulations in accordance with the Administrative Procedure Act (AS 44.62) [AS 44.62.010 — 44.62.650] regarding disposal of herring carcasses for each administrative area where disposal occurs.

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

Sec. 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 of the herring if five percent or more of the body weight of the herring consists of roe. (§ 3 ch 27 SLA 1980)



Official Business

Alaska State Legislature

House of Representatives

Special Committee on Fisheries

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

March 11, 1985

SECTIONAL ANALYSIS OF HB 229

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

Section One: This section provides an exemption to state law requiring full utilization of herring taken in the commercial sac roe fishery. The exemption expires July 1, 1988. This would allow operations in the Bering Sea to strip the roe from the herring and dispose of the carcass.

This section also gives the Alaska Board of Fisheries regulatory power to ensure proper disposal of the carcasses, and expressly brings the disposals under regulations under the Alaska Department of Environmental Conservation governing seafood waste.

Section Two: This section provides for an immediate effective date.

V. IMPACT OF REGULATIONS

The Department would be willing to discuss the potential impacts of regulations after discussions with the Office of the Governor and the Department of Administration concerning the possible scope and extent of what such regulations might be.

2095B/RLF/rf

RESPONSE TO QUESTIONS FROM THE
HOUSE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE STAFF

FEBRUARY 26, 1985

DEPARTMENT OF COMMUNITY AND
REGIONAL AFFAIRS

Emil Notti, Commissioner

I. PARAMETERS OF REGULATION AND CONTROL OF GRANTS

At the present time, there are no specific regulations for the administration of Grants to Named Recipients or Grants to Unincorporated Communities, as authorized under AS 37.05.316 and 37.05.317, respectively. However, the Department exercises control over these grants through several methods. These are briefly described below.

Standard Provisions

A legal agreement is executed with every recipient of a grant administered by the Department. Such agreements include, in part, a set of Standard Provisions, commonly referred to as a "boilerplate". Attachment A provides an example of a draft boilerplate which may be used in the future for the Department's Legislative Grants. The specific boilerplate provisions which are currently used are dependent upon the division within the Department which is designated with the responsibility for administering the grant.

As seen in the attached example, the standard provisions specify the basic administrative requirements which the grantees must adhere to. As the agreement is a legally binding contract, these provisions carry the same force and effect of

the law as do formal regulations. It is through such provisions that the Department establishes its legal authority over its grantees.

Specific Provisions

In addition to the standard boilerplate, the grant agreements also include a number of specific provisions. These provisions cover several areas, as described below.

Scope of Work - This portion of the specific provisions details the activities which are to be accomplished under the grant agreement and for which the funding is being provided. These provisions also specify certain conditions which must be met by the grant recipient, such as demonstrating site control for a facility construction grant.

Project Budget - The grant agreements also contain a separate section which details the budget for the project by major line item categories. As noted in the attached Standard Provisions, changes in the line item totals over a certain percentage or amount require the Department's prior approval.

Reporting Requirements - Grantees of the Department

are required to report on the project on a regular basis. Again, the frequency of this reporting varies by the administering divisions. However, all grant recipients are required to report both on the progress of the project towards completion and on the financial activity under the grant.

Payment Procedures - The agreements also make a specification of the procedures by which the recipient will receive payments under the grant. In many instances the payments are closely tied to the Department's receipt of the required reports, to assure that this method of control is achieved.

As with the standard provisions, these specific requirements carry the full force and effect of the law. The standard provisions are applicable to all grantees (with minor differences between the divisions) and the specific provisions are applied to projects on an individual basis. Together the provisions establish both the general legal authority of the State for the use of the monies and the authority over the specific project.

Administrative Controls

The administering divisions routinely perform monitoring and

oversight activities of the Department's grants. Such activities enable the divisions to identify any potential problems which might occur with the grant. When such problems arise the Department will specify the corrective actions to be taken by the recipient and will, when necessary, exercise control over the recipients to insure such corrective actions are completed.

The Department is able to exercise control over its grantees in two ways. The Department will occasionally withhold funds from a grantee to insure that a required or corrective action is taken. Under extreme circumstances, if the grantee fails to take the required actions or fails to provide a sufficient explanation for not doing so, the Department reserves the right to terminate the agreement. To date, the Department has been able to successfully resolve such problems and has not been required to exercise this latter authority.

II. CURRENT LEGISLATIVE GRANT ACTIVITY

Attachment B provides a listing of the current status of FY 35 grants administered by the Department and as authorized under AS 37.05.316 and 37.05.317. The listed unexpended balances are as of January 31, 1985. There are 149 grants listed and which total an unexpended balance of \$7,694,922.

III. AUDIT AND OVERSIGHT SYSTEM

The Department is presently revising its internal policies and procedures related to the audit of its grant programs, including Legislative Grants. At the present time, the Department has no uniform or standardized policy related to the auditing of recipients of State monies.

As such, there is little consistency with the audits. It is expected that the Department's new policy will require that recipients receiving over a certain amount of funding from the Department in a year's time will be required to have an organization-wide audit completed for that year. This threshold level is likely to be between \$250,000 and \$500,000. These audits will be primarily financial and compliance audits. It is likely that an audit comparable to that specified in Attachment P of the Office of Management and Budget Circular A-102 would be satisfactory for this requirement.

The Department also uses several methods for the oversight of the grantee's activities. These are detailed below.

Monitoring Site Visits

Whenever possible, the Department makes a concerted effort to visit the site of the grant recipient's project. These visits serve several purposes. One purpose of such visits is to attempt to assure that the grantee is making adequate progress on the project, that the project and the grantee's records match the information provided in the progress and financial reports, and to insure that all activities are within the scope of the grant agreement. The visits also allow staff to identify areas in which the grantee might be experiencing problems and afford the opportunity to provide technical assistance to the recipient to resolve the problem.

Reports

The administering divisions use the progress and financial reports submitted by the grant recipients as another method of oversight. The reports are reviewed to assure that adequate progress is being made on the project and that funds are being expended in accordance with the grant agreement and budget. In addition, the reports provide information which helps the grant administrators to identify possible areas in which the recipient might need technical assistance.

Photographs

In numerous situations the Department will require the grant

recipients to submit photographic documentation of the progress of the project. This is usually required where a facility is to be constructed or where a major piece of equipment is to be purchased under the grant. Such photographic evidence provides an assurance to the Department concerning the project's progress. Such assurances are important where it might not be possible for staff to conduct an on-site monitoring visit.

IV. DCRA CURRENT CONTRACT SYSTEM

Under the present circumstances, the majority of the Department's programs have their own individual set of regulations. These regulations may have some general areas which are similar, such as the specification of recipient eligibility or recipient selection procedures. However, the specifics of these general areas vary from program to program.

In addition, each of the programs have an informal set of internal policies and procedures which govern their administration. These policies and procedures provide both further detail to the specific requirements of the regulations, as well as establishing other requirements. These policies and procedures generally govern all areas of grant administration. However, at the present time there is little uniformity between the programs.

This lack of uniformity in administrative procedures between programs can create several problems. The most significant of these is the potential effect of such on the recipients. In many cases recipient organizations receive funding from a variety of State agencies. The lack of consistency between the program requirements can create confusion for the recipient organizations. The differing requirements also create greater paperwork and administrative costs for the recipients.

The lack of consistency between programs can also create problems within a department. Due to the use of differing forms, documents and procedures, it is more difficult to exercise administrative oversight and control for these programs. The lack of standardization also contributes to increased administrative expenses at the departmental level.

As a result of these problems, the Department is presently in the process of revising its overall policies and procedures related to its grant and contract programs. The major objective of the revision process is to attempt to standardize the policies and procedures as much as possible between the programs. In addition, an integral part of this process will be the establishment of a standardized boilerplate agreement.

The Department's revised policies and procedures will consist of two major sections. The first section will be a set of policies and procedures which will be applied uniformly to all of the major programs within the Department. These policies and procedures will cover a variety of administrative areas.

The second section of the policies and procedures will be those which are program specific. These specific restrictions will be developed out of the unique aspects of the individual programs and will be areas which are not possible to

standardize. For example, the statutes which establish the Rural Development Assistance Program limit grant awards to \$100,000 per project during a year's time. This specific restriction will be established in the program specific portion of the policies and procedures.

Wherever possible, during this revision process, attempts will be made to standardize the procedures for all programs. In addition, following the development of these standardized procedures, the regulations for these programs will also be revised to bring them in line with the new policies. As a result, the Department's regulations will become relatively standardized and simplified across the programs.

A major component of this development process will be the establishment of a new, comprehensive "boilerplate" to be used in all the grant and contract agreements made by the Department under the majority of its programs. The boilerplate will provide basic restrictions on the activities of the recipient organization under the program and will also act to protect the interests of the State. The standard provisions of the agreements will cover all of the major areas of protecting the State's interests and will be as legally binding as if the

restrictions had been established in regulations.

This new system will have several advantages. All recipients

under these programs will be treated in a fair and consistent manner. The use of standardized documents and the uniform requirements will aid the grantees when they receive funding under more than one of the Department's programs. The grantee's understanding and knowledge of the requirements will be increased. The use of standard forms and documents will create administrative efficiencies for the grantee.

Administrative efficiencies and economies will also occur for the Department. Through the uniformity of the procedures, any deviations from or errors in the use of the procedures will be more easily identified. The standardized procedures will also aid in developing continuity in the administration of the programs.

Finally, the new system will provide flexibility whenever changes in the procedures are required. The system allows any changes to be effected in a relatively short period of time. This, in turn, allows the Department to be much more responsive to the changing needs of the grant recipients.

Representative Adelheid Herrmann
Representative John Fuller
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

The City of Togiak is strongly opposed to the herring
bill 229 to be introduced by Representative Adelheid
Herrmann on March 12, 1985. The follow-up letter
will be mailed right away. Thank you.

Togiak City Council
P.O. Box 99
Togiak, Alaska 99678

TESTIMONY

by

REPRESENTATIVE MARCO A. PIGNALBERI

House Special Committee on Fisheries
HB229
HB260
March 12, 1985

TABLE OF CONTENTS

	PAGE
HB 260 "An Act relating to legislative policy on herring stripping; and providing for an effective date."	1
Testimony comments	2
Alaska Herring Catch 1975 - 1983	5
Processor Permits	6
Alaska Statutes	
Chapter 27 SLA 1980 Relating to Herring	8
AS 16.10.172 Legislative Policy on Utilization of Herring	11
AS 16.10.173 Utilization of Commercially Taken Herring	11
AS 46.03.100 Permits Required for Disposal of Herring	13
Regulations	
5 AAC 27.093 Disposal of Herring	14
Constituent Mailing	15

Introduced: 3/4/85
Referred: House Special Committee
on Fisheries and Resources

1 IN THE HOUSE BY PIGNALBERI BY REQUEST
2 HOUSE BILL NO. 260
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act relating to legislative policy on herring
7 stripping; and providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. Section 1, ch. 27, SLA 1980 is repealed.
10 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
11 10.070(c).

D R A F T

MEMORANDUM

DATE: March 11, 1985

TO: Rep. Marco Pignalberi

FROM: Jerry Abramczyk

SUBJECT: Notes on herring stripping bill
testimony for Tuesday 3-12-85

At first appearance it may appear strange that a Representative from land-locked East Anchorage has introduced a bill to prohibit the commercial taking of herring only for its roe. My attention was brought to this subject when a question was raised about some inconsistencies in current law.

My bill, HB260, repeals only section 1 of Chapter 27 of the Session Laws of 1980. That law (Ch.27, SLA 1980) was an apparent attempt to create an exception to the provisions of AS 16.10.173, which prohibits herring stripping.

However, because the session law is labeled "legislative policy", and because it contradicts the provisions of AS 16.10.173, and further because it was not included in the statutes, there is a valid question concerning its efficacy. In order to make the prohibition of herring stripping clear, the session law must be repealed.

There is little doubt about the intent of prior policy regarding the stripping of herring for its roe. As late as this past legislative session, the policy, to outlaw the practice of stripping, was re-inforced when a strict penalty was added to AS 16.10.173 which now puts some teeth into enforcement.

Members of the Committee, Chapter 27 of the 1980 Session Laws was an attempt to create an exception to the ban of herring stripping. The attempt was not done artfully and was accomplished through the use of poor legal language. My colleagues, Representatives Herrmann and Fuller have demonstrated the correct technique for establishing exceptions through their bill, HB 229, which is skillfully done. The problem, then, is in maintaining an old session law which is only a source of confusion and poor policy direction.

I would appreciate it if HB260 not be passed out of Committee until I have had a chance to speak to you and members of the Committee personally. Thank you.

page 2
Testimony

The seafood industry in Alaska is the state's largest income producing area (after petroleum) for our residents, and, in fact, more revenue will be collected by the state from the seafood industry than will be collected from tourism, forestry, mining and agriculture combined. As a Representative from East Anchorage, my concern is in protecting and enhancing this essential renewal resource that we have in our fisheries industry.

I would like to share with the Committee some of the information I've researched, as an indication of the importance I believe we need to attribute to this industry.

In 1983, there were 506 companies and cooperatives licensed to buy and process seafood in Alaska. They purchased seafood from nearly 40,000 fishermen spread out along most of the state's 34,000 miles of shoreline and deep into the Interior along major river systems.

According to Department of Labor statistics, the seafood industry, comprised of those involved in harvesting and processing, is the state's largest private employer. Additionally, the employment benefits to Alaska from the seafood industry have tremendous secondary impact. The spinoffs are particularly important in transportation.

Seafood is Alaska's most important renewable resource industry and is second only to oil and gas in terms of value. Alaskan fishermen earned an estimated \$606 million in 1983 operations in Alaskan waters. During Fiscal Year 1984 the state collected approximately \$32 million in special taxes and fees from commercial fishermen and seafood companies.

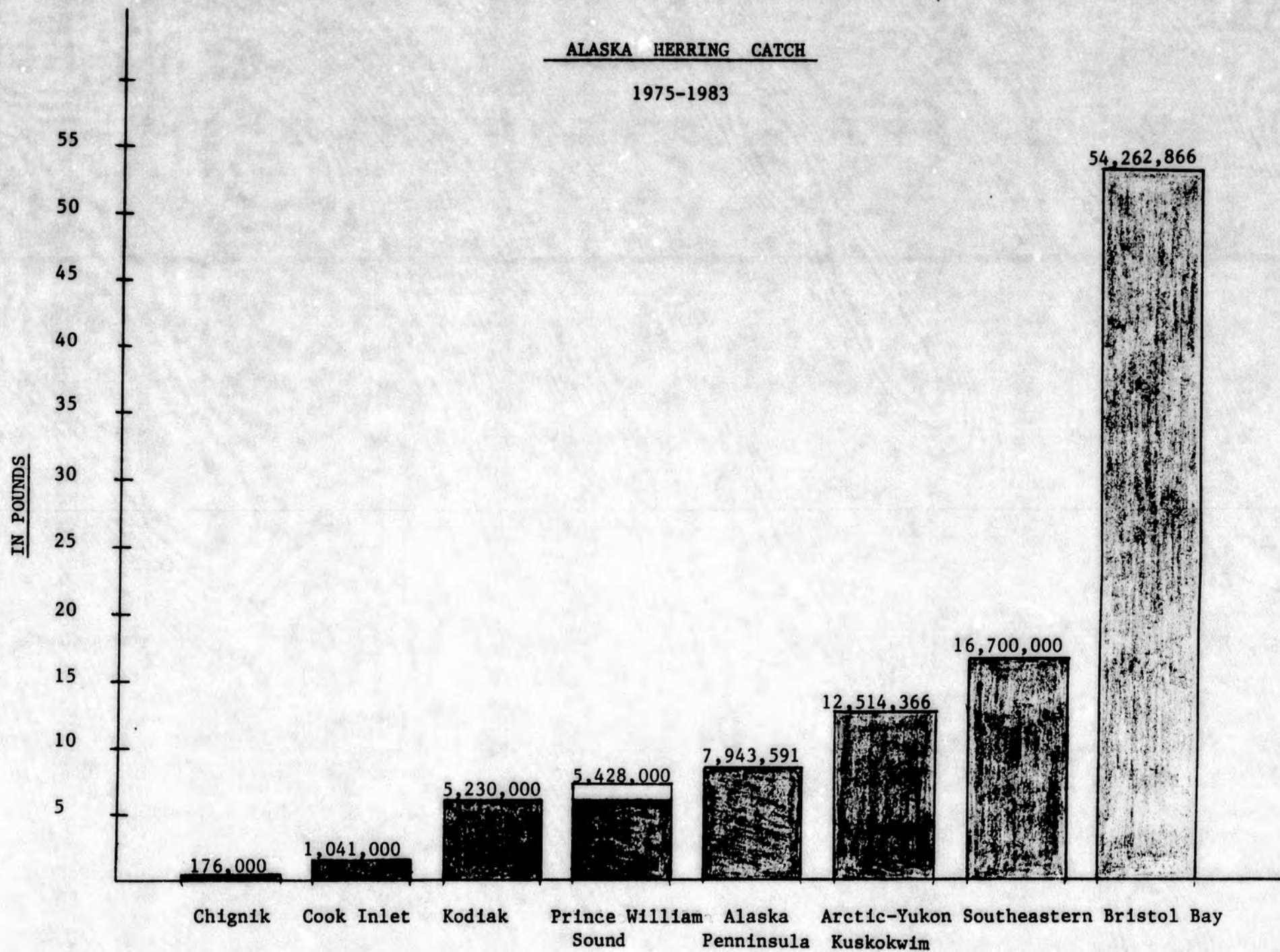
Local governments also depend heavily on revenue from the seafood industry, including property taxes on seafood plants and fishing vessels, moorage fees, sales taxes and municipal "raw fish taxes".

HERRING

In 1983, the total Alaska herring catch was over 100 million pounds with a value of \$28.9 million. Attached is a chart from Pacific Fisheries Review which lists the Alaska herring catch by region of the state.

ALASKA HERRING CATCH

1975-1983



Herring

Alaskan fishermen landed 95.1 million pounds of herring for sac roe, 12.9 million pounds for food and bait, and took 647,205 pounds of herring roe on kelp during the 1983 seasons.

The 1983 landed value of the herring and herring roe is estimated to be in the neighborhood of \$28.1 million.

Prices to fishermen ranged from a low of \$350 per ton to a high of \$1200 per ton in the major fisheries for sac roe. Although most buyers would not take fish with less than 10 percent roe recovery, in some cases fish with a recovery rate of only eight percent were sold.

The Togiak fishery was the largest in the state, and in 1983 the largest in the history of the region. During the brief season in early May, 150 purse seiners and 250 gillnetters delivered to more than 150 tender/processors. More than 25 percent of the total state harvest of sac roe herring was landed in Togiak.

Two groups of roe-on-kelp fishermen in the Prince William Sound area imported *Macrocystitis* kelp from Southeastern Alaska this season and were successful in producing 40,000 pounds of spawn on the imported plant. The fishermen strung their southeastern kelp in the midst of natural spawning prior to the opening of the season and were able to gather 13 percent of the total harvest.

Prince William Sound also has a pound fishery which involves catching the herring prior to spawning and holding them until they have spawned. There were 38 pounds built in Prince William Sound prior to the 1983 season and they produced 55,464 pounds of roe on kelp.

Food and bait herring brought much more modest prices than those caught for their roe con-

tent. In Cook Inlet, herring purchased for food brought \$260 per ton, while those fishermen

fortunate enough to have a bait market were paid as much as \$600 to \$700 per ton.

Alaska Herring Catch

Region	Year	In Pounds			Total
		Food and Bait	Roe Herring	Roe on Kelp	
Southeastern	1975	11,820,000	4,100,000	0	15,920,000
	1976	11,376,200	4,970,000	0	16,346,200
	1977	12,818,800	5,315,000	0	18,133,800
	1978	8,084,600	6,124,800	0	14,209,400
	1979	6,970,000	6,174,200	0	13,144,200
	1980	5,400,000	12,916,000	0	18,316,000
	1981	3,000,000	13,480,000	0	16,480,000
	1982	3,054,000	14,424,000	0	17,478,000
	1983	2,300,000	14,400,000	0	16,700,000
	1983	2,300,000	14,400,000	0	16,700,000
Prince William Sound	1975	533,400	11,708,000	971,000	13,158,400
	1976	0	5,168,000	485,000	5,653,000
	1977	34,000	4,568,000	417,000	5,019,000
	1978	2,087,000	2,713,000	141,000	4,941,000
	1979	440,000	8,272,000	472,000	9,184,000
	1980	3,208,000	12,612,000	611,423	16,431,426
	1981	0	28,088,000	121,033	28,209,033
	1982	1,606,205*	14,630,000	352,000	16,588,205
	1983	161,215*	5,646,520	326,214	6,133,949
	1983	161,215*	5,646,520	326,214	6,133,949
Cook Inlet	1975	12,483	8,237,100	0	8,249,583
	1976	11,625	9,684,436	0	9,696,061
	1977	42,566	6,397,053	0	6,439,619
	1978	297,840	803,886	0	1,101,726
	1979	129,547	1,068,016	0	1,197,563
	1980	64,000	208,000	0	272,000
	1981	0	442,000	0	442,000
	1982	160,000	240,000	0	400,000
	1983	318,000	723,000	0	1,041,000
	1983	318,000	723,000	0	1,041,000
Bristol Bay	1975	0	111,000	111,000	222,000
	1976	0	0	296,000	296,000
	1977	0	5,589,000	276,000	5,865,000
	1978	0	15,502,000	330,000	15,832,000
	1979	1,802,000	20,502,000	415,000	22,719,000
	1980	5,986,000	33,206,000	189,662	39,381,662
	1981	25,100	25,076,000	378,207	25,479,307
	1982	2,790,000	43,000,000	235,000	46,025,000
	1983	1,794,000	52,198,000	270,866	54,262,866
	1983	1,794,000	52,198,000	270,866	54,262,866
Arctic-Yukon-Kuskokwim	1976	0	17,000	0	17,000
	1977	0	20,896	743	21,639
	1978	0	601,115	8,000	609,115
	1979	0	3,613,339	0	3,613,339
	1980	270,213	8,062,067	48,840	8,381,120
	1981	46,800	13,292,000	88,184	13,426,984
	1982	409,020	12,080,000	77,000	12,516,020
	1983	623,920	13,069,760	50,125	13,743,805
	1983	623,920	13,069,760	50,125	13,743,805
	1983	623,920	13,069,760	50,125	13,743,805
Kodiak	1975	0	15,996	0	15,996
	1976	0	9,148	0	9,148
	1977	0	676,880	0	676,880
	1978	566,816	1,242,335	0	1,809,151
	1979	213,000	3,470,000	0	3,683,000
	1980	0	4,768,600	0	4,768,600
	1981	0	4,126,000	0	4,126,000
	1982	0	3,520,000	0	3,520,000
	1983	620,000	4,610,000	0	5,230,000
	1983	620,000	4,610,000	0	5,230,000
Chignik	1980	0	1,388,000	0	1,388,000
	1981	0	894,000	0	894,000
	1982	0	392,800	0	392,800
	1983	0	176,000	0	176,000
Alaska Peninsula	1979	0	20,000	0	20,000
	1980	0	906,000	0	906,000
	1981	1,408,000	1,682,000	0	3,090,000
	1982	8,260,000	1,470,000	0	9,730,000
	1983	7,124,040	1,275,000	0	8,399,040
All Alaska Totals	1975	12,366,683	24,172,096	1,028,000	37,566,779
	1976	11,387,825	19,848,584	731,000	32,017,409
	1977	12,895,366	22,566,829	693,743	36,155,938
	1978	11,036,256	26,987,136	479,000	38,502,392
	1979	10,638,741	43,120,335	887,000	54,646,076
	1980	14,928,213	74,066,667	849,925	89,844,805
	1981	4,479,900	87,080,000	587,424	92,147,324
	1982	7,135,000	89,757,000	664,000	97,556,000
	1983	12,979,375	95,102,680	847,205	108,929,260
	1983	12,979,375	95,102,680	847,205	108,929,260

total
36

Processor Permits

ADEC
as of 3/1/85

Representative Marco A. Pignalberi
March 12, 1985

AK NUMBER	COMPANY NAME	FACILITY/VESSEL NAME	FACILITY CITY	FACILITY TYPE
105	Oceanic Seafoods Company	Harvestor Barge	Bristol Bay Area	Vessel
155-B	Pan-Alaska Fisheries, Inc.	Magellan, Barge	Unalaska	Vessel
16	Kodiak King Crab	Kodiak King Crab	Kodiak	Land Based
169	Alaska Ocean Products, Inc.	Alaska Ocean Products, Inc.	Clam Gulch	Land Based
17	Seafood Producers Cooperative	Seafood Producers Coop.	Sitka	Land Based
185	North Coast Seafood Processors, Inc.	Polar Bear, M/V	Seattle	Vessel
185-A	North Coast Seafood Processors, Inc.	Polar Ice, M/V	Seattle	Vessel
203	Dragnet Fisheries Company, Inc.	Dragnet Fisheries Co., Inc.	Kenai	Land Based
205-A	Crusader Fisheries, Inc.	Crusader, M/V	Kodiak	Vessel
218	Wrangell Fisheries, Inc.	Wrangell Fisheries, Inc.	Wrangell	Land Based
227	Salamatof Seafoods, Inc.	Salamatof Seafoods, Inc.	Kenai	Land Based
239	Sea Fisher Products, Inc.	Arctic Fisher, M/V	Petersburg	Vessel
24	Polar Ice Seafoods, Inc.	Polar Ice, M/V	Seattle	Vessel
258	Morton Marine Equipemnt	Bristol Monarch	Seattle	Vessel
260	Woodbine Alaska Fish Company	Woodbine M/V	Naknek	Vessel
268	Seward Marine Fisheries Inc.	Seward Marine Services Inc.	Seward	Land Based
271	International Seafoods of Alaska	Int'l Seafoods of Ak	Kodiak	Land Based
286	Allied Processing, Inc.	Pacific Princess Seafoods	Kenai	Land Based
327	Togiak Fisheries, Inc.	Togiak Cannery	Togiak	Land Based
33	Pelican Seafoods, Inc.	Pelican Cold Storage	Pelican	Land Based

AK NUMBER	COMPANY NAME	FACILITY/VESSEL NAME	FACILITY CITY	FACILITY TYPE
332	Fisherman's Packing, Inc	Fisherman's Packing, Inc.	Kenai	Land Based
396	Petersburg Fish Company	Petersburg Fish Company	Petersburg	Land Based
47	Ursin Seafoods, Inc.	Ursin Seafoods, Inc-Kodiak	Kodiak	Land Based
47-A	Ursin Seafoods, Inc.	UrsinSeafoods, Inc.-Pier One	Kodiak	Land Based
48	Icicle Seafoods	Seward Fisheries Inc.	Seward	Land Based
48-A	Icicle Seafoods	Seward Fisheries, Inc.	Homer	Land Based
50	Nicolle N. Enterprises, Inc.	Nicolle N., M/V	Seattle	Vessel
555-A	All Alaskan Seafoods, Inc.	Kodiak (Star of Kodiak)	Kodiak	Land Based
60	NSP, Inc.	Northland M/V	Seattle	Vessel
66	Alaska Pacific Seafoods	Alaska Pacific Seafoods	Kodiak	Land Based
67	Trident Seafoods Corporation	Trident Seafoods Corp.-Akutan	Dutch Harbor	Land Based
73	Phillips E.C. and Son, Inc.	Phillips E. C. and Son, Inc.	Ketchikan	Land Based
81	Western Alaska Fisheries, Inc.	Western Alaska Fisheries Inc.	Kodiak	Land Based
87	Lafayette, Inc.	Lafayette, M/V	Seattle	Vessel
87-A	Pribilof, Inc.	Pribilof, M/V	Seattle	Vessel



LAWS OF ALASKA

1980

Source

Chapter No.

CSHB 590 am

27

AN ACT

Relating to herring; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

Approved by the Governor: May 8, 1980
Actual Effective Date: Sections 1 and 2 effective September 1,
1980; Section 3 effective September 1, 1981.

Chapter 27

AN ACT

Relating to herring; and providing for an effective date.

* 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 may 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.

* Sec. 2. HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1982, 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.

(b) 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.

CSHB 590 am

Chapter 27

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

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

Sec. 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 of the herring if five percent or more of the body weight of the herring consists of roe.

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

need a permit



LAWS OF ALA

1980

Source

CSSB 477 am

AN ACT

Relating to shooting and firearm safety effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
THE ACT FOLLOWS ON PAGE

Approved by the Governor: May 8, 1980
Actual Effective Date: July 1, 1980

CSHB 590 am

Article 3. Herring Spawn.**Section**

- 172. Legislative policy on utilization of herring
- 173. Utilization of commercially taken herring
- 175. Removal of herring from state

Sec. 16.10.140 — 16.10.170. Taking of herring spawn; exceptions: certain restrictive covenants; penalties. [Repealed, § 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)

Editor's notes. — Section 1, ch. 27, SLA 1980 provides: "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 may 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."

Sec. 16.10.173. Utilization of commercially taken herring. (a) A person may not waste or cause to be wasted any commercially taken herring. For purposes of this subsection, "person" has the meaning given in AS 01.10.060 and also includes a joint venture.

(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 com-

missioner may authorize other uses of commercially taken herring consistent with the intent of this section and AS 16.10.172 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)

Editor's notes. — Section 1, ch. 14, SLA 1983 reads as follows:

"Section 1. HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1984, 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.

"(b) 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.

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

Sec. 16.10.175. Removal of herring from state. (a) A person may not 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 of the herring if five percent or more of the body weight of the herring consists of roe. (§ 3 ch 27 SLA 1980)

Article 4. Migratory Fish and Shellfish.

Section

- 180. Legislative findings
- 190. Regulations
- 200. Unlawful taking prohibited
- 210. Unlawful sale or offer prohibited

Section

- 220. Penalties for violation of AS 16.10.200 and 16.10.210
- 230. Exemptions

Sec. 16.10.180. Legislative findings. The legislature finds and recognizes these facts:

(1) Migratory fish and migratory shellfish are present in commercial quantities inside and outside the territorial waters of the state.

(2) Migratory fish and migratory shellfish taken from the waters of the state are indistinguishable, in most cases, from those taken from the adjacent high seas.

(3) Substantial quantities of migratory fish and migratory shellfish move inshore and offshore intermittently and at various times during

DOCUMENTS 1 TO 1 PAGE = 1 OF 1
AS46.03.100 DOCUMENT= 1 OF 1
CHAPTER = 46.03
SECTION = 46.03.100
TITLE = 46
HEADINGS TITLE 46.

Water, Air, Energy, and Environmental Conservation.
CHAPTER 03.

Environmental Conservation.

ARTICLE 3.

Water Pollution Control.

CITATION Sec. 46.03.100.

CATCH LINE

WASTE DISPOSAL PERMIT.

TEXT

(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.

DOCUMENTS 1 TO 1 PAGE = 2 OF 2

(b) This section does not apply to a person discharging only domestic sewage into a sewerage system.

(c) A permit for disposal of a hazardous waste may not be issued under this section unless the applicant for the permit has furnished proof to the commissioner of financial ability to control the hazardous waste. Proof of financial responsibility may be demonstrated by self-insurance, insurance, surety, or guarantee, under regulations issued by the department. Acceptance of proof of financial responsibility under this subsection expires

(1) one year from its issuance for self-insurance;

(2) on the effective date of a change in the surety bond, guarantee, or insurance agreement; or

(3) on the expiration or cancellation of the surety bond, guarantee, or insurance agreement.

(d) This section does not apply to injection projects permitted under AS 31.05.030(h).

HISTORY (Sec. 3 ch 120 SLA 1971; am sec. 3 ch 220 SLA 1976; am sec. 9 ch 93 SLA 1981; am sec. 4 ch 91 SLA 1984)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

*apply for the
disposal of sewage
wastewater*

5 AAC 27.070. REGISTRATION AND INSPECTION DOCUMENTS. Repealed 4/14/82.**ARTICLE 3.
PROHIBITIONS****Section**

- 90. Unlawful possession of herring or herring gear
- 92. Unlawful acts within an adjacent seaward biological influence zone
- 93. Disposal of herring
- 95. General restrictions
- 96. Violation of reporting requirements
- 97. Violation of landing requirement
- 98. Violation of regulations

5 AAC 27.090. UNLAWFUL POSSESSION OF HERRING OR HERRING GEAR. (a) It is unlawful for any person to possess unprocessed herring aboard a vessel licensed as a commercial fishing vessel within any statistical area unless the season is open or unless the person is acting under the authorization of 5 AAC 27.030(b). This prohibition does not apply to herring possessed for subsistence or personal bait purposes under applicable cable regulations.

(b) It is unlawful for any person to possess aboard a vessel licensed as a commercial fishing vessel within any statistical area any herring or any gear used in the taking of herring if the herring or herring gear are prohibited by other regulations in 5 AAC 27 governing the area, unless the vessel is acting under the authorization of 5 AAC 27.030(b).

(c) It is unlawful for any person to possess, purchase, sell, barter, or transport herring within the state or within waters subject to the jurisdiction of the state if that person knows or has reason to know that that herring was taken or possessed in contravention of the regulations of this chapter. (In effect before 1982; am 4/14/82, Reg. 82)

Authority: AS 16.05.251(a)(4),(7) and (10)
AS 16.05.720
AS 16.05.900
AS 16.05.920

5 AAC 27.092. UNLAWFUL ACTS WITHIN AN ADJACENT SEAWARD BIOLOGICAL INFLUENCE ZONE. It is unlawful for any person to take, attempt to take, cause to be

taken, or possess herring, or to operate, attempt to operate, or cause to be operated any vessel or gear or to possess any gear or to take, attempt to take, cause to be taken, or fail to take any action in violation of 5 AAC 27.010(b).

Authority: AS 16.05.251(a)(4),(7) and (10)
AS 16.05.720
AS 16.05.900
AS 16.05.920

5 AAC 27.093. DISPOSAL OF HERRING. In statistical areas N, T, W and Q, herring carcasses may be disposed of only as follows:

(1) any vessel with less than 5 metric tons of herring on board may only dump herring carcasses in waters more than five fathoms in depth;

(2) any vessel with five metric tons or more of herring on board may only dump herring carcasses in waters more than three miles from the mainland;

(3) or as specified by a permit issued by the Department of Environmental Conservation.

Authority: AS 16.05.251(a)(7)
AS 16.10.172-16.10.173

5 AAC 27.095. GENERAL RESTRICTIONS. A person shall obtain a permit from the department before taking herring during the period June 15 through February 28 in statistical areas K, L, M and N. (In effect before 1982; am 4/14/82, Reg. 82)

Authority: AS 16.05.251(a)(2) and (7)

5 AAC 27.096. VIOLATION OF REPORTING REQUIREMENTS. (a) It is unlawful for any person to file a fish ticket representing the catch governed by the fish ticket as having been taken in a particular statistical area when in fact the catch or part of the catch were taken in another statistical area.

(b) It is unlawful to file any fish ticket containing information which has been purposely falsified.

Authority: AS 16.05.251(a) AS 16.05.900
AS 16.05.690 AS 16.05.920
AS 16.05.720

5 AAC 27.097. VIOLATION OF LANDING REQUIREMENT. It is unlawful for any vessel



Official Business

Alaska State Legislature

House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811

FEB 13 1985

MEMORANDUM

To: All House Legislators
From: Rep. Rick Uehling *[Signature]*
Subject: Distribution of Constituent material
Date: February 12, 1985

Attached is information in the form of letters to newspaper editors that one of my constituents, Ed Polk asked me to make available to you.

Perhaps you will find it helpful.

Letters to the editor

The value of a dollar

Dear Editor:

We keep hearing about our large national debt and just the interest is billions of dollars a year.

Often I have thought about our national debt and I finally figured out that the national debt doesn't mean a thing.

The U.S. dollar would be worthless if we the people weren't behind the dollar. We the people make the dollar worth what it is. When an individual or company gets into financial dif-

ficulties, the bank demands payment and if the individual or company can't pay they go bankrupt.

The banks aren't going to demand that the U.S. government pay up, because then if the U.S. government went bankrupt, the dollar would be worthless and that is the last thing the banks want it as a worthless dollar. With a worthless dollar the banks would have nothing.

Edward C. Polk

537 E. 14th Ave.

Limited fishing violation of rights

I am an Alaska Native from Seldovia and I disagree with limited fisheries of salmon and herring. Limited fisheries gives exclusive rights to certain persons to fish salmon and herring. Salmon and herring belong to all Alaskans and all Alaskans should have the right to fish them.

By tradition, the Natives of Alaska are fishermen so they certainly should have the right to fish salmon and herring. Limited fisheries entry permits were issued in 1975. In 1975, I was 10 years old so I have never had a chance to get an entry permit. I would like to know how all young Alaskans, especially young Native Alaskans, are supposed to get an entry permit to fish salmon.

With limited fisheries you don't even have to be a U.S. citizen to own and fish a limited fisheries entry permit. All you have to have is enough money to buy one. But why, as salmon and herring belong to all of us, should I have to buy a permit to fish them?

I would like to ask all the members of the Alaska Legislature one question: "Do you believe in equal rights for all?" One thing is certain, as certain as death and taxes — they will all say yes, I believe in equal rights for all. Then of course, they will vote limited fisheries out.

— Todd D. Hansen

permits held by nonresidents

I am an Alaska Native and read in your letter titled "Limited Fishing Violates Rights." In 1975 when entry permits for fishing were issued I was too young to get an entry permit. My family's name has always been fishermen, but I had a chance to get an entry permit. At that time I was having a hard time finding work. There are 2,352 entry permits owned and held by nonresidents and some of these permits aren't U.S. citizens. There are thousands of Alaska residents and especially Alaska Natives like myself who need to fill these 2,352 fishing jobs. In addition to this, say the conservative estimates of income from these entry permits is \$23,520 out of Alaska each year, as thousands of dollars worth of canned smoked salmon and dried salmon. I believe that most people in Alaska think that fishing for salmon and herring is a right of Alaska residents and that only Alaska residents have the right to fish salmon and herring. I have said this is not so. And a lot of nonresident permits to fish salmon in Cook Inlet and Bristol Bay which is valuable entry permits, being worth \$10,000 each.

— Chris Ollstad

Non-residents are into fishing

I am an Alaska Native from Cordova and I read in your paper, "Limited fishing violation rights and entry permits held by non-residents."

I agree that limited fishing is a violation of rights. I am 54 years old, so I got an entry permit for drift fishing salmon, but many of my younger relatives and other young Alaskans never had a chance to get an entry permit and this is a violation of their rights.

For that matter I have a permit for Cordova, but I would like to go to Bristol Bay and fish but can't.

In 1984 I was going to Bristol Bay and fish a permit for a man from India, but he died so I didn't. But the point is that to own an entry permit you don't even have to be a U.S. citizen. We may have Russians owning and fishing entry permits in Alaska.

All you need to get an entry permit is enough money to buy one. How can young Alaskans get an entry permit? They sell for up to \$100,000.

Another thing, I went to Bristol Bay and worked in a processing plant and non-residents held most of the jobs in the plant, and they had the best living quarters. In fact, non-residents ran things there and it looked to me like three-quarters of the fishermen were non-residents.

I suspect that there are a lot of non-residents holding entry permits and claiming to be residents because a resident fishing license is cheaper.

— Al Saska

Herring waste is a shame

I am writing to you about herring fishing, which is misunderstood. I sent some material to Sen. Stevens' office, and I got a letter back saying that herring are used for fertilizer after the eggs are removed. I believe herring should not be fished for eggs or the fishing industry will be destroyed.

Many people probably think that herring die after spawning, like salmon. That's not so.

If herring were allowed to grow, they could provide more food for people, especially when you think of the starving people in Ethiopia.

The waste is a shame.

— Edward Polk