

SB

454

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF



F. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

Senate Community and Regional Affairs Committee

March 29, 1988

TO: Senate Community and Regional Affairs Committee Members

FROM: Senate C&RA Staff *NCK*

RE: CS for SB 454 (C&RA) - "An Act relating to the allocation of fisheries business taxes to municipalities by the Department of Community and Regional Affairs, efd."

This CS is the same as the version that has been before the committee with one exception. At the request of the sponsor, the bill has been changed to allocate raw fish tax on an area rather than a region basis.

A memo from the drafter on this change is attached as is a letter from the Department of Revenue. This letter shows the breakdown on the distribution of raw fish tax. A representative of the department will be at the meeting to explain the letter.

A representative of the Department of Community and Regional Affairs will also be at the meeting to discuss the possible effect of this bill on borough formation.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

March 28, 1988

SUBJECT: CSSB 454 (C&RA)

TO: Senator Arliss Sturgulewski, Chair
Senate Community and Regional Affairs
Committee
ATTN: McKie Campbell

FROM: Jack Chenoweth
Legislative Counsel

This revision substitutes "management area" for "management regions." I have combined my reading of "the map" with applicable Fish and Game regulations to arrive at the boundary descriptions set out in bill section 4.

In that section, please note: the map was not sufficiently detailed that I could prepare an accurate legal description for the management areas within region I (Southeast Alaska and Yakutat). The department's own regulations provide no clue as to how region I is properly subdivided into the "management areas" shown on the map. So I did not do so. Management area A is exactly the same as region I of the previous draft.

If the committee wants management area A to be further divided as indicated on "the map," the Department of Fish and Game must provide a sufficient description of the four subunits that will allow me to prepare that description.

Attachment

JBC:bb
b4/063

I checked with Carl on this provision this morning. He said he thought it was OK. I had asked him to double check with you so if you had any problems we could change it before the meeting.

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX 5
JUNEAU, ALASKA 99811-0400
PHONE: (907) 465-2300

March 23, 1988

The Honorable Arliss Sturgulewski
Alaska State Senate
Capitol, Room 427
Juneau, AK 99811

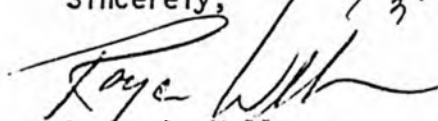
Dear Senator Sturgulewski:

With the establishment of the 1986 fisheries investment tax credit, the State will be foregoing substantial fisheries business tax revenues. Enactment of SB 454 (An Act relating to the allocation of fisheries business taxes to municipalities...) will reduce the State's take even further. Together, these measures are estimated to reduce the fish tax's general fund portion by as much as 78%. Below are the estimated numbers:

	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>
Shorebased Tax	17.5	6.0*	7.0
Floating Tax	9.0	9.8	9.8
	<u>26.5</u>	<u>15.8</u>	<u>16.8</u>
Shared Revenues	-7.9	-8.0	-7.8 (requested)
Net to Gen. Fund	<u>18.6</u>	<u>7.8</u>	<u>9.0</u>
HB 314/SB 454			-4.9
			<u>4.1 (G.F.)</u>

* potential tax credit impact

Sincerely,



Royce B. Weller
Special Assistant

*60MM for credit
30MM total reduction
3 to 5 years*

RBW:smc
88-84

Original sponsor: Zharoff

1 IN THE SENATE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 454 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the allocation of fisheries
7 business taxes to municipalities by the Department of
8 Community and Regional Affairs; and providing for an
9 effective date."

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

11 * Section 1. FINDINGS. The legislature finds that

12 (1) it has been a longstanding state policy to share fisheries
13 business taxes with municipal governments in the areas in which the fishery
14 resources are harvested;

15 (2) these shared taxes constitute an important source of revenue
16 to municipal governments to mitigate the effects of fish harvesting and
17 processing activities;

18 (3) there is an impact in communities that experience an in-
19 crease in population or influx of people;

20 (4) fishing activities such as harvesting and processing create
21 an influx of population throughout the year in many coastal communities;

22 (5) the state has a vested interest in encouraging communities
23 to provide adequate services;

24 (6) revenue generated through the sharing of fisheries business
25 taxes will help many fishing communities to provide adequate services and
26 to prepare for future damage attributable to fisheries activities.

27 * Sec. 2. AS 29.60 is amended by adding a new section to read:

28 ARTICLE 6. SHARED FISHERIES BUSINESS TAXES.

29 Sec. 29.60.450. FISHERIES BUSINESS TAX ALLOCATION. (a) #

1 municipality is eligible for a fisheries business tax allocation if
2 the municipality demonstrates to the department that the municipality
3 suffered significant negative effects from fisheries business activ-
4 ities during the base year.

5 (b) Before making a tax allocation under (c) of this section, a
6 portion of the tax revenue available under AS 43.75.130(g) for allo-
7 cation under this section shall be apportioned by the department to
8 each management area. The apportionment must be based on the ratio of
9 the weight of the fish and shellfish processed by floating fisheries
10 businesses within the management area to the total weight of the fish
11 and shellfish processed by floating fisheries businesses in all
12 management areas.

13 (c) The tax allocation to an eligible municipality is the sum of
14 (1) the result of dividing the number of the management
15 area's eligible municipalities for the tax allocation year into one-
16 half of the tax revenue apportioned to the management area under (b)
17 of this section for the tax allocation year; and

18 (2) the result of multiplying the municipality's population
19 ratio by the other one-half of the tax revenue apportioned to the
20 management area under (b) of this section for the tax allocation year.

21 (d) A municipality that receives a tax allocation under this
22 section shall use the tax allocation to help reduce the effect of
23 fisheries business activities on the municipality and may thereafter
24 use the tax allocation for the expenses of any municipal service.

25 (e) At the request of the department, an applicant or a re-
26 cipient of a tax allocation shall provide the department with the
27 assistance and information available to the municipality that is
28 necessary for the department to carry out the department's duties
29

1 under this section relating to the municipality.

2 (f) The department

3 (1) may designate management areas by regulation; the
4 management areas must be based on the management areas used by the
5 Board of Fisheries by regulation adopted under AS 16.05.251(a)(2) for
6 the management of the commercial fisheries of the state;

7 (2) may adopt other regulations necessary to carry out the
8 provisions of this section.

9 (g) In this section

10 (1) "base year" means the calendar year that precedes the
11 application deadline for the tax allocation year;

12 (2) "effect" means the change attributable to fisheries
13 business activities on the municipality's

14 (A) population;

15 (B) employment;

16 (C) finances;

17 (D) air and water quality;

18 (E) fish and wildlife habitats; and

19 (F) ability to provide essential public services,
20 including health care, public safety, education, transportation,
21 utilities, and government administration;

22 (3) "fisheries business activity" means activity related to
23 processing fisheries resources for sale by freezing, cooking, salting,
24 or other method and includes but is not limited to canneries, cold
25 storages, freezer ships, and processing plants;

26 (4) "management area" means one of the units designated by
27 the department by regulation adopted under (f)(1) of this section;

28 (5) "population" means the population determined under
29 AS 29.60.020;

1 (6) "population ratio" means the base year population of
2 the municipality divided by the population of the management area;

3 (7) "tax allocation year" means the fiscal year for which
4 the department makes the tax allocation.

5 * Sec. 3. AS 43.75.130 is amended by adding a new subsection to read:

6 (g) To the extent that appropriations are available for the
7 purpose, and notwithstanding the requirement of AS 37.07.080(e) that
8 approval of the office of management and budget is required, an amount
9 equal to 50 percent of the tax revenue that is collected under this
10 chapter from floating fisheries businesses and is not subject to
11 division with a municipality under (a), (c), and (d) of this section
12 shall be transmitted each fiscal year by the department to the Depart-
13 ment of Community and Regional Affairs for disbursal, without the
14 approval of the office of management and budget, to eligible munic-
15 ipalities under AS 29.60.450.

16 * Sec. 4. INTERIM FISHERY MANAGEMENT AREAS. Notwithstanding AS 29.-
17 60.450(f)(1) and 29.60.450(g)(4) added by sec. 2 of this Act, until altered
18 or amended by the Department of Community and Regional Affairs by regu-
19 lation, each of the following constitutes a fishery management area for
20 purposes of administration of AS 29.60.450:

21 (1) Area A (Southeast Alaska area): All water between the
22 longitude of Cape Suckling and Dixon Entrance;

23 (2) Area E (Prince William Sound area): All water between the
24 longitude of Cape Fairfield and the longitude of Cape Suckling;

25 (3) Area H (Cook Inlet area): All water enclosed by a line
26 extending east from Cape Douglas and a line along the longitude of Cape
27 Fairfield;

28 (4) Area K (Kodiak area): All water south of a line extending
29 east from Cape Douglas and east of the longitude of the southern entrance

1 of Imuya Bay near Kilokak Rocks;

2 (5) Area L (Chignik area): All water on the south side of the
3 Alaska Peninsula between the longitude of the southern entrance of Imuya
4 Bay near Kilokak Rocks and a line extending southeast from Kupreanof Point;

5 (6) Area M (Alaska Peninsula area): All water on the south side
6 of the Alaska Peninsula between a line extending southeast from Kupreanof
7 Point to the longitude of Scotch Cap light on Unimak Island, and all water
8 on the north side of the Alaska Peninsula between Cape Sarichef on Unimak
9 Island and Cape Menshikof;

10 (7) Area O (Dutch Harbor area): All water south of the latitude
11 of Cape Sarichef that is between the longitude of Scotch Cap light on
12 Unimak Island and 172° West longitude;

13 (8) Area Q (Bering Sea area): All water of the Bering Sea not
14 included within another management area;

15 (9) Area R (Adak and Western Aleutians area): All water west of
16 172° West longitude;

17 (10) Area T (Bristol Bay area): All water in Bristol Bay east of
18 a line from the latitude of Cape Newenham to Cape Menshikof;

19 (11) Area W (Kuskokwim area): All water between the westernmost
20 point of the Naskonat Peninsula and the latitude of Cape Newenham, includ-
21 ing the water surrounding Nunivak and St. Matthew Islands, together with
22 water draining into the Bering Sea within this management area;

23 (12) Area X (Kotzebue - Northern area): All water north of the
24 latitude of the westernmost tip of Cape Prince of Wales and west of the
25 Alaska-Yukon boundary, together with water draining into the Chukchi and
26 Beaufort Seas within this management area;

27 (13) Area Y (Yukon area): All water between the westernmost tip
28 of the Naskonat Peninsula and the latitude of Canal Point light, together
29 with water draining into the Bering Sea within this management area;

1 (14) Area Z (Norton Sound - Port Clarence area): All water
2 between the latitude of the westernmost tip of Cape Prince of Wales and the
3 latitude of Canal Point light, including the water surrounding St. Lawrence
4 Island, together with water draining into the Bering Sea within this
5 management area.

6 * Sec. 5. This Act takes effect July 1, 1988.

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MEMORANDUM

State of Alaska Community and Regional Affairs

TO: Rena Bukovich
Legislative Aide to
Adelheide Herrmann

DATE: March 18, 1988

FILE NO: 0194Q/JP/jp

TELEPHONE NO: 465-4750

THRU:

SUBJECT: Comparative Fish
Tax Distributions

FROM: Jim Plasman
Deputy Director
Municipal and Regional
Assistance Division

Attached please find a comparison of three different formulas for the proposed offshore fish tax sharing program.

Column A: The first reflects distributions under the formula used by the department as part of the pilot project conducted by the department pursuant to legislative intent in the FY 86 budget bill. This formula allocated funds to municipalities on the basis of their location within specific commercial fisheries management areas and the population increase in each municipality due to off shore fish processing. The distribution reflects the initial appropriation to the pilot project of about \$451,000.

Column B: This shows distributions under 2nd SSHB 314, a formula similar to the pilot project formula except that it utilizes municipal population rather than population increase. The distribution also reflects an appropriation to the program of \$4.5 million, which is the amount estimated for FY 89 under the funding provisions of both HB 314 and SB 454.

Column C: This shows distributions under the formula used for SB 454. It differs from 2nd SSHB 314 in that it uses management regions, rather than management areas. Regions consist of multiple areas. Like 2nd SSHB 314 it uses municipal population rather than the population increase used in the pilot project. It also distributes \$4.5 million under the formula.

It should be noted that these distributions assume the findings under the pilot project. Actual distributions may be expected to differ because other municipalities may apply and be found eligible and some which applied may be found not to be eligible under the proposed legislation.

Attachment

cc: Marty Rutherford, MRAD
Dan Backhorst, MRAD

file code: HB 314

- (A) - OFFSHORE FISHERIES TAX REFUND AS ADMINISTERED, 1987. (AREA POP. GROWTH)
 (B) - OFFSHORE FISHERIES TAX REFUND BASED UPON (NET) AREA POPULATION,
 (FUNDING @ \$4,500,000)
 (C) - OFFSHORE FISHERIES TAX REFUND BASED UPON (NET) REGIONAL POPULATION,
 W/ BRISTOL BAY INCLUDED IN WESTWARD REGION IV. (FUNDING @ \$4,500,000)

COMM. FISH REGIONS & AREA COMMUNITIES	PILOT PROJECT	BY AREA	BY REGION
	(A) TOTAL \$\$ ALLOCATION	(B) TOTAL \$\$ ALLOCATION	(C) TOTAL \$\$ ALLOCATION
REGION I: SOUTHEASTERN			
AREA A - JUNEAU & YAKUTAT			
ANGOON	\$1,458.66	\$27,558.32	\$20,871.86
HAINES	\$0.00	\$0.00	\$0.00
HAINES, BOROUGH OF	\$0.00	\$0.00	\$0.00
JUNEAU, CITY AND BOROUGH	\$0.00	\$0.00	\$0.00
SKAGWAY	\$4,375.97	\$30,632.80	\$21,840.00
YAKUTAT	\$0.00	\$0.00	\$0.00
AREA A - TOTAL.....	\$5,834.63	\$58,191.12	\$42,711.91
AREA B - KETCHIKAN			
CRAIG	\$4,310.54	\$33,088.29	\$24,257.32
HYDABURG	\$0.00	\$0.00	\$0.00
KASAAN	\$0.00	\$0.00	\$0.00
KETCHIKAN	\$10,656.56	\$103,132.95	\$70,724.00
KETCHIKAN, BOROUGH OF	\$2,186.70	\$28,236.30	\$52,405.34
KLAWOCK	\$2,526.51	\$28,506.93	\$21,218.10
METLAKATLA	\$0.00	\$0.00	\$0.00
SAXMAN	\$2,186.70	\$25,124.06	\$18,973.95
THORNE BAY	\$0.00	\$0.00	\$0.00
AREA B - TOTAL.....	\$21,867.01	\$218,088.53	\$187,578.71
AREA C - PETERSBURG/WRANGELL			
KAKE	\$0.00	\$0.00	\$0.00
KUPREANOF	\$0.00	\$0.00	\$0.00
PETERSBURG	\$0.00	\$0.00	\$0.00
WRANGELL	\$0.00	\$0.00	\$0.00
AREA C - TOTAL.....	\$0.00	\$0.00	\$0.00
AREA D - SITKA			
HOONAH	\$0.00	\$0.00	\$0.00
PELICAN	\$1,060.48	\$10,605.81	\$18,140.41
PORT ALEXANDER	\$0.00	\$0.00	\$0.00
SITKA, BOROUGH OF	\$3,229.98	\$38,306.83	\$69,486.51
TENAKEE SPRINGS	\$1,646.73	\$10,301.40	\$17,576.17
AREA D - TOTAL.....	\$5,937.19	\$59,214.05	\$105,203.09
REGION I - TOTAL.....	\$33,638.84	\$335,493.70	\$335,493.70

REGION II: CENTRAL			
AREA E - PRINCE WILLIAM SOUND			
CORDOVA	\$16,394.73	\$131,680.00	\$64,097.77
VALDEZ	\$12,751.46	\$159,006.60	\$69,656.37
WHITTIER	\$0.00	\$0.00	\$0.00
AREA E - TOTAL.....	\$29,146.18	\$290,686.68	\$133,754.14
AREA H - COOK INLET			
ANCHORAGE, MUNICIPALITY OF	\$0.00	\$0.00	\$0.00
ANDERSON	\$0.00	\$0.00	\$0.00
HOMER	\$0.00	\$0.00	\$0.00
HOUSTON	\$0.00	\$0.00	\$0.00
KACHEMAK	\$0.00	\$0.00	\$0.00
KENAI PENINSULA BOROUGH	\$2,193.94	\$21,881.05	\$178,813.59
KENAI	\$0.00	\$0.00	\$0.00
MATANUSKA-SUSITNA BOROUGH	\$0.00	\$0.00	\$0.00
PALMER	\$0.00	\$0.00	\$0.00
SELDOVIA	\$0.00	\$0.00	\$0.00
SEWARD	\$0.00	\$0.00	\$0.00
SOLDATNA	\$0.00	\$0.00	\$0.00
WASILLA	\$0.00	\$0.00	\$0.00
AREA H - TOTAL.....	\$2,193.94	\$21,881.05	\$178,813.59
AREA T - BRISTOL BAY			
ALEKNAGIK	\$0.00	\$0.00	\$0.00
BRISTOL BAY BOROUGH	\$24,329.34	\$448,778.27	\$215,140.90
CLARK'S POINT	\$25,078.40	\$216,666.70	\$118,248.18
DILLINGHAM	\$37,353.32	\$620,669.46	\$286,895.21
EKWOK	\$0.00	\$0.00	\$0.00
MANOKOTAK	\$0.00	\$0.00	\$0.00
NEW STUYAHOK	\$0.00	\$0.00	\$0.00
NEWHALEN	\$0.00	\$0.00	\$0.00
NONDALTON	\$0.00	\$0.00	\$0.00
TOGIAK	\$74,528.43	\$322,490.87	\$162,423.45
AREA T - TOTAL.....	\$161,289.49	\$1,608,605.30	\$782,707.74
REGION II - TOTAL.....	\$192,629.62	\$1,921,173.02	\$312,567.73

REGION III: A-Y-K			
AREA W - KUSKOKWIM			
AKIACHUK	\$0.00	\$0.00	\$0.00
AKIAK	\$0.00	\$0.00	\$0.00
ANIAK	\$0.00	\$0.00	\$0.00
ATMAUTLUAK	\$0.00	\$0.00	\$0.00
BETHEL	\$0.00	\$0.00	\$0.00
CHEFORNAK	\$0.00	\$0.00	\$0.00

CHUATHBALUK	\$0.00	\$0.00	\$0.00
EEK	\$0.00	\$0.00	\$0.00
GOODNEWS BAY	\$0.00	\$0.00	\$0.00
KASIGLUK	\$0.00	\$0.00	\$0.00
KWETHLUK	\$0.00	\$0.00	\$0.00
LOWER KALSKAG	\$0.00	\$0.00	\$0.00
MEKORYUK	\$0.00	\$0.00	\$0.00
NAPAKIAK	\$0.00	\$0.00	\$0.00
NAPASKIAK	\$0.00	\$0.00	\$0.00
NEWTOK	\$0.00	\$0.00	\$0.00
NIGHTMUTE	\$0.00	\$0.00	\$0.00
NIKOLAI	\$0.00	\$0.00	\$0.00
NUNAPITCHUK (AKOLMIUT)	\$0.00	\$0.00	\$0.00
PLATINUM	\$0.00	\$0.00	\$0.00
QUINHAGAK	\$2,615.54	\$32,453.50	\$47,438.37
TOKSOOK BAY	\$3,644.96	\$29,985.00	\$43,860.11
TULUKSAK	\$0.00	\$0.00	\$0.00
TUNUNAK	\$0.00	\$0.00	\$0.00
UPPER KALSKAG	\$0.00	\$0.00	\$0.00

AREA W - TOTAL..... \$6,260.50 \$62,438.49 \$91,298.48

AREA X - KOTZEBUE

AMBLER	\$0.00	\$0.00	\$0.00
ANAKTUVUK PASS	\$0.00	\$0.00	\$0.00
ATQASUK	\$0.00	\$0.00	\$0.00
BARROW	\$0.00	\$0.00	\$0.00
BUCKLAND	\$0.00	\$0.00	\$0.00
DEERING	\$0.00	\$0.00	\$0.00
KAKTOVIK	\$0.00	\$0.00	\$0.00
KIANA	\$0.00	\$0.00	\$0.00
KIVALINA	\$0.00	\$0.00	\$0.00
KOTZEBUE	\$0.00	\$0.00	\$0.00
NOORVIK	\$0.00	\$0.00	\$0.00
NORTH SLOPE BOROUGH	\$0.00	\$0.00	\$0.00
NORTHWEST ARCTIC BOROUGH	\$0.00	\$0.00	\$0.00
NUIQSUT	\$0.00	\$0.00	\$0.00
POINT HOPE	\$0.00	\$0.00	\$0.00
SELAWIK	\$0.00	\$0.00	\$0.00
SHISHMAREF	\$0.00	\$0.00	\$0.00
SHUNGNAK	\$0.00	\$0.00	\$0.00
WAINWRIGHT	\$0.00	\$0.00	\$0.00

AREA X - TOTAL..... \$0.00 \$0.00 \$0.00

AREA Y - YUKON

ALAKANUK	\$0.00	\$0.00	\$0.00
CHEVAK	\$0.00	\$0.00	\$0.00
EMMONAK	\$8,954.24	\$89,304.25	\$56,752.40
FORTUNA LEDGE (MARSHALL)	\$0.00	\$0.00	\$0.00
HOLY CROSS	\$0.00	\$0.00	\$0.00
HOOPER BAY	\$0.00	\$0.00	\$0.00

KOTLIK	\$0.00	\$0.00	\$0.00
MOUNTAIN VILLAGE	\$0.00	\$0.00	\$0.00
PILOT STATION	\$0.00	\$0.00	\$0.00
RUSSIAN MISSION	\$0.00	\$0.00	\$0.00
SAINT MARY'S	\$0.00	\$0.00	\$0.00
SCAMMON BAY	\$0.00	\$0.00	\$0.00
SHELDON POINT	\$0.00	\$0.00	\$0.00

AREA Y - TOTAL.....	\$8,954.24	\$89,304.25	\$56,752.40
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AREA Z - NORTON SOUND

BREVIG MISSION	\$0.00	\$0.00	\$0.00
ELIM	\$0.00	\$0.00	\$0.00
GOLOVIN	\$2,843.50	\$28,231.33	\$30,125.87
KOYUK	\$2,113.56	\$31,942.58	\$33,651.51
NOME	\$0.00	\$0.00	\$0.00
SAINT MICHAEL	\$0.00	\$0.00	\$0.00
SHAKTOOLIK	\$0.00	\$0.00	\$0.00
STEBBINS	\$0.00	\$0.00	\$0.00
TELLER	\$0.00	\$0.00	\$0.00
UNALAKLEET	\$7,528.20	\$64,346.75	\$64,435.15
WALES	\$0.00	\$0.00	\$0.00
WHITE MOUNTAIN	\$0.00	\$0.00	\$0.00

AREA Z - TOTAL.....	\$12,485.27	\$124,520.66	\$128,212.53
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REGION III - TOTAL.....	\$27,700.01	\$276,263.41	\$276,263.41
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REGION IV: WESTERN

AREA K - KODIAK

AKHIOK	\$0.00	\$0.00	\$0.00
KODIAK	\$3,926.71	\$60,489.97	\$654,208.95
KODIAK ISLAND BOROUGH	\$7,633.62	\$56,574.38	\$604,900.37
LARSEN BAY	\$1,745.20	\$18,794.81	\$129,230.98
OLD HARBOR	\$0.00	\$0.00	\$0.00
OUZINKIE	\$1,745.20	\$18,911.11	\$130,695.35
PORT LIONS	\$2,401.29	\$19,285.87	\$135,413.89

AREA K - TOTAL.....	\$17,452.03	\$174,056.13	\$1,654,457.54
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AREA L - CHIGNIK

CHIGNIK	\$2,277.98	\$22,719.24	\$122,478.59
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AREA L - TOTAL.....	\$2,277.98	\$22,719.24	\$122,478.59
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AREA M - ALASKA PENINSULA

COLD BAY	\$0.00	\$0.00	\$0.00
KING COVE	\$9,730.37	\$90,118.64	\$156,647.31
PORT HEIDEN	\$5,582.25	\$51,326.97	\$119,387.13
SAND POINT	\$10,775.98	\$118,746.56	\$184,144.99

AREA M - TOTAL.....	\$26,088.60	\$260,192.18	\$460,179.44
AREA R&D - ALEUTIANS			
AKUTAN	\$0.00	\$0.00	\$0.00
UNALASKA/DUTCH HARBOR	\$50,166.59	\$500,331.69	\$268,102.42
AREA R&D - TOTAL.....	\$50,166.59	\$500,331.69	\$268,102.42
AREA Q - BERING SEA			
SAINT PAUL	\$25,311.58	\$632,704.37	\$160,145.53
SAINT GEORGE	\$75,934.75	\$377,066.24	\$127,603.90
AREA Q - TOTAL.....	\$101,246.33	\$1,009,770.62	\$287,749.43
REGION IV - TOTAL.....	\$197,231.54	\$1,967,069.86	\$3,575,675.16

TOTAL FUNDING.. (\$\$).....	\$451,200.00	\$4,500,000.00	\$4,500,000.00



ALASKA COMMERCIAL FISHERIES REGIONS AND AREAS

REGION I: SOUTHEASTERN: Dixon Entrance to Cape Suckling

- Areas: A. Juneau & Yakutat
 B. Ketchikan
 C. Petersburg
 D. Sitka

REGION II: CENTRAL: State Third Judicial Division Northern Boundary to Cape Suckling to Cape Douglas to Cape Newenham

- Areas: E. Prince William Sound
 H. Cook Inlet
 T. Bristol Bay (salmon and herring catch; all fish and shellfish production)

REGION III: ARCTIC-YUKON-KUSKOKWIM (AYK): North of State Third Judicial Division Northern Boundary which ends at the west at Cape Newenham including Nunivak, St. Matthew, and St. Lawrence Islands

- Areas: W. Kuskokwim
 X. Kotzebue
 Y. Yukon
 Z. Norton Sound

REGION IV: WESTERN: Cape Douglas to Unimak Pass to Cape Newenham including Kodiak and Aleutian Islands

- Areas: K. Kodiak
 L. Chignik
 M. Alaska Peninsula
 O. Dutch Harbor
 Q. Bering Sea
 R. Adak & W. Aleutians
 T. Bristol Bay (fish other than salmon and herring catch; and shellfish catch)

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION I: SOUTHEASTERN						
AREA A - JUNEAU & YAKUTAT						
ANGSON	1	0	\$1,612.51	\$0.00	\$1,612.51	
HAINES	0	0	\$0.00	\$0.00	\$0.00	
HAINES, BOROUGH OF	0	0	\$0.00	\$0.00	\$0.00	
JUNEAU, CITY AND BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
SKAGWAY	1	100	\$1,612.51	\$3,225.01	\$4,837.52	
YAKUTAT	0	0	\$0.00	\$0.00	\$0.00	
AREA A - TOTAL.....	2	100	\$3,225.01	\$3,225.01	\$6,450.03	3,384,559
AREA B - KETCHIKAN						
CRAIG	1	500	\$2,417.34	\$2,347.84	\$4,765.18	
HYDABURG	0	0	\$0.00	\$0.00	\$0.00	
KASAN	0	0	\$0.00	\$0.00	\$0.00	
KETCHIKAN	1	1,994	\$2,417.34	\$9,363.20	\$11,780.54	
KETCHIKAN, BOROUGH OF	1	0	\$2,417.34	\$0.00	\$2,417.34	
KLAWOCK	1	80	\$2,417.34	\$375.66	\$2,792.99	
METLAKATLA	0	0	\$0.00	\$0.00	\$0.00	
SAXMAN	1	0	\$2,417.34	\$0.00	\$2,417.34	
THORNE BAY	0	0	\$0.00	\$0.00	\$0.00	
AREA B - TOTAL.....	5	2,574	\$12,086.70	\$12,086.70	\$24,173.40	12,684,641
AREA C - PETERSBURG/WRANGELL						
KAKE	0	0	\$0.00	\$0.00	\$0.00	
KUPREANOF	0	0	\$0.00	\$0.00	\$0.00	
PETERSBURG	0	0	\$0.00	\$0.00	\$0.00	
WRANGELL	0	0	\$0.00	\$0.00	\$0.00	
AREA C - TOTAL.....	0	0	\$143.39	\$143.39	\$286.78	150,488
AREA D - SITKA						
HOONAH	0	0	\$0.00	\$0.00	\$0.00	
PELICAN	1	38	\$1,093.90	\$78.43	\$1,172.33	
PORT ALEXANDER	0	0	\$0.00	\$0.00	\$0.00	
SITKA, BOROUGH OF	1	1,200	\$1,093.90	\$2,476.76	\$3,570.66	
TENAKEE SPRINGS	1	352	\$1,093.90	\$726.52	\$1,820.42	
AREA D - TOTAL.....	3	1,590	\$3,281.71	\$3,281.71	\$6,563.41	3,444,055

COMM.FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION II: CENTRAL						
AREA E - PRINCE WILLIAM SOUND						
CORDOVA	1	500	\$8,055.08	\$10,068.85	\$18,123.94	
VALDEZ	1	300	\$8,055.08	\$6,041.31	\$14,096.40	
WHITTIER	0	0	\$0.00	\$0.00	\$0.00	
AREA E - TOTAL.....	2	800	\$16,110.17	\$16,110.17	\$32,220.33	16,907,153
AREA H -- COOK INLET						
ANCHORAGE, MUNICIPALITY OF	0	0	\$0.00	\$0.00	\$0.00	
ANDERSON	0	0	\$0.00	\$0.00	\$0.00	
HOYER	0	0	\$0.00	\$0.00	\$0.00	
HOUSTON	0	0	\$0.00	\$0.00	\$0.00	
KACHEMAK	0	0	\$0.00	\$0.00	\$0.00	
KENAI PENINSULA BOROUGH	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	
KENAI	0	0	\$0.00	\$0.00	\$0.00	
MATANUSKA-SUSITNA BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
PALMER	0	0	\$0.00	\$0.00	\$0.00	
SELDOVIA	0	0	\$0.00	\$0.00	\$0.00	
SEWARD	0	0	\$0.00	\$0.00	\$0.00	
SOLDATNA	0	0	\$0.00	\$0.00	\$0.00	
WASILLA	0	0	\$0.00	\$0.00	\$0.00	
AREA H - TOTAL.....	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	1,272,663
AREA T - BRISTOL BAY						
ALEKNASIK	0	0	\$0.00	\$0.00	\$0.00	
BRISTOL BAY BOROUGH	1	345	\$22,287.66	\$4,607.79	\$26,895.44	
CLARK'S POINT	1	407	\$22,287.66	\$5,435.85	\$27,723.51	
DILLINGHAM	1	1,423	\$22,287.66	\$19,005.44	\$41,293.10	
EKWOK	0	0	\$0.00	\$0.00	\$0.00	
MANOKOTAK	0	0	\$0.00	\$0.00	\$0.00	
NEW STUYAHOK	0	0	\$0.00	\$0.00	\$0.00	
NEKHALEN	0	0	\$0.00	\$0.00	\$0.00	
NONDALTON	0	0	\$0.00	\$0.00	\$0.00	
TOGIAK	1	4,500	\$22,287.66	\$60,101.54	\$82,389.20	
AREA T - TOTAL.....	4	6,675	\$89,150.62	\$89,150.62	\$178,301.25	93,560,997

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION III: A-Y-K						
AREA W - KUSKOKWIM						
AKIACHUK	0	0	\$0.00	\$0.00	\$0.00	
AKIAK	0	0	\$0.00	\$0.00	\$0.00	
ANIAK	0	0	\$0.00	\$0.00	\$0.00	
ATHAUTLUAK	0	0	\$0.00	\$0.00	\$0.00	
BETHEL	0	0	\$0.00	\$0.00	\$0.00	
CHEFORNAK	0	0	\$0.00	\$0.00	\$0.00	
CHLATHBALUK	0	0	\$0.00	\$0.00	\$0.00	
EEK	0	0	\$0.00	\$0.00	\$0.00	
GOODNEWS BAY	0	0	\$0.00	\$0.00	\$0.00	
KASIGLUK	0	0	\$0.00	\$0.00	\$0.00	
KWETHLUK	0	0	\$0.00	\$0.00	\$0.00	
LOWER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
MEKORYUK	0	0	\$0.00	\$0.00	\$0.00	
NAPAKIAK	0	0	\$0.00	\$0.00	\$0.00	
NAPASKIAK	0	0	\$0.00	\$0.00	\$0.00	
NEWTOK	0	0	\$0.00	\$0.00	\$0.00	
NIGHTMUTE	0	0	\$0.00	\$0.00	\$0.00	
NIKOLAI	0	0	\$0.00	\$0.00	\$0.00	
NUNAPITCHUK (AKOLMIUT)	0	0	\$0.00	\$0.00	\$0.00	
PLATINUM	0	0	\$0.00	\$0.00	\$0.00	
QUINHAGAK	1	50	\$1,730.20	\$1,161.21	\$2,891.41	
TOKSOOK BAY	1	99	\$1,730.20	\$2,299.20	\$4,029.40	
TULUKSAK	0	0	\$0.00	\$0.00	\$0.00	
TUNUNAK	0	0	\$0.00	\$0.00	\$0.00	
UPPER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
AREA W - TOTAL.....	2	149	\$3,460.41	\$3,460.41	\$6,920.82	3,631,598
AREA X - KOTZEBUE						
ABLER	0	0	\$0.00	\$0.00	\$0.00	
ANAKTUUK PASS	0	0	\$0.00	\$0.00	\$0.00	
ATCASUK	0	0	\$0.00	\$0.00	\$0.00	
BARROW	0	0	\$0.00	\$0.00	\$0.00	
BUCKLAND	0	0	\$0.00	\$0.00	\$0.00	
DEERING	0	0	\$0.00	\$0.00	\$0.00	
KAKTOVIK	0	0	\$0.00	\$0.00	\$0.00	
KIANA	0	0	\$0.00	\$0.00	\$0.00	
KIVALINA	0	0	\$0.00	\$0.00	\$0.00	
KOTZEBUE	0	0	\$0.00	\$0.00	\$0.00	
NOORVIK	0	0	\$0.00	\$0.00	\$0.00	
NORTH SLOPE BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NORTHWEST ARCTIC BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NUQSUT	0	0	\$0.00	\$0.00	\$0.00	
POINT HOPE	0	0	\$0.00	\$0.00	\$0.00	
SELAWIK	0	0	\$0.00	\$0.00	\$0.00	
SHISHMAREF	0	0	\$0.00	\$0.00	\$0.00	

SHUNGNAK	0	0	\$0.00	\$0.00	\$0.00	
WAINWRIGHT	0	0	\$0.00	\$0.00	\$0.00	
AREA X - TOTAL.....	0	0	\$0.00	\$0.00	\$0.00	0

AREA Y - YUKON						
ALAKANUK	0	0	\$0.00	\$0.00	\$0.00	
CHEVAK	0	0	\$0.00	\$0.00	\$0.00	
EMMONAK	1	112	\$4,949.34	\$4,949.34	\$9,898.67	
FORTUNA LEDGE (MARSHALL)	0	0	\$0.00	\$0.00	\$0.00	
HOLY CROSS	0	0	\$0.00	\$0.00	\$0.00	
HOOVER BAY	0	0	\$0.00	\$0.00	\$0.00	
KOTLIK	0	0	\$0.00	\$0.00	\$0.00	
MOUNTAIN VILLAGE	0	0	\$0.00	\$0.00	\$0.00	
PILOT STATION	0	0	\$0.00	\$0.00	\$0.00	
RUSSIAN MISSION	0	0	\$0.00	\$0.00	\$0.00	
SAINT MARY'S	0	0	\$0.00	\$0.00	\$0.00	
SCAMMON BAY	0	0	\$0.00	\$0.00	\$0.00	
SHELDON POINT	0	0	\$0.00	\$0.00	\$0.00	
AREA Y - TOTAL.....	1	112	\$4,949.34	\$4,949.34	\$9,898.67	5,194,185

AREA Z - NORTON SOUND						
BREVIG MISSION	0	0	\$0.00	\$0.00	\$0.00	
ELIH	0	0	\$0.00	\$0.00	\$0.00	
GOLOVIN	1	70	\$2,300.36	\$843.06	\$3,143.42	
KOYUK	1	3	\$2,300.36	\$36.13	\$2,336.49	
NOME	0	0	\$0.00	\$0.00	\$0.00	
SAINT MICHAEL	0	0	\$0.00	\$0.00	\$0.00	
SHAKTOOLIK	0	0	\$0.00	\$0.00	\$0.00	
STEBBINS	0	0	\$0.00	\$0.00	\$0.00	
TELLER	0	0	\$0.00	\$0.00	\$0.00	
UNALAKLEET	1	500	\$2,300.36	\$6,021.87	\$8,322.23	
WALES	0	0	\$0.00	\$0.00	\$0.00	
WHITE MOUNTAIN	0	0	\$0.00	\$0.00	\$0.00	
AREA Z - TOTAL.....	3	573	\$6,901.07	\$6,901.07	\$13,802.14	7,242,471

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION IV: WESTERN						
AREA K - KODIAK						
AKHICK	0	0	\$0.00	\$0.00	\$0.00	
KODIAK	1	133	\$1,929.28	\$2,411.59	\$4,340.87	
KODIAK ISLAND BOROUGH	1	359	\$1,929.28	\$6,509.49	\$8,438.77	
LARSEN BAY	1	0	\$1,929.28	\$0.00	\$1,929.28	
OLD HARBOR	0	0	\$0.00	\$0.00	\$0.00	
OUZINKIE	1	0	\$1,929.28	\$0.00	\$1,929.28	
PORT LIONS	1	40	\$1,929.28	\$725.29	\$2,654.57	
AREA K - TOTAL.....	5	532	\$9,646.38	\$9,646.38	\$19,292.75	10,123,593
AREA L - CHIGNIK						
CHIGNIK	1	240	\$1,259.12	\$1,259.12	\$2,518.25	
AREA L - TOTAL.....	1	240	\$1,259.12	\$1,259.12	\$2,518.25	1,321,415
AREA M - ALASKA PENINSULA						
COLD BAY	0	0	\$0.00	\$0.00	\$0.00	
KING COVE	1	314	\$4,806.71	\$5,949.96	\$10,756.67	
PORT HEIDEN	1	72	\$4,806.71	\$1,364.32	\$6,171.03	
SAND POINT	1	375	\$4,806.71	\$7,105.85	\$11,912.55	
AREA M - TOTAL.....	3	761	\$14,420.13	\$14,420.13	\$28,840.26	15,133,507
AREA R&D - ALEUTIANS						
AKUTAN	0	0	\$0.00	\$0.00	\$0.00	
UNALASKA	1	1000	\$3,790.71	\$3,790.71	\$7,581.43	
AREA R&D - TOTAL.....	1	1,000	\$3,790.71	\$3,790.71	\$7,581.43	3,978,244
AREA Q - BERING SEA						
SAINT PAUL	1	0	\$27,981.28	\$0.00	\$27,981.28	
SAINT GEORGE	1	14	\$27,981.28	\$55,962.57	\$83,943.85	
AREA Q - TOTAL.....	2	14	\$55,962.57	\$55,962.57	\$111,925.13	58,731,032

STATEWIDE CATCH TOTAL (LBS.)..						236,760,662
TOTAL FUNDING.. (\$\$).....			\$225,600.00	\$225,600.00	\$451,200.00	
CHECK SUMS TOTAL.....	35	22,763	\$225,456.61	\$225,456.61	\$450,913.21	236,760,662
BALANCE OUTSTANDING.....			\$143.39	\$143.39	\$286.79	

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An act..fisheries business taxes to municipalities..effective date."
Sponsor: Zharoff
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: Local Government Assistance

Components: Local Government Support

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		23.1	23.9	24.7	25.5	26.3
TRAVEL		2.0	2.0	2.0	2.0	2.0
CONTRACTUAL		3.0	3.0	3.0	3.0	3.0
SUPPLIES						
EQUIPMENT		1.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		29.1	28.9	29.7	30.5	31.3
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		29.1	28.9	29.7	30.5	31.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director
Division: Municipal & Regional Assistance

Phone: 465-4750
Date: 3/22/88

Approved by Commissioner: David C. Poffen
Agency: Community & Regional Affairs

Date: 3-22-88

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Position Title Grants Administrator		No. of Positions 1	Range/Step 17 A	Barg. Unit GGU	
Time Status Part Time	Staff Months 6 months	Location Juneau		Election District	
Type of Expenditure		Justification			
Amount		<p>This position will administer the tax sharing program. The amount of work associated with the program does not justify a full time position.</p>			
1	2				3
Salary	17.4				
Benefits	5.7				
Premium Pay					
Other					
Total Personal Services					
Travel					
Contractual					
Commodities					
Equipment					
Other					
Total Cost					
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004				
GF Program Receipts	1005				
Other					

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Local Government Assistance
 Component Local Government Support

FY 89

Page 1 of 1
 Revised Date _____

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

Senate Community and Regional Affairs Committee

*How pilot project
How work of
Destruction -
(1) no report done in this
will have members
(2) set affected
(3) want to measure
(4) see revenue loss
(5) fiscal note C & RA*

March 22, 1988

TO: Senate Community and Regional Affairs Committee Members

FROM: Senate C&RA Staff *ME*

RE: CSSB 454(C&RA) - "An Act relating to the allocation of fisheries business taxes to municipalities by the Department of Community and Regional Affairs."

Municipalities currently receive raw fish tax from processors within their boundaries. Many municipalities are affected by fishing activity outside their boundaries but they receive no raw fish tax from these activities.

This bill establishes a formula program for the distribution of a portion of raw fish tax revenues from floating processors to municipalities affected by the fishing industry. If the formula were fully funded, this would result in a transfer of approximately five million dollars a year from the state to coastal municipalities.

A fiscal note from the Department of Revenue is in the packet and a fiscal note from the Department of Community and Regional Affairs (DC&RA) will be available at the meeting. A position paper from DC&RA is also in the packet as is a memo from the drafter, and a memo and other backup material from Senator Zharoff. The DC&RA position paper expresses concern on the effect this bill may have on borough formation.

The CS makes several technical changes. The first, on page 2, line, 3, clarifies that it is negative effects on the municipality that are being compensated. The second (Page 2, subsection (b)) clarifies the basis of the tax allocation and apportionment process.

The third also on page 2, is the deletion of a subsection that

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

Senate Community and Regional Affairs Committee

March 22, 1988

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The third also on page 2, is the deletion of a subsection that

subtracted city populations from borough populations for the purposes of allocating these revenues. This was done to lessen the negative effects on borough formation.

The fifth change (Page 4, Section 4) sets out the management regions used as the basis of allocations. A map will be available at the committee. The last change is an extension of the effective date from July 1, 1988 to July 1, 1989. The sponsor supports the CS.

FISCAL NOTE

REQUEST:

Revision Date: March 17, 1988
Title: "An Act relating to the allocation of fisheries business taxes"
Sponsor: Zharoff
Requestor: Community & Regional Affairs

Agency Affected: Revenue
BRU: Income and Excise Audit

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	17.0	17.0	17.0	17.0	17.0
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	10.2	3.2	3.2	3.2	3.2
SUPPLIES	-	.5	.5	.5	.5	.5
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	27.7	20.7	20.7	20.7	20.7
CAPITAL	-	-	-	-	-	-
REVENUE	-	(4,500)	(5,000)	(5,000)	(5,000)	(5,000)

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	27.7	20.7	20.7	20.7	20.7
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	27.7	20.7	20.7	20.7	20.7

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	1	1	1	1	1
TEMPORARY	-	-	-	-	-	-

ANALYSIS: (Attach a separate page if necessary)

The estimated loss of general fund unrestricted revenues would result in additional revenue sharing to municipalities under SB 454. Estimates are based on FY 87 actuals and reflect current price/catch assumptions in future years.

Prepared By: Steven E. Kettel
Division: Income and Excise Audit Division

Phone: 465-2320
Date: March 17, 1988

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: March 17, 1988

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

SB 454 Analysis

Prepared By: Steven E. Kettel
Income and Excise Audit
March 17, 1988

Personal Services

<u>Position</u>	<u>Location</u>	<u>Annual Salary/Benefits</u>
Accounting Clerk II	Juneau	\$17.0

This creates one seasonal half time position to copy and file returns.

Contractual

Design and Printing of Forms	\$7.0	
File Cabinet	\$.7	
Copying Charges	<u>\$2.5</u>	
TOTAL		\$10.2

Supplies

Office Supplies	<u>\$.5</u>	
TOTAL		<u>\$.5</u>

OPERATING TOTAL		<u>\$38.4</u>
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STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 21, 1988

STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

POSITION PAPER

RE: Senate Bill 454

SPONSOR: Senator Zharoff

Program Effects of Bill:

This bill establishes a formula based program for the distribution of a portion of raw fish tax revenues from floating processors to municipalities affected by the fishing industry.

Comments:

This formula is based on a pilot project conducted by this department pursuant to intent language in the FY 1986 operating budget appropriations bill to set up a program for mitigation of effects on municipalities from offshore fish processors. The approach of the formula is to make allocations based on the following factors:

- the location of the impacted municipality within fisheries regions of the state;
- the relative proportion of commercial fisheries production from floating processors within the region to statewide production; and
- the population of the municipality.

The pilot project utilized commercial fisheries management areas, which are smaller units than the regions utilized in this bill, on the theory that the magnitude of production within those areas would more accurately reflect the magnitude of effects on municipalities. However, a problem that arose in use of the areas was the inability to compensate for effects across management area boundaries. The pilot project also utilized population increases (within the municipality) due to the offshore fish processing industry, rather than municipal population, on the assumption that such an increase was a better indicator of impact than the resident population. However, in practice, it was virtually impossible for municipalities to estimate this population increase with any

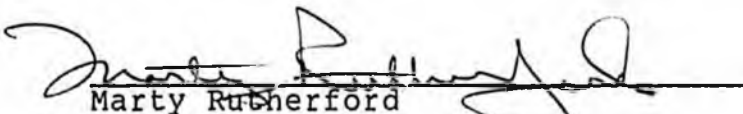
degree of accuracy. The formula, by requiring a municipality to show "substantial effects" in order to participate in the program, and by allocating funds on the basis of the management regions, establishes a reasonable relationship between impacts and funding level under the program. While the definition of "effect" is set out in the bill, there are no criteria for the determination of when such an effect would amount to a "substantial" one, leaving it to the department's discretion to determine.

The department is concerned that this bill would reduce the incentive for unincorporated coastal regions of the state to form boroughs.

The opportunity to increase local revenues is often a principal motivating factor in any proposal to form a new borough. State shared business fisheries taxes are particularly important to prospective new boroughs since they do not represent an increase in the tax burden by the proposed borough.

Under present law, state business fisheries taxes may be shared with a municipal government only to the extent that fish processing activities occur within the boundaries of that municipal government. In unincorporated regions of the state, where the potential for state shared fisheries tax revenues is significant, the prospect of these funds may be a substantial incentive to form a borough. However, under this bill it would not be necessary to form a borough in order to share in business fisheries taxes collected outside the boundaries of a municipality. Under full funding projections, that incentive would seriously be eroded.

On the one hand, it could be argued that the state already provides a mechanism to support local governments through the various "foundation" programs (state revenue sharing, municipal assistance, and education), as well as various shared tax programs. However, this program may be justified on the basis that it targets specific concerns of the state that are not addressed by other programs. This department is generally supportive of efforts to strengthen local governments, which this program would accomplish by providing funds for the mitigation of negative impacts from the off-shore fish processing industry. However, in view of the current revenue situation, the department is concerned about implementation of this legislation.


Marty Rutherford
Acting Deputy Commissioner

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

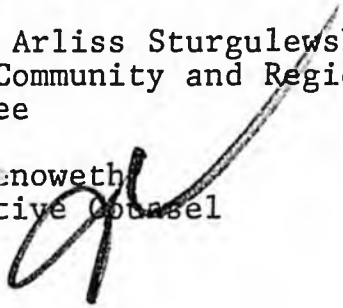
M E M O R A N D U M

March 15, 1988

SUBJECT: Draft CSSB 454 (C&RA)

TO: Senator Arliss Sturgulewski, Chair
Senate Community and Regional Affairs
Committee

FROM: Jack Chenoweth
Legislative Counsel



Senate Bill 454 and the enclosed draft committee substitute rely on the term "management region" as the basis for allocation of the fisheries business tax. Investigation discloses that there are four management regions, and that they have been used by the Department of Community and Regional Affairs for purposes of management of the pilot program (19 AAC 33). The notion of a management region is no more than an administrative convenience of the Department of Fish and Game and has no reference in statute or regulation that I may readily incorporate into this committee substitute.

The instruction accompanying the committee substitute asks for a very specific change in the designation of an area within one of the management regions, relating to area T and region IV.

To respond to the instruction, in the accompanying draft, I have

(1) authorized the Department of Community and Regional Affairs, the agency responsible for this new program, to alter or amend the management regions as those regions may be changed or altered by the Department of Fish and Game (proposed AS 29.60.450(f)(1));

(2) included in the definition of the term "management region" a reference to the units that the Department of Community and Regional Affairs may designate (proposed AS 29.-60.450(g)(4));

Senator Arlis Sturgulewski
Page 2
March 15, 1988

(3) directed that, until new regulations are adopted based on a change in the definition of management region by the Department of Fish and Game, the Department of Community and Regional Affairs should use the four existing management regions (proposed bill section 4); and

(4) described those four existing management regions, albeit in temporary law (proposed bill section 4).

The net effect of the drafting approach should be to commit the Department of Community and Regional Affairs to use the regions specified in bill section 4 for an indefinite period. When the Department of Fish and Game makes any changes in the description of one or more of the four regions, the Department of Community and Regional Affairs enjoys authority under AS 29.60.450(f)(1) and 29.60.450(g)(4) to make the necessary adjustments in the regional lines.

A map showing the actual dimensions of the initial four regions and their relationship to the municipalities within them accompanies this draft.

I have made the remaining changes specified in the instruction accompanying the committee substitute.

If the draft or this memo prompt questions, please contact me.

Enclosure

JBC:gc
WKG2:53



SENATOR FRED F. ZHAROFF
ALASKA STATE LEGISLATURE

P.O. BOX 405, KODIAK, ALASKA 99615 (907) 486-5259

DURING SESSION:

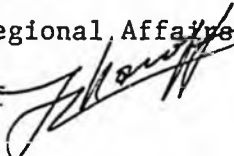
P.O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3473 • 465-3474

DISTRICT N

ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIBILOF ISLANDS • SHUMAGIN ISLANDS

MEMORANDUM

TO: Senator Arliss Sturgulewski
Chair
Senate Community and Regional Affairs Committee

FROM: Senator Fred F. Zharoff 

DATE: March 13, 1988

RE: Senate Bill 454 - "An Act relating to the allocation of fisheries business taxes to municipalities by the Department of Community and Regional Affairs; and providing for an effective date."

SB 454 corrects an inequity in our present fisheries tax structure. It establishes a formula to allow municipalities to receive revenue from floating processors operating outside municipal boundaries. This would compensate communities from the impact of serving as the staging areas for floating processing vessels that operate in their regions.

SB 454 originated from a pilot project approved by the legislature in 1985. It was implemented by the Department of Community and Regional Affairs in 1986-87. Drawing on the outcome of the pilot project, SB 454 establishes the program in statute.

Under present statutes, the state shares 50 percent of the fisheries taxes it collects with the municipalities in which the fisheries resource was processed. The rationale for this is that industrial activity, such as seafood processing, creates a greater demand for municipal services. The shared revenues help the municipalities provide the additional services. In addition, by receiving shared revenues, municipalities are encouraged not to impose their own taxes on local shorebased processors. Both of the above principles are furthered by extending the shared revenue concept to the taxes collected from floating processors.

The following backup material is attached:

1. Resolution of support from the Southwest Alaska Municipal Conference, dated March 1, 1987.
2. Alaska Municipal League 1988 Policy Statement, Part 7, Taxation and Finance. Section B, #5 supports this legislation.
3. Letter from the City of Dillingham, dated Dec 8, 1988.

4. Map of ADF&G commercial fisheries management regions and areas.
5. Memo from the Department of Community and Regional Affairs to the Department of Revenue about the outcome of the pilot project, dated Aug. 5, 1987. Includes the following attachments:
 - (a) Regulations adopted for the pilot project.
 - (b) Letter from the City of Unalaska, July 28, 1987.
 - (c) Initial payment calculations.
 - (d) ADF&G 1985 floating processor catch data.
 - (e) Corrected payment calculations.
 - (f) Pilot project available balance, Aug. 3, 1987.
 - (g) Pilot project appropriation language from FY 1986 operating budget.
 - (h) Revenue/CRA Reimbursable Services Agreement.
 - (i) Letter from CRA Commissioner David Hoffman to City of Unalaska, Aug. 13, 1987.
6. DCRA pilot project cover letter and application form.
7. Attorney General's opinion, dated Jan. 18, 1985, explaining that no statutory authority exists for sharing tax revenue collected from processing activities that occur outside municipal boundaries.
8. Article from the Oct. 3, 1986 Bristol BayTimes, outlining difficulties between the City of Dillingham and City of Clarks Point over floating processors in Nushagak Bay.
9. Excerpt from the January North Pacific Fishery Management Council newsletter, explaining that ports will now be required to provide the commercial fishing fleet with a new service -- onshore garbage disposal facilities.



**SOUTHWEST ALASKA
MUNICIPAL CONFERENCE**

Box 89 • Unalaska • Alaska 99685

RESOLUTION 87-15

A RESOLUTION OF THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE
REGARDING THE STATE OF RAW FISH TAX PILOT PROGRAM.

WHEREAS, the sharing of state raw fish taxes with municipali-
ties where the revenues were generated is important to the
economic well being of those municipalities, and

WHEREAS, the state legislature changed the distribution
schedule for these monies with the understanding that there
would be no loss of income to affected municipalities, and

WHEREAS, the state has instituted a "pilot program" to
distribute a portion of the revenues collected outside the
municipalities to respective municipalities, and

WHEREAS, the coastal communities are rightful recipients of
a percentage of these funds because of impacts caused by the
offshore processors, now

THEREFORE, BE IT RESOLVED that the Southwest Alaska
Municipal Conference supports the establishment of an on-going
program and the allocation of State fish tax funds collected
from offshore processors to coastal communities.

APPROVED AND ADOPTED this 1st day of March, 1987.



Paul Fuhs, President

ALASKA MUNICIPAL LEAGUE

1988 POLICY STATEMENT

PART I
TAXATION AND FINANCE

A. STATE ASSISTANCE IN FINANCING LOCAL GOVERNMENT

1. Administration of Grants & Entitlements: The League supports legislation simplifying and standardizing grant programs and prohibiting the addition of special conditions to grants by a state agency where such conditions are not contained in the appropriation or the authorizing legislation for the grant program. The League further supports elimination of administrative fees deducted by state departments administering the grants. The League opposes any restrictions on the retention or use of interest earned on grant funds.

2. Pass-Through Funds and Grants: The League encourages the Legislature to make appropriations to nonprofit corporations and other named recipients under the provisions of AS 37.05.316 rather than making such grants to municipalities as "pass-through" grants under AS 37.05.315. The League further encourages the Legislature to amend AS 37.05 to permit grants that municipalities reject for lack of power or other reasons to be processed as grants under AS 37.05.316, which would allow the State to make the grants directly to a qualified nonprofit organization.

3. Matching Grants: In the state programs that require local match, the matching requirement should be imposed on all grantees.

4. Population Determination: The League supports the use of generally accepted demographic techniques to determine, annually, the resident population for revenue sharing and municipal assistance.

5. Forward Funding: The League urges the Legislature to establish a forward funding program for municipal assistance, municipal revenue sharing, school foundation, and school construction programs and to begin setting aside funds for the next fiscal year so that the program may be fully implemented at the earliest possible date.

B. MUNICIPAL ASSISTANCE/REVENUE SHARING PROGRAMS

1. Revenue Sharing:

a. The League supports the State Revenue Sharing Program. In order to provide more predictability of payments under the program and to insure that the benefits and burdens of changes in state revenues are shared equitably by state and local government, changes in the annual appropriation by the Legislature to the State Revenue Sharing Program should be based on such criteria as state population, inflation, cost of local government services, and other timely considerations.

b. In those cases in which legislation is approved increasing the state revenue sharing entitlement for specific recipients or for a specific purpose, the League advocates that the total funding for state revenue sharing be increased accordingly in order to preclude the dilution of funding to other recipients.

c. The League supports an increase in the state revenue sharing minimum entitlement.

d. The League supports full state funding for road maintenance at the \$2,500-per-mile level and ice road maintenance at the \$1,500-per-mile level determined by the First Session of the 11th State Legislature. The League also supports the adjustment of that amount to reflect the increased cost of maintenance. The League also urges that the Legislature add an entitlement for winter trail staking.

2. Municipal Assistance: The League supports the continued funding of Municipal Assistance at the highest level possible.

3. School Debt Reimbursement: If the need arises to reduce the liability of the state for reimbursement of new school debt, the reimbursement ratio should be adjusted. Neither a statewide limit on total reimbursement obligation nor other limits not related to local needs or the willingness of the municipality to bear its share of the debt burden should be used.

4. School Debt: The League supports placing a proposition on the ballot for the next statewide general election that would enable the State of Alaska to sell its general obligation bonds to refinance all existing municipal school debt.

5. Fisheries Tax: The League supports an offshore fisheries business tax revenue sharing program.

6. Use of Permanent Fund Earnings for Municipal Support: The League supports the use of Permanent Fund earnings for revenue sharing, municipal assistance, foundation formula, and school debt reimbursement if a statewide ballot shows that Alaska's voters support the use of the earnings reserve account.

C. OTHER STATE ASSISTANCE PROGRAMS

1. State-Collected, Locally Shared Taxes and Licenses: Municipalities in Alaska presently derive significant revenues from state-collected, locally shared taxes and licenses to help meet their basic operating expenses. The League, therefore, opposes reduction of such revenues through elimination of such taxes and licenses, unless other equal sources of revenue are made available to local governments or appropriations to compensate for lost revenues are made by the State.

2. Funding of Local Capital Projects: The League supports the establishment, by statute, of a "block grant" approach to a portion of the state funding of local capital projects in order to allow the decisions regarding local capital project priorities to be made at the local level.



CITY OF DILLINGHAM

3

P.O. Box 889
Dillingham, Alaska 99576

CITY HALL	(907) 842-5211
FIRE RESCUE	(907) 842-2288
PLANNING	(907) 842-5203
PUBLIC WORKS	(907) 842-5148

December 8, 1987

The Honorable Fred Zharoff
Alaska State Senate
P.O. Box 405
Kodiak, Ak 99615

Dear Senator Zharoff:

The City of Dillingham greatly appreciates your past efforts to secure passage of legislation which would share raw fish taxes collected from floating processors with municipal governments. In particular, your past efforts to secure funding for the pilot project are especially appreciated.

The city is again requesting your assistance on the raw fish tax issue for the upcoming legislative session. We request that you introduce a Senate version of H.B. 314. Your sponsorship of a Senate companion bill to H.B. 314 would give the city, and other coastal communities throughout Alaska, an opportunity to correct what we believe to be a policy inequity in the present law. We believe it is sound public policy to share all raw fish taxes with local governments, not just some of the taxes.

As you will recall, during last session's discussions of the Dillingham annexation question, there was considerable support expressed by members of the Senate Committees which held hearings on the issue to "fix" the raw fish tax issue. Therefore, we believe it is logical to introduce a Senate version of H.B. 314 in light of the sentiments expressed by those Committee Members.

We hope that you will use your influence as a member of the Senate Finance Committee, and as a member of the Senate leadership, to move a bill through the Senate during the 1988 legislative session. As it appears that local governments will be facing larger and larger cut-backs in state funding for such programs as municipal assistance, revenue sharing and local school debt reimbursement, it is imperative that logical, new sources of revenue--such as raw fish taxes from the float-

Senator Fred Zharoff
October 30, 1987
Page two

ers--be found to share with local government. Without this assistance, many local governments may face the equivalent of bankruptcy. That is why passage of raw fish tax legislation is so critically important.

If there is anything which the city can do to assist you in your efforts to secure passage of this legislation, please do not hesitate to contact us. Passage of raw fish tax legislation is the city's top legislative priority. Therefore, we are willing to follow any suggestions which you may have that would enhance the legislation's chances of passage.

Sincerely,

A handwritten signature in cursive script that reads "Leon C. Braswell".

Leon C. Braswell
Mayor



ALASKA COMMERCIAL FISHERIES REGIONS AND AREAS

REGION I: SOUTHEASTERN: Dixon Entrance to Cape Suckling

- Areas: A. Juneau & Yakutat
 B. Ketchikan
 C. Petersburg
 D. Sitka

REGION II: CENTRAL: State Third Judicial Division Northern Boundary to Cape Suckling to Cape Douglas to Cape Menshikof to Cape Newenham

- Areas: E. Prince William Sound
 H. Cook Inlet
 T. Bristol Bay (salmon and herring catch; all fish and shellfish production)

REGION III: ARCTIC-YUKON-KUSKOKWIM (AYK): North of State Third Judicial Division Northern Boundary which ends at the west at Cape Newenham including Nunivak, St. Matthew, and St. Lawrence Islands

- Areas: W. Kuskokwim
 X. Kotzebue
 Y. Yukon
 Z. Norton Sound

REGION IV: WESTERN: Cape Douglas to Unimak Pass to Cape Newenham including Kodiak and Aleutian Islands

- Areas: K. Kodiak
 L. Chignik
 M. Alaska Peninsula
 O. Dutch Harbor
 Q. Bering Sea
 R. Adak & W. Aleutians
 T. Bristol Bay (fish other than salmon and herring catch; and shellfish catch)

MEMORANDUM

State of Alaska
Community and Regional Affairs

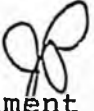
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TO: Royce Weller
Special Assistant
Department of Revenue

DATE: August 5, 1987

FILE NO.: 1060j/JP/rr

THRU: TELEPHONE NO.: 465-4733

FROM: Jim Plasman 
Local Government Specialist IV
Municipal and Regional
Assistance Division

SUBJECT: Unalaska Fish
Tax Pilot Project
Underpayment

We have recently completed distribution of funds for the fish tax pilot project (regulations attached, attachment #1). I received the attached letter (attachment #2) from Unalaska complaining that their payment must have been miscalculated. I have reviewed the calculations and have concluded that their claim is justified.

Under the payment calculations (attachment #3), Unalaska received \$7,581.43, based upon a combined area catch (Areas R and O) of 3,978,244 pounds. This catch data was based upon 1985 figures received from the Department of Fish and Game (attachment #4). In that report, the catch for Area R (Dutch Harbor) is listed as 25,122,541 pounds and the catch for Area O (Adak and W. Aleutians) is listed as 3,978,244 pounds. Obviously, the catch for Area R was inadvertently not added into the combined area total. Had that additional 25 million pounds been properly added in the combined area catch, the City of Unalaska would have received \$50,137.76 as indicated in the attached corrected run (see Attachment #5). This leaves a balance of \$42,556.33 that Unalaska should have received under the program. Now, all the funds has been distributed and it would be impossible to recover the money from other recipients to make up this difference.

Please note, however, that there were no applicants for funds from Area C, leaving a balance of \$286.78 which could be available for payment to Unalaska. In discussing this with Fiscal, a check was run of the available balance in Revenue, because the RSA from Revenue had been closed out once distributions had been made at the end of June. Interestingly enough, the computer shows an available balance of \$43,986 (see attachment #6).

Royce Weller
August 5, 1987
Page Two

This is potentially significant because the language in the original appropriation read "the unobligated and unexpended balance" of the fish tax revenue sharing appropriation, up to \$500,000 (see attachment #7). The amount Revenue actually transferred to us was \$451,200 (see attachment #8). If there is an additional \$43,000 left, that money should be available for payment of Unalaska's shortfall.

In order to do this, however, it appears we must get a new RSA with Revenue, get it approved by OMB and get the money out before the end of August, or it is lost. I recommend we pursue this action at once, in order to avoid the possibility of losing that possible source for payment to Unalaska.

Attachments

cc: Marty Rutherford, Director
Doug Griffin, Deputy Director
Municipal and Regional
Assistance Division

Sam Thomas, Administrative Officer
Merle Bottge, Accounting Technician
Jim Hauck, Program Budget Analyst
Administrative Services Division

(a)

(10) "primary place of residence" means the place where a person usually sleeps on a weekly basis; if a person has more than one place of residence, "primary place of residence" means the place where the person sleeps more often during the calendar year;

(11) "program" means the program of state aid under AS 29.88, AS 29.89, AS 29.90, and AS 29.95 implemented by this chapter;

(12) "public purpose" means a purpose the objective of which is to promote the public health, safety, and general welfare of the residents of a village or municipality of the state. (Eff. 8/20/81, Reg. 79)

Authority: AS 29.88.040 AS 44.47.050
AS 29.89.090 AS 44.47.980

Editor's Note: Because of a reorganization of the Department of Community and Regional Affairs, reference in this section to the 'division of local government assistance' has been changed to refer to the 'municipal and regional assistance division', as of Register 98, July, 1986, under authority of AS 44.62.125 (b)(6).

CHAPTER 33.
OFFSHORE FISHERIES BUSINESS TAX
REVENUE-SHARING PILOT PROJECT

Section

5. Pilot project established
10. Eligibility
20. Application procedure
30. Determination of population increase
40. Municipal cooperation
50. Appeal procedure
60. Allocation
70. Definitions

19 AAC 33.005. PILOT PROJECT ESTABLISHED. The one-time offshore fisheries business tax revenue-sharing pilot project authorized by line 24, p. 22 - line 6, p. 23, sec. 26, ch. 98, SLA 1985, is established and governed by this chapter. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 -
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

19 AAC 33.010. ELIGIBILITY. To be eligible for payment under this chapter, an applicant must

(1) be a municipality incorporated under the laws of the state;

(2) be located in the coastal area; and

(3) demonstrate significant impacts from the offshore fish-processing industry during the reference year. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 -
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

19 AAC 33.020. APPLICATION PROCEDURE. (a) The department will distribute applications to all potential applicants that the department believes might be eligible for assistance. Additional applications may be obtained from the department.

(b) In order to participate in the program, an applicant must submit a completed application to the department postmarked by March

15 of the application year, on an application form prescribed by the department.

(c) For good cause, the commissioner will, in his or her discretion, extend the application deadline. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 –
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

19 AAC 33.030. DETERMINATION OF POPULATION INCREASE. A municipality must include with its application an estimate of its population increase during fishing season which is reasonably related to the offshore fish-processing industry. The estimate must be certified by the mayor and adopted by the governing body of the municipality by resolution. The estimate must include an explanation of how it was determined and must be supported by relevant indices of population. Unverifiable, unsupported estimates will not be accepted. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 –
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

19 AAC 33.040. MUNICIPAL COOPERATION. A municipality and its officers and employees shall, upon request of the department, furnish available information and assistance required by the department in securing accurate information upon which to base the department's determinations. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 –
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

19 AAC 33.050. APPEAL PROCEDURE. The department will make a determination of eligibility and population of each applicant and mail the determination to the applicant by April 15 of the application year. An applicant may appeal a determination of eligibility or population to the commissioner. The appeal must be in writing to the commissioner and must be post-marked within 30 days after receipt of the determination. The appeal must include relevant evidence in support of the applicant's claim. The commissioner will review the appeal and notify

the applicant of the decision on the appeal within 30 days after receipt of the appeal. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 –
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

19 AAC 33.060. ALLOCATION. (a) The department will allocate money available for the offshore fisheries business tax revenue-sharing pilot project to each commercial fisheries management area in the proportion of the weight of commercial species processed offshore in that management area divided by the total weight of commercial species processed offshore statewide. For the purposes of this section, management areas R and O will be combined.

(b) One-half of each commercial fisheries management area allocation will be distributed equally among all eligible applicant municipalities in that area. The other half of the area allocation will be distributed to eligible applicant municipalities in that area proportionate to the population increase in each municipality divided by the total population increase of eligible applicant municipalities in that area. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 –
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

19 AAC 33.070. DEFINITIONS. In this chapter,

(1) "application year" means the state fiscal year for which a municipality submits an application for funding under this chapter;

(2) "coastal area" means the nine regions described in AS 44.19.155(a)(1) from which members of the Alaska Coastal Policy Council are chosen, as shown in Map A, set out following this section;

(3) "commercial fisheries management area" means an area established by the Alaska Department of Fish and Game for management and statistical reporting purposes under AS 16.05.251(a)(2) and as shown on Map B, set out following this section;

(4) "commissioner" means the commissioner of the Department of Community and Regional Affairs;

(5) "department" means the Department of Community and Regional Affairs;

(6) "fishing season" means that period in the reference year during which any species of fish, including shellfish, may be commercially taken, under the regulations of the Alaska Department of Fish and Game, in the commercial fisheries management area in which the municipality is located;

(7) "impacts" include ecological (such as the impacts on natural resources and the components, structures, and functioning of affected ecosystems), aesthetic, historic, cultural, economic, social, and health effects; and may be of the following types:

(A) direct impacts that are caused by, or are reasonably attributable to an activity or action and occur at the same time and place as the activity or action;

(B) indirect impacts that are caused by an activity or action and that occur later in time than, or are farther removed in distance from the activity or action; these include growth-inducing effects and other effects related to induced changes in the pattern of land use, population density, or growth rate, and related effects on air and water and other natural systems, including ecosystems;

(C) cumulative impacts or the impacts on the human/physical environment which result from the incremental impact of an activity or action when added to other past, present, and reasonably foreseeable future activities or actions regardless of what agency, industry, or person undertakes the other activities or actions; these can result from individually minor but collectively significant activities or actions taking place over a period of time;

(8) "population increase" means the increase in population which is reasonably related to the offshore fish-processing industry within municipal boundaries during the reference year above

the municipal population determined by the department for the state revenue-sharing program under AS 29.60.020 for July 1 of the reference year; persons included in the population increase may be transient and need not have permanent ties with the community, but rather represent a peak level of demand on municipal services;

(9) "reference year" means that year from which population and fish weight data are drawn and in which the claimed significant impacts occurred; it is the calendar year immediately preceding the beginning of the application year;

(10) "significant impact" means an impact of which the overall cumulative primary and secondary consequences significantly alter the quality of the human environment, curtail the choices of beneficial uses of the human environment, or interfere with the attainment of long-range human environmental goals; the word "significant" is intended to imply a threshold of importance and impact that must be met;

(11) "weight of commercial species" means the total pounds of ex-vessel commercial production of fish and shellfish in state waters, as determined by the Alaska Department of Fish and Game for the reference year. (Eff. 6/27/87, Reg. 102)

Authority: AS 44.47.050
Line 24, p. 22 -
line 6, p. 23, sec. 26,
ch. 98, SLA 1985

CITY OF UNALASKA

P.O. BOX 89
 UNALASKA, ALASKA 99685
 (907) 581-1251

"Capital of the Aleutians"



UNALASKA, ALASKA

July 28, 1987

Jim Plasman
 Alaska Dept. of Community and Regional Affairs
 P.O. Box BH
 Juneau, Ak 99811

Dear Jim:

This letter is in regard to the recently completed fish tax revenue sharing pilot project. As Mayor Paul Fuhs and I stated on the phone last week, we are concerned that factors that we had taken for granted were included in the formula, were not. We are also concerned with the figures regarding total catch that were used in making the allocations.

Since this was a pilot project, we know that all factors may not have been taken into account. That is the reason for this letter. Perhaps, if this is ever done again, some other factors may be able to be added to the formula, and catch figures can be verified somehow.

Our first problem has to do with the limitation of Unalaska to only the Aleutians, areas R and O. We stated on page three of our application that we were impacted by activity in statistical areas M, O, Q, and R of Region IV. It seems to us that we are probably not unique in being located on one statistical area and being impacted by others. We also feel that this should have been taken into account in the preparation of the formula. I know there was discussion on this point at the September 1986 meeting in Anchorage.

Our second problem is with the catch data used for areas R and O. We attached documentation to the application which attested to the volume and value of fish delivered to Unalaska. There was at least 82,252,000 pounds of bottom fish, and 16,840,318 pounds of shell fish. Your statistics show 3,978,244 pounds delivered off shore. That would indicate that 95,114,074 pounds were delivered on shore in Unalaska. If the average value of that fish was 50¢ a pound you have \$47,557,037. At 3% the tax would amount to \$1,426,711.11. During 1985 the City of Unalaska received \$223,475.64 as its share of the fisheries business tax.

RECEIVED

AUG 03 1987.

MRAD
 DEPT. OF COMMUNITY
 AND REGIONAL AFFAIRS

Page two
Jim Plasman
July 28, 1987


The dollar value of the bottom fish was at least \$20,800,000. The dollar value of the shell fish was \$8,532,722. These figures were also attached to our application. For the sake of discussion let's say that 50% of the fish was delivered on shore and 50% off shore. The value of one half of the tax on the bottom fish at 5% is \$520,000. The value of one half of the tax on the shell fish at 5% is \$213,318.05. This makes a total of \$733,318.05. If you add all the tax money allocated in the pilot project to all of areas M, O, Q, and R, the total is \$148,346.82. It seems to us that something is radically wrong with the statistics.

When we talked on the phone we discussed the possibility of factoring in population increase to the formula, if this is ever done again. It might be well to look at the population increase as a per cent of the base population rather than a straight number factor.

Our final point is that it seems to us that there should have been an opportunity for some adjustment of the figures before the checks went out. We could have pointed out to you that we are impacted by fishing in the Bering Sea as well as fishing in the Aleutians. Now any adjustment would mean that someone would have to send money back. That would not be a good thing to do for a number of reasons. We realize that you were under a deadline of July 1, 1987 for distribution of the funds.

We appreciate the opportunity to participate in this pilot project and hope that the points raised in this letter will help to improve the program if it is continued. If you have questions, please contact us.

Sincerely,



Nancy Gross
City Manager

cc: Senator Fred Zharoff
Representative Adelheid Herrmann
Hugh Malone, Commissioner of Revenue
Ken Griffin, Alaska Dept. of Fish & Game
Unalaska office
Doug Griffin, Deputy Director, Dept. Community & Regional
Affairs

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION I: SOUTHEASTERN						
AREA A - JUNEAU & YAKUTAT						
ANSOON	1	0	\$1,612.51	\$0.00	\$1,612.51	
HAINES	0	0	\$0.00	\$0.00	\$0.00	
HAINES, BOROUGH OF	0	0	\$0.00	\$0.00	\$0.00	
JUNEAU, CITY AND BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
SKAGWAY	1	100	\$1,612.51	\$3,225.01	\$4,837.52	
YAKUTAT	0	0	\$0.00	\$0.00	\$0.00	
AREA A - TOTAL.....	2	100	\$3,225.01	\$3,225.01	\$6,450.03	3,384,559
AREA B - KETCHIKAN						
CRAIG	1	500	\$2,417.34	\$2,347.84	\$4,765.18	
HYDABURG	0	0	\$0.00	\$0.00	\$0.00	
KASAAN	0	0	\$0.00	\$0.00	\$0.00	
KETCHIKAN	1	1,994	\$2,417.34	\$9,363.20	\$11,780.54	
KETCHIKAN, BOROUGH OF	1	0	\$2,417.34	\$0.00	\$2,417.34	
KLAWOCK	1	80	\$2,417.34	\$375.66	\$2,792.99	
METLAKATLA	0	0	\$0.00	\$0.00	\$0.00	
SAXMAN	1	0	\$2,417.34	\$0.00	\$2,417.34	
THORNE BAY	0	0	\$0.00	\$0.00	\$0.00	
AREA B - TOTAL.....	5	2,574	\$12,086.70	\$12,086.70	\$24,173.40	12,684,641
AREA C - PETERSBURG/WRANGELL						
KAKE	0	0	\$0.00	\$0.00	\$0.00	
KUPFERNOF	0	0	\$0.00	\$0.00	\$0.00	
PETERSBURG	0	0	\$0.00	\$0.00	\$0.00	
WRANGELL	0	0	\$0.00	\$0.00	\$0.00	
AREA C - TOTAL.....	0	0	\$143.39	\$143.39	\$286.78	150,488
AREA D - SITKA						
HOONAH	0	0	\$0.00	\$0.00	\$0.00	
PELICAN	1	38	\$1,093.90	\$78.43	\$1,172.33	
PORT ALEXANDER	0	0	\$0.00	\$0.00	\$0.00	
SITKA, BOROUGH OF	1	1,200	\$1,093.90	\$2,476.76	\$3,570.66	
TENAKEE SPRINGS	1	352	\$1,093.90	\$726.52	\$1,820.42	
AREA D - TOTAL.....	3	1,590	\$3,281.71	\$3,281.71	\$6,563.41	3,444,055

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION II: CENTRAL						
AREA E - PRINCE WILLIAM SOUND						
CORDOVA	1	500	\$8,055.08	\$10,068.85	\$18,123.94	
VALDEZ	1	300	\$8,055.08	\$6,041.31	\$14,096.40	
WHITTIER	0	0	\$0.00	\$0.00	\$0.00	
AREA E - TOTAL.....	2	800	\$16,110.17	\$16,110.17	\$32,220.33	16,907,153
AREA H - COCK INLET						
ANCHORAGE, MUNICIPALITY OF	0	0	\$0.00	\$0.00	\$0.00	
ANDERSON	0	0	\$0.00	\$0.00	\$0.00	
HOMER	0	0	\$0.00	\$0.00	\$0.00	
HOUSTON	0	0	\$0.00	\$0.00	\$0.00	
KACHEMAK	0	0	\$0.00	\$0.00	\$0.00	
KENAI PENINSULA BOROUGH	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	
KENAI	0	0	\$0.00	\$0.00	\$0.00	
KATANUSKA-SUSITNA BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
PALMER	0	0	\$0.00	\$0.00	\$0.00	
SELDOVIA	0	0	\$0.00	\$0.00	\$0.00	
SEWARD	0	0	\$0.00	\$0.00	\$0.00	
SOLDATKA	0	0	\$0.00	\$0.00	\$0.00	
WASILLA	0	0	\$0.00	\$0.00	\$0.00	
AREA H - TOTAL.....	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	1,272,663
AREA T - BRISTOL BAY						
ALEXNASIK	0	0	\$0.00	\$0.00	\$0.00	
BRISTOL BAY BOROUGH	1	345	\$22,287.66	\$4,607.79	\$26,895.44	
CLARK'S POINT	1	407	\$22,287.66	\$5,435.85	\$27,723.51	
DILLINGHAM	1	1,423	\$22,287.66	\$19,005.44	\$41,293.10	
EKWOK	0	0	\$0.00	\$0.00	\$0.00	
MANOKOTAK	0	0	\$0.00	\$0.00	\$0.00	
NEW STUYAHOK	0	0	\$0.00	\$0.00	\$0.00	
NEWALEN	0	0	\$0.00	\$0.00	\$0.00	
NONDALTON	0	0	\$0.00	\$0.00	\$0.00	
TOGIK	1	4,500	\$22,287.66	\$60,101.54	\$82,389.20	
AREA T - TOTAL.....	4	6,675	\$89,150.62	\$89,150.62	\$178,301.25	92,550,937

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION IV: WESTERN						
AREA K - KODIAK						
AKHICK	0	0	\$0.00	\$0.00	\$0.00	
KODIAK	1	133	\$1,929.28	\$2,411.59	\$4,340.87	
KODIAK ISLAND BOROUGH	1	359	\$1,929.28	\$6,509.49	\$8,438.77	
LARSEN BAY	1	0	\$1,929.28	\$0.00	\$1,929.28	
OLD HARBOR	0	0	\$0.00	\$0.00	\$0.00	
OJZINKIE	1	0	\$1,929.28	\$0.00	\$1,929.28	
PORT LIONS	1	40	\$1,929.28	\$725.29	\$2,654.57	
AREA K - TOTAL.....	5	532	\$9,646.38	\$9,646.38	\$19,292.75	10,123,593
AREA L - CHIGNIK						
CHIGNIK	1	240	\$1,259.12	\$1,259.12	\$2,518.25	
AREA L - TOTAL.....	1	240	\$1,259.12	\$1,259.12	\$2,518.25	1,321,415
AREA M - ALASKA PENINSULA						
COLD BAY	0	0	\$0.00	\$0.00	\$0.00	
KING COVE	1	314	\$4,806.71	\$5,949.96	\$10,756.67	
PORT HEIDEN	1	72	\$4,806.71	\$1,364.32	\$6,171.03	
SAND POINT	1	375	\$4,806.71	\$7,105.85	\$11,912.55	
AREA M - TOTAL.....	3	761	\$14,420.13	\$14,420.13	\$28,840.26	15,133,507
AREA R&D - ALEUTIANS						
AKUTAN	0	0	\$0.00	\$0.00	\$0.00	
UNALASKA	1	1000	\$3,790.71	\$3,790.71	\$7,581.43	
AREA R&D - TOTAL.....	1	1,000	\$3,790.71	\$3,790.71	\$7,581.43	3,978,244
AREA Q - BERING SEA						
SAINT PAUL	1	0	\$27,981.28	\$0.00	\$27,981.28	
SAINT GEORGE	1	14	\$27,981.28	\$55,962.57	\$83,943.85	
AREA Q - TOTAL.....	2	14	\$55,962.57	\$55,962.57	\$111,925.13	58,731,032

STATEWIDE CATCH TOTAL (LBS.)..						236,760,662
TOTAL FUNDING.. (\$\$).....			\$225,600.00	\$225,600.00	\$451,200.00	
CHECK SUMS TOTAL.....	35	22,763	\$225,456.61	\$225,456.61	\$450,913.21	236,760,662
BALANCE OUTSTANDING.....			\$143.39	\$143.39	\$286.79	

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION III: A-Y-K						
AREA W - KUSKOKWIM						
AKIACHUK	0	0	\$0.00	\$0.00	\$0.00	
AKIAK	0	0	\$0.00	\$0.00	\$0.00	
ANIAK	0	0	\$0.00	\$0.00	\$0.00	
ATHAUTLUAK	0	0	\$0.00	\$0.00	\$0.00	
BETHEL	0	0	\$0.00	\$0.00	\$0.00	
CHEFORNAK	0	0	\$0.00	\$0.00	\$0.00	
CHUATHBALUK	0	0	\$0.00	\$0.00	\$0.00	
EEK	0	0	\$0.00	\$0.00	\$0.00	
GOODNEWS BAY	0	0	\$0.00	\$0.00	\$0.00	
KASIGLUK	0	0	\$0.00	\$0.00	\$0.00	
KNETHLUK	0	0	\$0.00	\$0.00	\$0.00	
LOWER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
MEKORYUK	0	0	\$0.00	\$0.00	\$0.00	
NAPAKIAK	0	0	\$0.00	\$0.00	\$0.00	
NAPASKIAK	0	0	\$0.00	\$0.00	\$0.00	
NEWTCK	0	0	\$0.00	\$0.00	\$0.00	
NIGHTMUTE	0	0	\$0.00	\$0.00	\$0.00	
NIKOLAI	0	0	\$0.00	\$0.00	\$0.00	
NUNAPITCHUK (AKOLMIUT)	0	0	\$0.00	\$0.00	\$0.00	
PLATINUM	0	0	\$0.00	\$0.00	\$0.00	
QUINHAGAK	1	50	\$1,730.20	\$1,161.21	\$2,891.41	
TOKSOCK BAY	1	99	\$1,730.20	\$2,299.20	\$4,029.40	
TULUKSAK	0	0	\$0.00	\$0.00	\$0.00	
TUNUNAK	0	0	\$0.00	\$0.00	\$0.00	
UPPER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
AREA W - TOTAL.....	2	149	\$3,460.41	\$3,460.41	\$6,920.82	3,631,598
AREA X - KOTZEBUE						
AMBLER	0	0	\$0.00	\$0.00	\$0.00	
ANAKTUVUK PASS	0	0	\$0.00	\$0.00	\$0.00	
ATQASUK	0	0	\$0.00	\$0.00	\$0.00	
BARROW	0	0	\$0.00	\$0.00	\$0.00	
BUCKLAND	0	0	\$0.00	\$0.00	\$0.00	
DEERING	0	0	\$0.00	\$0.00	\$0.00	
KAKTOVIK	0	0	\$0.00	\$0.00	\$0.00	
KIARA	0	0	\$0.00	\$0.00	\$0.00	
KIVALINA	0	0	\$0.00	\$0.00	\$0.00	
KOTZEBUE	0	0	\$0.00	\$0.00	\$0.00	
NOORVIK	0	0	\$0.00	\$0.00	\$0.00	
NORTH SLOPE BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NORTHWEST ARCTIC BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NUIGSUT	0	0	\$0.00	\$0.00	\$0.00	
POINT HOPE	0	0	\$0.00	\$0.00	\$0.00	
SELAWIK	0	0	\$0.00	\$0.00	\$0.00	
SHISHMARF	0	0	\$0.00	\$0.00	\$0.00	

SHANGNAK	0	0	\$0.00	\$0.00	\$0.00	
WAINWRIGHT	0	0	\$0.00	\$0.00	\$0.00	
AREA X - TOTAL.....	0	0	\$0.00	\$0.00	\$0.00	0
AREA Y - YUKON						
ALAKANUK	0	0	\$0.00	\$0.00	\$0.00	
CHEVAK	0	0	\$0.00	\$0.00	\$0.00	
EMMONAK	1	112	\$4,949.34	\$4,949.34	\$9,898.67	
FORTUNA LEDGE (MARSHALL)	0	0	\$0.00	\$0.00	\$0.00	
HOLY CROSS	0	0	\$0.00	\$0.00	\$0.00	
HOOPER BAY	0	0	\$0.00	\$0.00	\$0.00	
KOTLIK	0	0	\$0.00	\$0.00	\$0.00	
MOUNTAIN VILLAGE	0	0	\$0.00	\$0.00	\$0.00	
PILOT STATION	0	0	\$0.00	\$0.00	\$0.00	
RUSSIAN MISSION	0	0	\$0.00	\$0.00	\$0.00	
SAIN'T MARY'S	0	0	\$0.00	\$0.00	\$0.00	
SCAMMON BAY	0	0	\$0.00	\$0.00	\$0.00	
SHELDON POINT	0	0	\$0.00	\$0.00	\$0.00	
AREA Y - TOTAL.....	1	112	\$4,949.34	\$4,949.34	\$9,898.67	5,194,186
AREA Z - NORTON SOUND						
BREVIG MISSION	0	0	\$0.00	\$0.00	\$0.00	
ELIM	0	0	\$0.00	\$0.00	\$0.00	
GOLDVIN	1	70	\$2,300.36	\$843.06	\$3,143.42	
KOYUK	1	3	\$2,300.36	\$36.13	\$2,336.49	
NOME	0	0	\$0.00	\$0.00	\$0.00	
SAIN'T MICHAEL	0	0	\$0.00	\$0.00	\$0.00	
SHAKTOOLIK	0	0	\$0.00	\$0.00	\$0.00	
STEBBINS	0	0	\$0.00	\$0.00	\$0.00	
TELLER	0	0	\$0.00	\$0.00	\$0.00	
UNALAKLEET	1	500	\$2,300.36	\$6,021.87	\$8,322.23	
WALES	0	0	\$0.00	\$0.00	\$0.00	
WHITE MOUNTAIN	0	0	\$0.00	\$0.00	\$0.00	
AREA Z - TOTAL.....	3	573	\$6,901.07	\$6,901.07	\$13,802.14	7,242,471

1985 FLOATING PROCESSORS INFORMATION EXCLUDING FCZ OPERATORS
PREPARED FOR MIKE CUSHING COMMUNITY AND REGIONAL AFFAIRS

8:32 TUESDAY, JANUARY 27, 1987

AREA=JUNEAU & YAKUTAT

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
1	0	23	162,649	91,606	57,568.00

AREA=KETCHIKAN

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
2	0	37	12,684,641	17,836,356	6,032,888.00

AREA=PETERSBURG & WRANGELL

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
3	0	28	150,488	297,686	189,328.00

AREA=SITKA

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
4	0	38	3,444,055	7,120,922	2,975,822.00

AREA=PRINCE WILLIAM SOUND

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
5	0	63	16,907,153	24,884,387	10,366,576.00

AREA=YAKUTAT

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
6	0	7	3,221,910	103,582,991	4,574,332.00

AREA=COOK INLET

_OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
7	0	10	1,272,663	973,062	1,307,976.00

AREA=KODIAK

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
8	0	7	10,123,593	60,875,243	4,629,971.00

ATTACHMENT #4

(d)

1985 FLOATING PROCESSORS INFORMATION EXCLUDING FCZ OPERATORS
PREPARED FOR MIKE CUSHING COMMUNITY AND REGIONAL AFFAIRS

8:32 TUESDAY, JANUARY 27, 1987

AREA=CHIGNIK

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
9	0	6	1,321,415	1,503,888	1,508,902.00

AREA=ALASKA PENINSULA

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
10	0	32	15,133,507	15,860,823	10,962,205.00

AREA=DUTCH HARBOR

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
11	0	27	25,122,451	36,336,815	15,577,737.00

AREA=BERING SEA

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
12	0	34	58,731,092	21,252,988	13,492,296.00

AREA=ADAK & W. ALEUTIANS

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
13	0	14	3,978,244	433,651	726,010.00

AREA=BRISTOL BAY

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
14	0	109	93,560,997	103,410,405	72,529,248.00

AREA=KUSKOKWIM

_OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
15	0	12	3,631,598	3,300,749	1,038,888.00

AREA=YUKON RIVER

OBS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
16	0	8	5,194,186	2,767,909	646,289.00

1985 FLOATING PROCESSORS INFORMATION EXCLUDING FCZ OPERATORS
PREPARED FOR MIKE CUSHING COMMUNITY AND REGIONAL AFFAIRS

8:32 TUESDAY, JANUARY 27, 198

AREA=NORTON SOUND

ODS	_TYPE_	_FREQ_	CATCH	PURCHASE	VALUE
17	0	24	7,242,471	7,468,576	2,118,420.00

COMM.FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION I: SOUTHEASTERN							
AREA A - JUNEAU & YAKUTAT							
ANSOON	4/10/87	1	0	\$1,457.82	\$0.00	\$1,457.82	
HAINES		0	0	\$0.00	\$0.00	\$0.00	
HAINES, BOROUGH OF		0	0	\$0.00	\$0.00	\$0.00	
JUNEAU, CITY AND BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
SKAGWAY	4/16/87	1	100	\$1,457.82	\$2,915.64	\$4,373.46	
YAKUTAT		0	0	\$0.00	\$0.00	\$0.00	
AREA A - TOTAL.....		2	100	\$2,915.64	\$2,915.64	\$5,831.28	3,384,559
AREA B - KETCHIKAN							
CRAIG	4/13/87	1	500	\$2,185.44	\$2,122.62	\$4,308.06	
HYDABURG		0	0	\$0.00	\$0.00	\$0.00	
KASAAN		0	0	\$0.00	\$0.00	\$0.00	
KETCHIKAN	4/16/87	1	1,994	\$2,185.44	\$8,464.99	\$10,650.43	
KETCHIKAN, BOROUGH OF	4/10/87	1	0	\$2,185.44	\$0.00	\$2,185.44	
KLAWOCK	4/19/87	1	80	\$2,185.44	\$339.62	\$2,525.06	
METLAKATLA		0	0	\$0.00	\$0.00	\$0.00	
SAXHAN	4/20/87	1	0	\$2,185.44	\$0.00	\$2,185.44	
THORNE BAY		0	0	\$0.00	\$0.00	\$0.00	
AREA B - TOTAL.....		5	2,574	\$10,927.22	\$10,927.22	\$21,854.44	12,684,641
AREA C - PETERSBURG/WRANGELL							
KAYE		0	0	\$0.00	\$0.00	\$0.00	
KUPREANOF		0	0	\$0.00	\$0.00	\$0.00	
PETERSBURG		0	0	\$0.00	\$0.00	\$0.00	
WRANGELL		0	0	\$0.00	\$0.00	\$0.00	
AREA C - TOTAL.....		0	0	\$129.64	\$0.00	\$0.00	150,488
AREA D - SITKA							
HOONAH		0	0	\$0.00	\$0.00	\$0.00	
PELICAN	4/20/87*	1	38	\$988.96	\$70.91	\$1,059.87	
PORT ALEXANDER		0	0	\$0.00	\$0.00	\$0.00	
SITKA, BOROUGH OF	4/15/87	1	1,200	\$988.96	\$2,239.16	\$3,228.13	
TENAKEE SPRINGS	4/16/87	1	352	\$988.96	\$656.82	\$1,645.79	
AREA D - TOTAL.....		3	1,590	\$2,966.89	\$2,966.89	\$5,933.78	3,444,055

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN (YES=1) RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION II: CENTRAL							
AREA E - PRINCE WILLIAM SOUND							
CORDOVA	4/17/87	1	500	\$7,282.36	\$9,102.95	\$16,385.31	
VALDEZ	4/20/87	1	300	\$7,282.36	\$5,461.77	\$12,744.13	
WHITTIER		0	0	\$0.00	\$0.00	\$0.00	
AREA E - TOTAL.....		2	800	\$14,564.72	\$14,564.72	\$29,129.44	16,907,153
AREA H - COOK INLET							
ANCHORAGE, MUNICIPALITY OF		0	0	\$0.00	\$0.00	\$0.00	
ANDERSON		0	0	\$0.00	\$0.00	\$0.00	
HOMER		0	0	\$0.00	\$0.00	\$0.00	
HOUSTON		0	0	\$0.00	\$0.00	\$0.00	
KACHEMAK		0	0	\$0.00	\$0.00	\$0.00	
KENAI PENINSULA BOROUGH	4/14/87*	1	7,643	\$1,096.34	\$1,096.34	\$2,192.68	
KENAI		0	0	\$0.00	\$0.00	\$0.00	
MATANUSKA-SUSITNA BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
PALMER		0	0	\$0.00	\$0.00	\$0.00	
SELDOVIA		0	0	\$0.00	\$0.00	\$0.00	
SEWARD		0	0	\$0.00	\$0.00	\$0.00	
SOLDATNA		0	0	\$0.00	\$0.00	\$0.00	
WASILLA		0	0	\$0.00	\$0.00	\$0.00	
AREA H - TOTAL.....		1	7,643	\$1,096.34	\$1,096.34	\$2,192.68	1,272,663
AREA T - BRISTOL BAY							
ALEKNAGIK		0	0	\$0.00	\$0.00	\$0.00	
BRISTOL BAY BOROUGH	4/16/87	1	345	\$20,149.60	\$4,165.76	\$24,315.36	
CLARK'S POINT	4/21/87*	1	407	\$20,149.60	\$4,914.39	\$25,063.99	
DILLINGHAM	4/16/87	1	1,423	\$20,149.60	\$17,182.25	\$37,331.85	
EKWOK		0	0	\$0.00	\$0.00	\$0.00	
MANOKOTAK		0	0	\$0.00	\$0.00	\$0.00	
NEW STUYAHOK		0	0	\$0.00	\$0.00	\$0.00	
NEWALEN		0	0	\$0.00	\$0.00	\$0.00	
NONDALTON		0	0	\$0.00	\$0.00	\$0.00	
TOGIAK	4/13/87	1	4,500	\$20,149.60	\$54,336.00	\$74,485.60	
AREA T - TOTAL.....		4	6,675	\$80,598.40	\$80,598.40	\$161,196.81	93,560,997

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN (YES=1) RECVD (NO =0)	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION IV: WESTERN							
AREA K - KODIAK							
AKHICK		0	0	\$0.00	\$0.00	\$0.00	
KODIAK	5/7/87	1	133	\$1,744.20	\$2,180.25	\$3,924.45	
KODIAK ISLAND BOROUGH	4/20/87	1	359	\$1,744.20	\$5,885.04	\$7,629.24	
LARSEN BAY	5/11/87	1	0	\$1,744.20	\$0.00	\$1,744.20	
OLD HARBOR		0	0	\$0.00	\$0.00	\$0.00	
OUZINKIE	3/23/87	1	0	\$1,744.20	\$0.00	\$1,744.20	
PORT LIONS	4/20/87	1	40	\$1,744.20	\$655.71	\$2,399.91	
AREA K - TOTAL.....		5	532	\$8,721.00	\$8,721.00	\$17,442.00	10,123,593
AREA L - CHIGNIK							
CHIGNIK	4/20/87	1	240	\$1,138.34	\$1,138.34	\$2,276.67	
AREA L - TOTAL.....		1	240	\$1,138.34	\$1,138.34	\$2,276.67	1,321,415
AREA M - ALASKA PENINSULA							
COLD BAY		0	0	\$0.00	\$0.00	\$0.00	
KING COVE	4/23/87	1	314	\$4,345.60	\$5,379.18	\$9,724.78	
PORT HEIDEN	5/14/87	1	72	\$4,345.60	\$1,233.44	\$5,579.04	
SAND POINT	4/21/87	1	375	\$4,345.60	\$6,424.18	\$10,769.78	
AREA M - TOTAL.....		3	761	\$13,036.81	\$13,036.81	\$26,073.61	15,133,507
AREA R&O - ALEUTIANS							
AKUTAN		0	0	\$0.00	\$0.00	\$0.00	
UNALASKA/DUTCH HARBOR	4/5/87*	1	1000	\$25,068.88	\$25,068.88	\$50,137.76	
AREA R&O - TOTAL.....		1	1,000	\$25,068.88	\$25,068.88	\$50,137.76	29,100,695
AREA Q - BERING SEA							
SAINT PAUL	4/20/87	1	0	\$25,297.04	\$0.00	\$25,297.04	
SAINT GEORGE	5/31/87	1	14	\$25,297.04	\$50,594.08	\$75,891.12	
AREA Q - TOTAL.....		2	14	\$50,594.08	\$50,594.08	\$101,188.15	58,731,092

STATEWIDE CATCH TOTAL (LBS.)..							261,883,113
TOTAL FUNDING.. (\$\$).....				\$225,600.00	\$225,600.00	\$451,200.00	
CHECK SUKS TOTAL.....		35	22,763	\$225,470.36	\$225,470.36	\$450,940.72	261,883,113
BALANCE OUTSTANDING.....				\$123.64	\$123.64	\$259.28	

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
SELAWIK		0	0	\$0.00	\$0.00	\$0.00	
SHISHAREF		0	0	\$0.00	\$0.00	\$0.00	
SHUNGNAK		0	0	\$0.00	\$0.00	\$0.00	
WAINWRIGHT		0	0	\$0.00	\$0.00	\$0.00	
AREA X - TOTAL.....		0	0	\$0.00	\$0.00	\$0.00	0
AREA Y - YUKON							
ALAKAYUK		0	0	\$0.00	\$0.00	\$0.00	
CHEVAK		0	0	\$0.00	\$0.00	\$0.00	
EMMONAK	4/8/87	1	112	\$4,474.55	\$4,474.55	\$8,949.09	
FORTUNA LEDGE (MARSHALL)		0	0	\$0.00	\$0.00	\$0.00	
HOLY CROSS		0	0	\$0.00	\$0.00	\$0.00	
HOOVER BAY		0	0	\$0.00	\$0.00	\$0.00	
KOTLIK		0	0	\$0.00	\$0.00	\$0.00	
MOUNTAIN VILLAGE		0	0	\$0.00	\$0.00	\$0.00	
PILOT STATION		0	0	\$0.00	\$0.00	\$0.00	
RUSSIAN MISSION		0	0	\$0.00	\$0.00	\$0.00	
SAINT MARY'S		0	0	\$0.00	\$0.00	\$0.00	
SCAMMON BAY		0	0	\$0.00	\$0.00	\$0.00	
SHELDON POINT		0	0	\$0.00	\$0.00	\$0.00	
AREA Y - TOTAL.....		1	112	\$4,474.55	\$4,474.55	\$8,949.09	5,194,186
AREA Z - NORTON SOUND							
BREVIK MISSION		0	0	\$0.00	\$0.00	\$0.00	
ELIM		0	0	\$0.00	\$0.00	\$0.00	
GOLDVIN	5/28/87	1	70	\$2,079.68	\$762.19	\$2,841.87	
KOYLK	4/13/87	1	3	\$2,079.68	\$32.67	\$2,112.35	
NOME		0	0	\$0.00	\$0.00	\$0.00	
SAINT MICHAEL		0	0	\$0.00	\$0.00	\$0.00	
SHAKTOOLIK		0	0	\$0.00	\$0.00	\$0.00	
STEBBINS		0	0	\$0.00	\$0.00	\$0.00	
TELLER		0	0	\$0.00	\$0.00	\$0.00	
UNALAKLEET	5/22/87	1	500	\$2,079.68	\$5,444.20	\$7,523.88	
WALES		0	0	\$0.00	\$0.00	\$0.00	
WHITE MOUNTAIN		0	0	\$0.00	\$0.00	\$0.00	
AREA Z - TOTAL.....		3	573	\$6,239.05	\$6,239.05	\$12,478.10	7,242,471

COMM. FISH REGIONS & AREA COMMUNITIES * - SEE NOTES (COLUMN L)	DATE APPLCTN RECVD	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION III: A-Y-K							
AREA W - KUSKOKWIM							
AKIACHUK		0	0	\$0.00	\$0.00	\$0.00	
AKIAK		0	0	\$0.00	\$0.00	\$0.00	
ANIAK		0	0	\$0.00	\$0.00	\$0.00	
ATHAUTLUAK		0	0	\$0.00	\$0.00	\$0.00	
BETHEL		0	0	\$0.00	\$0.00	\$0.00	
CHEFORNAK	*	0	0	\$0.00	\$0.00	\$0.00	
CHUATHBALUK		0	0	\$0.00	\$0.00	\$0.00	
EEK		0	0	\$0.00	\$0.00	\$0.00	
GOODNEWS BAY		0	0	\$0.00	\$0.00	\$0.00	
KASIGLUK		0	0	\$0.00	\$0.00	\$0.00	
KWETHLUK		0	0	\$0.00	\$0.00	\$0.00	
LOWER KALSKAG		0	0	\$0.00	\$0.00	\$0.00	
MEKORYUK		0	0	\$0.00	\$0.00	\$0.00	
NAPAKIAK		0	0	\$0.00	\$0.00	\$0.00	
NAPASKIAK		0	0	\$0.00	\$0.00	\$0.00	
NEWTOK		0	0	\$0.00	\$0.00	\$0.00	
NIGHTHAUTE		0	0	\$0.00	\$0.00	\$0.00	
NIKOLAI		0	0	\$0.00	\$0.00	\$0.00	
NUNAPITCHUK (AKOLHIUT)		0	0	\$0.00	\$0.00	\$0.00	
PLATINUM		0	0	\$0.00	\$0.00	\$0.00	
QUINHAGAK	4/20/87	1	50	\$1,564.23	\$1,049.82	\$2,614.04	
TOKSOOK BAY	4/20/87	1	99	\$1,564.23	\$2,078.64	\$3,642.85	
TULUKSAK		0	0	\$0.00	\$0.00	\$0.00	
TURLAK		0	0	\$0.00	\$0.00	\$0.00	
UPPER KALSKAG		0	0	\$0.00	\$0.00	\$0.00	
AREA W - TOTAL.....		2	149	\$3,128.45	\$3,128.45	\$6,256.90	3,631,598
AREA X - KOTZEBUE							
AMBLER		0	0	\$0.00	\$0.00	\$0.00	
ANAKTUULIK PASS		0	0	\$0.00	\$0.00	\$0.00	
ATQASUK		0	0	\$0.00	\$0.00	\$0.00	
BARROW		0	0	\$0.00	\$0.00	\$0.00	
BUCKLAND		0	0	\$0.00	\$0.00	\$0.00	
DEERING		0	0	\$0.00	\$0.00	\$0.00	
KAKTOVIK		0	0	\$0.00	\$0.00	\$0.00	
KIANA		0	0	\$0.00	\$0.00	\$0.00	
KIMLINA		0	0	\$0.00	\$0.00	\$0.00	
KOTZEBUE		0	0	\$0.00	\$0.00	\$0.00	
NOORVIK		0	0	\$0.00	\$0.00	\$0.00	
NORTH SLOPE BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
NORTHWEST ARCTIC BOROUGH		0	0	\$0.00	\$0.00	\$0.00	
NUQSUT		0	0	\$0.00	\$0.00	\$0.00	
POINT HOPE		0	0	\$0.00	\$0.00	\$0.00	

COLLOCATION CODE BALANCES BY EXPENDITURE ACCOUNT RRN:0001313 RSN:00960 08/03/87
 APPROPRIATION EXPENDITURES BY NEXT LOWER LEVEL

15535-87 FISHERIES TAX ORIG:86 APPROPRIATIONS (T B S R) FN:11100
 COA:1988

ENTITY NUMBER - DESCRIPTION	AUTHORIZ	RESTRICT ENCUMBER	SPENT	AVAILABL BALANCE
** 15535-87 FISHERIES TAX	7858000	556334	7257680	43986
** 04801400-86 FISHERIES TAXES	7858000	556334	7257680	43986

FOR NEXT SECTION ENTER==> NUMBER _____ YEAR ____ LEVEL LIMIT __
 PF1=MENU PF6=RPT REQUEST MAINTENANCE

1	DEPARTMENT OF LAW (CONT.)	ALLOCATIONS	APPROPRIATION	APPROPRIATION FUND SOURCES	
			ITEMS	GENERAL FUND	OTHER FUNDS
2					
3					
4	SHALL INCLUDE THE FOLLOWING INFORMATION ON EACH				
5	POSITION: POSITION CONTROL NUMBER (PCM), TITLE, RANGE,				
6	STEP, LOCATION, TIME STATUS, BARGAINING UNIT, AND				
7	POSITION FUND SOURCE. ALL NONBUDGETED PERMANENT PCMS				
8	SHALL THEN BE DELETED FROM THE DEPARTMENT'S RECORDS, AND				
9	THE REMAINING EXISTING PERMANENT POSITIONS SHALL BE				
10	MODIFIED TO REFLECT AUTHORIZED POSITIONS. NO ADDITIONAL				
11	PERMANENT PCMS SHALL BE ESTABLISHED OR EXISTING PCMS				
12	MODIFIED AS TO RANGE, STEP, LOCATION, OR TIME STATUS				
13	WITHOUT THE CONCURRENCE OF THE OFFICE OF MANAGEMENT AND				
14	BUDGET, DIVISION OF BUDGET REVIEW. THE MASTER LIST OF				
15	EACH DEPARTMENT'S POSITIONS SHALL BE AN AUTOMATED				
16	POSITION ACCOUNTING CONTROL SYSTEM FILE MAINTAINED BY				
17	THE DEPARTMENT UNDER INSTRUCTIONS FROM THE OFFICE OF				
18	MANAGEMENT AND BUDGET.				
19	IT IS THE LEGISLATURE'S INTENT THAT THE REDUCTION AMOUNT				
20	IN THE MISCELLANEOUS LINE REPRESENTS A GENERAL REDUCTION				
21	OF FUNDS BUDGETED FOR RISK MANAGEMENT IN THAT AGENCY.				
22	THIS AMOUNT SHOULD NOT BE TRANSFERRED TO THE DIVISION OF				
23	RISK MANAGEMENT.				
24	ADMINISTRATION & SUPPORT (10 POSITIONS)	471,200			
25	DATA AND WORD PROCESSING (3 POSITIONS)	150,000			

Chapter 98

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CCS NO 68

1	DEPARTMENT OF LAW (CONT.)	ALLOCATIONS	APPROPRIATION	APPROPRIATION FUND SOURCES	
			ITEMS	GENERAL FUND	OTHER FUNDS
2					
3					
4	OIL & GAS SPECIAL PROJECTS		1,498,400		1,498,400
5	OIL & GAS OPERATIONS (18 POSITIONS)	1,289,200			
6	DATA AND WORD PROCESSING (3 POSITIONS)	201,200			
7	*****				
8	***** DEPARTMENT OF REVENUE *****				
9	*****				
10	PUBLIC PROTECTION				
11	ALCOHOL BEVERAGE CONTROL BOARD		703,300	703,300	
12	ALCOHOL BEVERAGE CONTROL BOARD (12 POSITIONS)	698,700			
13	IT IS THE INTENT OF THE LEGISLATURE THAT THE ALCOHOL				
14	BEVERAGE CONTROL BOARD OFFICE IN FAIRBANKS IS TO				
15	CONTINUE TO OPERATE THROUGHOUT FISCAL YEAR 86.				
16	DATA AND WORD PROCESSING	4,600			
17	DEVELOPMENT				
18	SHARED TAXES		84,360,300	84,360,300	
19	MUNICIPAL ASSISTANCE	81,306,000			
20	AMUSEMENT AND GAMING TAX	312,500			
21	AVIATION FUEL TAX	141,000			
22	ELECTRIC AND TELEPHONE COOPERATIVE TAX	1,700,000			
23	LICOR LICENSE TAX	900,000			
24	FISHERIES TAX		7,850,000	7,850,000	
25	IT IS THE INTENT OF THE LEGISLATURE THAT AN AMOUNT NOT				
26	TO EXCEED 1500,000 OF THE UNEXPENDED AND UNOBLIGATED				
27	BALANCE OF THIS APPROPRIATION SHALL BE TRANSFERRED TO				

Chapter 98

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CCS NO 68

1 DEPARTMENT OF REVENUE (CONT.)		APPROPRIATION		APPROPRIATION FUND SOURCES	
	ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS	
2					2
3					3
4	4 THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS FOR THE				
5	5 PURPOSE OF DEVELOPING A PILOT PROJECT UNDER AS				
6	6 44,47,050(33).				
7		379,400		379,400	7
8		4,458,900		4,458,900	8
9	9 IT IS THE INTENT OF THE LEGISLATURE THAT THE PERMANENT				
10	10 FUND BOARD OF TRUSTEES REDUCE THE AMOUNT OF TRAVEL				
11	11 NECESSARY DURING FISCAL YEAR 1986 THROUGH EFFICIENT USE				
12	12 OF CONFERENCE TELEPHONE CALLS.				
13		3,311,900		3,311,900	13
14	14 GENERAL GOVERNMENT				
15		3,167,500	1,337,900	3,809,600	15
16	16 CHILD SUPPORT ENFORCEMENT (91 POSITIONS)				
17		4,361,800			16
18	18 DATA AND WORD PROCESSING (2 POSITIONS)				
19		895,700			17
20	20 REVENUE OPERATIONS				
21		12,516,000	9,105,700	3,410,300	18
22	22 AUDIT (37 POSITIONS)				
23		2,334,200			19
24	24 AUDIT/DATA & WORD PROCESSING				
25		66,300			20
26	26 PETROLEUM REVENUE (27 POSITIONS)				
27		1,904,100			21
28	28 PETROLEUM REVENUE/DATA & WORD PROCESSING				
29		171,600			22
30	30 ENFORCEMENT (22 POSITIONS)				
31		1,113,100			23
32	32 IT IS THE INTENT OF THE LEGISLATURE THAT THE ENFORCEMENT				
33	33 DIVISION PRIORITIZE DELINQUENT ACCOUNTS AND CONCENTRATE				
34	34 COLLECTION EFFORTS ON THOSE ACCOUNTS THAT ARE EXPECTED				
35	35 Chapter 98				

1 DEPARTMENT OF REVENUE (CONT.)		APPROPRIATION		APPROPRIATION FUND SOURCES	
	ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS	
2					2
3					3
4	4 TO YIELD THE LARGEST AMOUNTS.				
5		29,600			3
6	6 ENFORCEMENT/DATA & WORD PROCESSING				
7		1,592,600			4
8	8 PUBLIC SERVICES (25 POSITIONS)				
9		49,800			5
10	10 PUBLIC SERVICES/DATA AND WORD PROCESSING				
11		3,100,100			6
12	12 TREASURY MANAGEMENT (26 POSITIONS)				
13		26,400			7
14	14 TREASURY MANAGEMENT/DATA & WORD PROCESSING				
15		1,313,400	1,313,500	199,900	8
16	16 OFFICE OF THE COMMISSIONER				
17		1,434,200			9
18	18 COMMISSIONER'S OFFICE (18 POSITIONS)				
19	19 ON OR BEFORE SEPTEMBER 15, 1985, THE DEPARTMENT SHALL				
20	20 PROVIDE TO THE OFFICE OF MANAGEMENT AND BUDGET, DIVISION OF				
21	21 BUDGET REVIEW, WITH A LIST OF EXISTING PERMANENT				
22	22 POSITIONS AS OF JULY 31, 1985. THE LISTING OF POSITIONS				
23	23 SHALL INCLUDE THE FOLLOWING INFORMATION ON EACH				
24	24 POSITION: POSITION CONTROL NUMBER (PCM), TITLE, RANGE,				
25	25 STEP, LOCATION, TIME STATUS, BARGAINING UNIT, AND				
26	26 POSITION FUND SOURCE. ALL NONBUDGETED PERMANENT PCMS				
27	27 SHALL THEN BE DELETED FROM THE DEPARTMENT'S RECORDS, AND				
28	28 THE REMAINING EXISTING PERMANENT POSITIONS SHALL BE				
29	29 MODIFIED TO REFLECT AUTHORIZED POSITIONS. NO ADDITIONAL				
30	30 PERMANENT PCMS SHALL BE ESTABLISHED OR EXISTING PCMS				
31	31 MODIFIED AS TO RANGE, STEP, LOCATION, OR TIME STATUS				
32	32 WITHOUT THE CONCURRENCE OF THE OFFICE OF MANAGEMENT AND				
33	33 BUDGET, DIVISION OF BUDGET REVIEW. THE MASTER LIST OF				
34	34 EACH DEPARTMENT'S POSITIONS SHALL BE AN AUTOMATED				
35	35 Chapter 98				



STATE OF ALASKA

REIMBURSABLE SERVICES AGREEMENT

AMENDMENT NUMBER

REQUESTING DEPARTMENT Revenue	DIVISION Administrative Services	SECTION Shared Taxes	LOG NUMBER (ADN) 04-87-0005
SERVICING DEPARTMENT Community & Regional Affairs	DIVISION MRAD	SECTION	LOG NUMBER (ADN) 21-7-0042

I. The servicing agency agrees to provide the requesting agency with the following service(s):

PROJECT OR PROGRAM TITLE:

Pilot Project under AS 44.47.050(3) and SIA 1985, Chapter 98

DESCRIPTION OF SERVICE(S) TO BE PROVIDED. IF THIS IS AN RSA AMENDMENT, ALSO DESCRIBE SPECIFIC PURPOSE OF AMENDMENT.

In response to Legislative Intent language included in Chapter 98, SIA 1985, an amount not to exceed \$500,000 is to be transferred to the Department of Community and Regional Affairs for the purpose of developing a pilot project under AS 44.47.050(3).

II. Terms and mechanics of reimbursement:

- Payment upon receipt of Interagency billing
- Payment upon completion of service(s).
- Other (Specify):
Transfer upon OMB approval

Billing Address:

Department of Revenue
Division of Administrative Services
P.O. Box SA

DATE WORK TO COMMENCE: 7/1/86	COMPLETION DATE: 8/31/86
----------------------------------	-----------------------------

Juneau, AK 99811-0400

III. Schedule of maximum costs to be incurred by the Servicing Agency:

	ORIGINAL AGREEMENT	PREVIOUS AMENDMENTS	THIS AMENDMENT	TOTAL
Personal Services	\$ _____	\$ _____	\$ _____	\$ _____
Travel	\$ _____	\$ _____	\$ _____	\$ _____
Contractual	\$ _____	\$ _____	\$ _____	\$ _____
Supplies	\$ _____	\$ _____	\$ _____	\$ _____
Equipment	\$ _____	\$ _____	\$ _____	\$ _____
Land & Buildings	\$ _____	\$ _____	\$ _____	\$ _____
Grants	\$ 451,200.00	\$ _____	\$ _____	\$ 451,200.00
Other (itemize):	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL	\$ 451,200.00	\$ _____	\$ _____	\$ 451,200.00

IV. Budgeting and accounting information:

REQUESTING AGENCY:

1. This agreement is documented No Yes. If yes, in FY 86. Capital/operating budget page SIA 85, Ch 98 22-23

2. Financial coding to be charged 4801400-77000 Continuing funds No Yes Authority _____
 _____ Continuing funds No Yes Authority _____

3. RSA (encumbrance) document number _____

4. Date funds lapse _____

SERVICING AGENCY:

1. This agreement is documented No Yes. If yes, in FY _____ Capital/operating budget page _____

V. Approvals & Certification: The requesting agency and servicing agency agree to the terms and conditions above. In addition, the requesting agency certifies that sufficient funds are available and authorized to pay this obligation, that the accounting code(s) to be charged has/have sufficient balance(s) to cover this obligation and that a balance will be maintained in this/these account(s) sufficient to pay any agency obligations established by this agreement. I am aware that certifying false, inaccurate or misleading documents constitutes an unsworn falsification punishable under AS 11.56.210.

REQUESTING AGENCY AUTHORIZED SIGNATURE: <i>[Signature]</i>	NAME, PRINTED: Mary A. Nordale, Commissioner	DATE: 8/1/86
SERVICING AGENCY AUTHORIZED SIGNATURE: <i>[Signature]</i>	NAME, PRINTED: Emil Notti, Commissioner	DATE: 7/21/86
OMB AUTHORIZED SIGNATURE: <i>[Signature]</i>	NAME, PRINTED: <i>[Signature]</i>	DATE: 8/1/86

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

August 13, 1987

(i)
STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

CERTIFIED/RETURN RECEIPT REQUESTED

Ms. Nancy Gross
City Manager
City of Unalaska
P.O. Box 89
Unalaska, AK 99685

Dear Ms. Gross:

Thank you for your letter of July 28, setting out in greater detail the concerns about the fish tax pilot project we had discussed on the phone earlier in July.

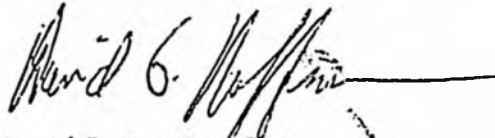
Based upon the information you provided, the figures used in the calculation of payments for the project were reviewed. In doing so, it was discovered that the data used to calculate Unalaska's payment under the pilot project was incomplete and led to an underpayment of \$42,556.33. A check for that amount is enclosed with this letter, along with a memorandum explaining how the miscalculation occurred.

Despite this mishap, I believe the pilot project should be judged a success in accomplishing its objectives of 1) devising a distribution program for mitigation of off-shore fish processing impacts and 2) gaining information about the utility and reasonableness of such a distribution for future reference. This information will be presented to the legislature in a report later this year. I would like to note that this was a pilot project for which the department received no extra funds or positions for administration. Because of that, project development over a period of two years was accomplished by at least four different departmental staff who were pulled off regular on-going duties to work on this project. In view of the necessity for such a division of responsibilities and the fact that this was a totally new project with which no one had developed any familiarity, the surprise is that there were not more problems that we experienced.

Ms. Gross
August 13, 1987
Page Two

In any case, I apologize for the delay in payment and appreciate again your assistance in the development of this program and disclosing the mistake made in the case of Unalaska. I look forward to working with you further in the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "David G. Hoffman", is written over a horizontal line. The signature is cursive and somewhat stylized.

David G. Hoffman
Commissioner

Enclosures: Alaska State Warrant
August 5, 1987 Memorandum to Department of Revenue

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

MUNICIPAL & REGIONAL ASSISTANCE DIVISION

STEVE COWPER, GOVERNOR

- P.O. BOX 8H
JUNEAU, ALASKA 99811-2110
PHONE: (907) 465-4750
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 561-8580
- P.O. BOX 348
BETHEL, ALASKA 99559-0348
PHONE: (907) 543-3475
- P.O. BOX 41
NOME, ALASKA 99762-0041
PHONE: (907) 443-5457
- P.O. BOX 280
KOTZEBUE, ALASKA 99752-0280
PHONE: (907) 442-3675
- 1514 CUSHMAN STREET, ROOM 210
FAIRBANKS, ALASKA 99701-6288
PHONE: (907) 452-7128
- P.O. BOX 10041
DILLINGHAM, ALASKA 99576-0041
PHONE: (907) 842-2245

March 10, 1987

Dear Municipal Official:

The Offshore Fisheries Business Tax Revenue Sharing Pilot Project was funded by the Alaska State Legislature pursuant to special legislative intent in chapter 98, SLA 1985. The purpose of the project is to develop an equitable means of distributing funds to municipalities to mitigate impacts from the offshore fish processing industry.

Municipalities currently receive a share of state revenues generated by fish processors operating within municipal boundaries. However, there is no direct sharing of revenues from offshore floating processors outside of municipal boundaries even though such processors may still have impacts of a transient but substantial nature on the municipality. This project grew out of a desire to devise a program to equitably share a portion of these unshared revenues with communities impacted by offshore processors.

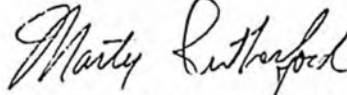
The project has been developed over the past year by the Department of Community and Regional Affairs with input from municipalities through questionnaires and workshops, from legislators, state agencies and other interested persons. The amount to be distributed under the pilot project is \$451,000, based on the unobligated and unexpended portion appropriation to the current fish tax revenue sharing program. The general approach taken is that of a formula distribution to impacted municipalities, with allocations based upon the location of the municipality within a specific commercial fisheries management area, the amount of fisheries production within that area compared to statewide production, and the population increase of the municipality compared to that of other municipalities within the area during fishing season. The regulations governing this program are enclosed.

Municipal Official
March 10, 1987
Page Two

If you wish to participate in the project, please fill out the enclosed application completely and submit it to our Juneau office postmarked by April 15, 1987.

Please note that this is a pilot project. Based upon the information gained through this pilot project, there may be legislation introduced to continue the program. However, your cooperation is needed. If you have any additional comments on this project, please let us know.

Sincerely,

A handwritten signature in cursive script that reads "Marty Rutherford".

Marty Rutherford
Director

APPLICATION FOR
THE OFFSHORE FISHERIES BUSINESS TAX REVENUE SHARING
PILOT PROJECT

State of Alaska
Steve Cowper, Governor

Department of Community and
Regional Affairs
David G. Hoffman, Commissioner

Municipal and Regional Assistance Division
Marty Rutherford, Director

APPLICATION INSTRUCTIONS

In order to participate in the Offshore Fisheries Business Tax Revenue Sharing Pilot Project, you must fill out this application and return it post marked by April 15, 1987 to:

Pilot Project
Department of Community and Regional Affairs
P.O. Box BH
Juneau, AK 99801

Although the regulations provide for a March 15 application deadline, they also provide that the Commissioner may extend the deadline for "good cause." Because of the short length of time that would be available to complete and submit the application based upon a March 15, the Commissioner has extended the deadline to April 15. Consequently, the entire process will be set back about a month so that determination letters will not be sent out until some time after mid-April, rather than on April 15 as set out in regulation. It is anticipated that payments will be sent out in June, after review of determinations by applicants, resolution of any appeals, and calculation of entitlements.

Please note that the year in which impacts must be experienced and from which population increase is to be measured is calendar year 1985. That is the most recent year for which required catch data is available.

An effort has been made to keep the application form and requirements simple. Apart from "significant impacts" and "population increase," the required items on the facing SUMMARY SHEET are self explanatory. Greater detail on those two questions is set out in the instructions facing page 2 and page 3.

Please note that a resolution certifying the "population increase" is required. A sample resolution form is enclosed for your convenience.

Funds received under this program are subject to single audit requirements contained at 2 AAC 45.010.

A copy of the pilot project regulations sent to the Attorney General for review and filing by the Lieutenant Governor is attached. Although the regulations will not become effective until 30 days after filing, in an effort to expedite the administrative process, applications have been distributed and will be processed to make payments as soon as possible after the effective date of the regulations.

If you have any questions, please call Paul Cunningham at 465-4750.

OFFSHORE FISHERIES BUSINESS TAX
REVENUE SHARING PILOT PROJECT

SUMMARY SHEET

1. Name of Municipality _____
2. Mailing Address _____
3. Telephone Number _____
4. Contact Person _____

5. Did your municipality experience "significant impacts" from the offshore commercial fishing industry in 1985? _____
(If yes, please complete page 2.) You must answer "yes" to be eligible to participate in the distribution of funds under this project.

6. What, if any, was the "population increase" reasonably related to the offshore fish processing industry of your municipality during a fishing season during 1985? _____
(Please complete page 3 documenting and describing the method used to determine population increase.)

7. ANSWER AFTER COMPLETING YOUR APPLICATION: Do you feel that the approach taken in this pilot project adequately addresses your concerns regarding the impact of the offshore fish processing industry on your community? ____ Why or why not?

8. CERTIFICATION AND ASSURANCES: To the best of my knowledge and belief, the information in this application is true and correct. The applicant agrees to comply with the laws and regulations under which this program and program funds are administered.

Signature of Mayor _____

DATE _____

INSTRUCTIONS FOR PAGE 2

In order to qualify to receive funds under this program, you must demonstrate that your community experienced significant impacts from the offshore fish processing industry in 1985. Your explanation should show 1) what the impact or impacts were, 2) that the impact(s) were "significant", and 3) that the impact(s) were related to the offshore fish processing industry. You may include photographic evidence, but it must be supported by an explanation of how the demonstrated impact is related to the offshore fish processing industry. You may attach additional information if needed. "Impacts" and "significant impacts" are defined at 19 AAC 33.070 of the enclosed regulations.

INSTRUCTIONS FOR PAGE 3

Your municipal population increase reasonably related to the offshore fish processing industry in 1985 is an element used to calculate your entitlement (see 19 AAC 33.030 and 19 AAC 33.040 of the enclosed regulations). It is intended to indicate the level of impact on your municipality during calendar year 1985 from the offshore fish processing industry. The persons included in this population increase may include transient people connected in any way with the offshore fish processing industry. The population increase is not an indicator of permanent residents, but rather an indicator of impact, representing a peak level of service demand, resulting from the offshore fish processing industry. It may be calculated by taking the highest level of persons within municipal boundaries at any time during a fishing season in 1985, less any non-fish processing related population increase, less the DCRA certified population for July 1, 1985 (used to calculate your FY 1986 State Revenue Sharing entitlement).

You may use any relevant statistics of population that can be documented. Some examples are: labor statistics, retail sales activity, water hook-ups, bulk fuel sales, electric consumption, motel/hotel rate of occupancy, employment data from the offshore fish processing industry, criminal or other public safety statistics, and so on. However, population increase due to tourism, construction activity not related to the offshore fish processing industry, onshore processing, and so on, must not be included in the population increase used to calculate your entitlement. As provided by regulation; "Unverifiable, unsupported estimates will not be accepted" (19 AAC 33.030.)

Population increase is defined in regulation at 19 AAC 33.070(h) (see enclosed regulations).

Paul Cunningham, our department demographic specialist in Juneau at 465-4750, is available to give you assistance in developing a method of estimation.

NOTE THAT YOU MAY STILL RECEIVE AN ENTITLEMENT IF YOU HAD NO POPULATION INCREASE OR ARE UNABLE TO REASONABLY CALCULATE THE SIZE OF THAT INCREASE. However, you will not receive funding under the per capita portion of the formula.

INSTRUCTIONS FOR RESOLUTION

A resolution certifying the population increase, which will be used for the formula calculation of the per capita share of each municipal payment, is required. The facing resolution form is included for your convenience. The numbered blanks should include the following information:

1. Name of the municipality,
2. Amount of population increase,
3. Governing body of municipality,
4. Signature of the mayor or presiding officer of the governing body,
5. Signature of the clerk.

RESOLUTION

A RESOLUTION OF THE _____ (1)
authorizing participation in the Offshore Fisheries Business
Tax Revenue Sharing Pilot Project and adopting a determination
of the population increase reasonably related to the offshore
fish processing industry.

WHEREAS, the _____ (1) experiences
significant impacts from the offshore fish processing industry;
and

WHEREAS, this municipality is an applicant to participate in
the Offshore Fisheries Business Tax Revenue Sharing Pilot
Project authorized by chapter 98, SLA 1985; and

WHEREAS, the governing body of the municipality must pass a
resolution adopting a population increase reasonably related to
the offshore fish processing industry;

NOW THEREFORE BE IT RESOLVED THAT the governing body finds that
in 1985 the population increase reasonably related to the
offshore fish processing industry as defined in regulation
was _____ (2).

PASSED AND APPROVED BY THE _____ (3)
on the _____ day of _____, 1987.

BY: _____ (4)

ATTEST: _____ (5)

19 AAC is amended by adding a new chapter to read:

CHAPTER 33. OFFSHORE FISHERIES BUSINESS TAX
REVENUE SHARING PILOT PROJECT

19 AAC 33.010 ELIGIBILITY. To be eligible for payment under this chapter, an applicant must:

(a) be a municipality incorporated under the laws of the State of Alaska;

(b) be located in the coastal area; and

(c) demonstrate significant impacts from the offshore fish processing industry during the reference year. (Eff. / / , Register)

Authority: AS 44.47.050,
Sec. 26, Chapter 98,
SLA 1985

19 AAC 33.020. APPLICATION PROCEDURE. (a) The department will distribute applications to all potential applicants that the department believes may be eligible for assistance. Additional applications may be obtained from the department.

(b) In order to participate in the program, an applicant must submit a completed application to the department postmarked by March 15 of the application year on an application form prescribed by the department.

(c) For good cause, the commissioner will, in his or her discretion, extend the application deadline. (Eff. / / , Register)

Authority: AS 44.47.050,
Sec. 26, Chapter 98,
SLA 1985

19 AAC 33.030. DETERMINATION OF POPULATION INCREASE. A municipality must include with its application an estimate of its population increase during fishing season which is reasonably related to the offshore fish processing industry. The estimate must be certified by the mayor and adopted by the governing body of the municipality by resolution. The estimate must include an explanation of how it was determined and must be supported by relevant indices of population. Unverifiable, unsupported estimates will not be accepted. (Eff. / / , Register)

Authority: AS 44.47.050,
Sec. 26, Chapter 98,
SLA 1985

19 AAC 33.040. ALLOCATION. (a) The department will allocate available funds to each commercial fisheries management area in the proportion of the weight of commercial species processed offshore within each area divided by the total weight of commercial species processed offshore statewide. For the purposes of this section, management areas R and O will be combined.

(b) One-half of each commercial fisheries management area allocation will be distributed equally among all participating municipalities within the area. The other half of the area allocation will be distributed to participating municipalities within the area proportionate to the population increase within each municipality divided by the total population increase of participating municipalities within the area. (Eff. / / , Register)

Authority: AS 44.47.050,
Sec. 26, Chapter 98,
SLA 1985

19 AAC 33.050. APPEAL PROCEDURE. The department will make a determination of eligibility and population of each applicant and mail the determination to the applicant by April 15 of the application year. An applicant may appeal a determination of eligibility or population to the commissioner. The appeal must be in writing to the commissioner and must be postmarked within 30 days after receipt of notice of determination. The appeal must include the relevant evidence in support of the applicant's claim. The commissioner will review the appeal and notify the applicant of the decision on the appeal within 30 days of receipt of the appeal. (Eff. / / , Register)

Authority: AS 44.47.050,
Sec. 26, Chapter 98
SLA 1985

Register , 1987 COMMUNITY AND 19 AAC 33.060
REGIONAL AFFAIRS 19 AAC 33.070

19 AAC 33.060. AGREEMENTS. A municipality and its officers and employees shall, upon request of the department, furnish available information and assistance required by the department in securing accurate information upon which to base the department's determinations. (Eff. / / , Register)

Authority: AS 44.47.050,
Sec. 26, Chapter 98
SLA 1985

19 AAC 33.070. DEFINITIONS. For the purposes of this chapter:

(a) "application year" means the state fiscal year for which a municipality submits an application for funding under 19 AAC 33;

(b) "coastal area" means the nine regions defined in AS 44.19.891(a)(1) from which members of the Alaska Coastal Policy Council are chosen, as set out in the annexed map (Attachment A).

(c) "commercial fisheries management area" means an area established by the Alaska Department of Fish and Game for management and statistical reporting purposes pursuant to AS 16.05.251(a)(2) and as shown on the annexed map (Attachment B).

(d) "commissioner" means the Commissioner of the Department of Community and Regional Affairs.

(e) "department" means the Department of Community and Regional Affairs.

(f) "fishing season" means that period in the reference year during which any species of fish, including shellfish, may be commercially taken under the regulations of the Alaska Department of Fish and Game, which is occurring in the commercial fisheries management area in which the municipality is located.

(g) "impacts" include ecological (such as the impacts on natural resources and the components, structures, and functioning of affected ecosystems), aesthetic, historic, cultural, economic, social, or health effects; and may be of the following types:

(1) direct impacts that are caused by, or are reasonably attributable to an activity or action and occur at the same time and place;

(2) indirect impacts that are caused by an action and are later in time or farther removed in distance; these may include growth inducing effects and other effects related to induced changes in the pattern of land use, population density, or growth rate, and related effects on air and water and other natural systems, including ecosystems; or

(3) cumulative impacts or the impacts on the human/physical environment that result from the incremental impact of an action when added to other past, present, and reasonably foreseeable future actions regardless of what agency, industry, or person undertakes such other actions; these can result from individually minor but collectively significant actions taking place over a period of time;

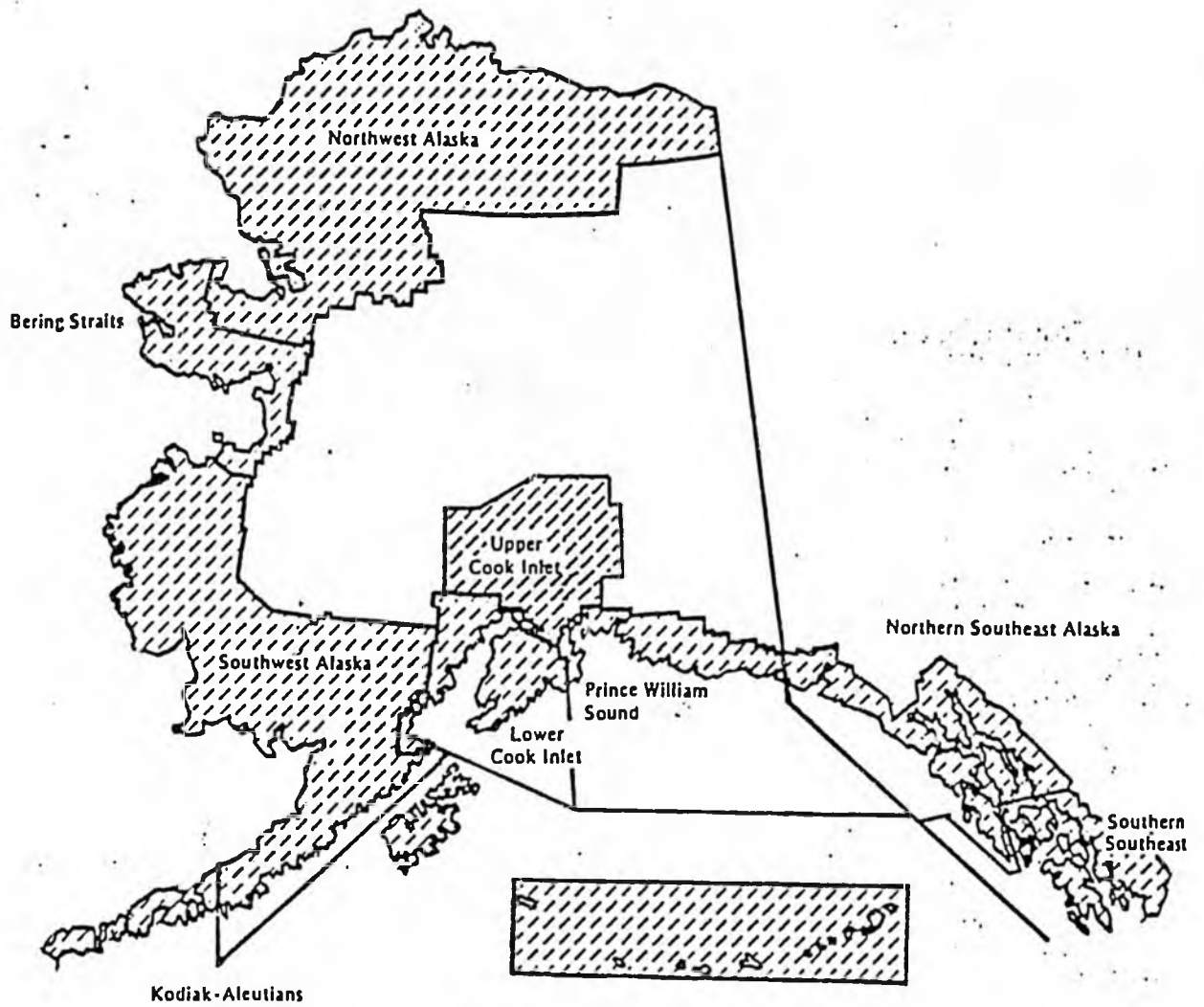
(h) "population increase" means the increase in population which is reasonably related to the offshore fish processing industry within municipal boundaries during the reference year above the municipal population determined by the Department of Community and Regional Affairs for the State Revenue Sharing Program pursuant to AS 29.60.020 for July 1 of the reference year; persons included in the population increase may be transient and need not have permanent ties with the community, but rather represent a peak level of demand on city services;

(i) "reference year" means that year from which population and fish weight data are drawn and in which the claimed significant impacts must have occurred; it is the calendar year immediately preceding the application year;

(j) "significant impact" means an impact of which the overall cumulative primary and secondary consequences significantly alter the quality of the human environment, curtail the choices of beneficial uses of the human environment, or interfere with the attainment of long-range human environmental goals; the word "significant" is intended to imply a threshold of importance and impact that must be met;

(k) "weight of commercial species" means the total pounds of ex-vessel commercial production of fish and shellfish within state waters as determined by the Alaska Department of Fish and Game for the reference year. (Eff. / / , Register)

Authority: AS 44.47.050,
Sec. 26, Chapter 98,
SLA 1985



NINE REGIONS FROM WHICH ELECTED OFFICIALS ARE
SELECTED TO SERVE ON THE COASTAL POLICY COUNCIL



ALASKA COMMERCIAL FISHERIES REGIONS AND AREAS

REGION I: SOUTHEASTERN: Dixon Entrance to Cape Suckling

- Areas: A. Juneau & Yakutat
 B. Ketchikan
 C. Petersburg
 D. Sitka

REGION II: CENTRAL: State Third Judicial Division Northern Boundary to Cape Suckling to Cape Douglas to Cape Newenham

- Areas: E. Prince William Sound
 H. Cook Inlet
 T. Bristol Bay (salmon and herring catch; all fish and shellfish production)

REGION III: ARCTIC-YUKON-KUSKOKWIM (AYK): North of State Third Judicial Division Northern Boundary which ends at the west at Cape Newenham including Nunivak, St. Matthew, and St. Lawrence Islands

- Areas: W. Kuskokwim
 X. Kotzebue
 Y. Yukon
 Z. Norton Sound

REGION IV: WESTERN: Cape Douglas to Unimak Pass to Cape Newenham including Kodiak and Aleutian Islands

- Areas: K. Kodiak
 L. Chignik
 M. Alaska Peninsula
 O. Dutch Harbor
 Q. Bering Sea
 R. Adak & W. Aleutians
 T. Bristol Bay (fish other than salmon and herring catch; and shellfish catch)

MEMORANDUM

State of Alaska

7

Hon. Mary Nordale, Commissioner DATE: January 18, 1985
Department of Revenue

FILE NO: 366-313-85

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Fish tax revenue
sharing

By: *Martha A. Fox*
Martha A. Fox
Assistant Attorney General

You have asked whether, under the revenue sharing provisions of AS 43.75.130, the Department of Revenue (department) should distribute a percentage of the fisheries business taxes collected for processing that takes place outside of municipality, city, and borough boundaries. On examining the pertinent statutes, we conclude that there is no statutory basis for the department to distribute this revenue.

The department is currently distributing a percentage of the fisheries business tax it collects for processing that takes place within municipality or borough boundaries, but not for processing activities outside those boundaries. The department has been asked to review this practice in light of floating processors or shore-based vessel processors that are processing in waters outside of municipality or borough boundaries, but that are making use of local facilities and services.

The department is charged with administering the tax laws established by statute. AS 43.05.040. Any action it takes in administering the tax laws is limited by the terms and scope of the underlying statutes involved.

There has been a revenue sharing provision of some form in the fisheries business tax statutes since at least 1962. (Sec. 6, ch. 155, SLA 1962.) Apparently the general purpose of this revenue sharing was originally to provide educational funds for communities, and later to assist in financing other services including fisheries enhancement. (Papers in 1979 Senate C & RA Committee File on SB 132, Legislative Research Library, Juneau.) AS 43.75.130, the fisheries business tax revenue sharing provision, states:

The commissioner of revenue shall pay
(1) to each municipality unified under
AS 29.68.240 - 29.68.440, and to each city located
in the unorganized borough, 50 percent of the

amount of tax revenue collected in the municipality from taxes levied by this chapter;

(2) to each city located within a borough, 25 percent of the amount of tax revenue collected in the city from taxes levied by this chapter; and

(3) to each borough

(A) 50 percent of the amount of tax revenue collected in the area of the borough outside cities from taxes levied by this chapter; and

(B) 25 percent of the amount of tax revenue collected in cities located within the borough from taxes levied by this chapter.

The pertinent language in the section requires the department to share a percentage of the tax revenue collected "in the municipality," "in the city," or "in the ... borough" from the fisheries business tax. There is no basis in this wording for sharing tax revenues from processing activities that take place outside of a local government area.

Under a literal reading of the statute, revenue sharing is only applicable to tax revenues collected in the municipality or borough. As a practical matter, actual collection of the tax will often not take place in the municipality, city, or borough in which the processing takes place. The department has interpreted AS 43.75.130 to mean that revenue sharing is applicable to tax revenue collected for processing that takes place in the municipality, city or borough.

This interpretation is apparently one of longstanding, and we believe that it is the correct interpretation of the revenue sharing statute. Given the purpose of revenue sharing, it is reasonable to assume that the legislature intended revenue sharing to go to communities that were affected by the processing activity rather than the place the tax was collected. The nature of the fisheries business tax also supports this interpretation. This is because the fisheries business tax is a tax on the activity of processing. ^{1/} The tax is imposed on "[a] person engaged in a fisheries business," (AS 43.75.015), which is defined as

^{1/} AS 43.75.100 imposes a tax on the taking of a fishery resource if it is not otherwise taxed under other provisions of AS 43.75. This section is intended to cover fisheries resources that are harvested but not processed in the state.

a person who engages in processing fisheries resources for sale by freezing, cooking, salting, or other method and includes but is not limited to canneries, cold storages, freezer ships, and processing plants;

AS 43.75.140(3). The tax is levied on a percentage of the value of the fisheries resource processed. Therefore, tax revenue collected from the fisheries business tax in a local government area would be from processing.

The statute makes no provision, however, for sharing revenues from taxes collected for processing that takes place outside of the local government area. We recognize that there may be some situations where these local governments are providing the types of services to processors that revenue sharing is generally intended to assist in financing. However, the department cannot take administrative action without underlying statutory authority, and there is no statutory authority for that type of revenue sharing in AS 43.75.130. 2/

Please let us know if we can be of any additional assistance.

MAF/mf

cc: Martin J. Richard
Director of Audit

Steven R. Kettel
Chief, Audit Services

2/ The question presents additional issues concerning a proper method of allocating shared revenues among local governments when a processor impacts more than one community. With the statute silent on the issue of sharing revenues from processing outside of local government boundaries, there is no guidance on how to allocate. If the statute were changed to allow this type of revenue sharing it should also give guidance on the allocation issue.

On Annexation — Clarks Point, Dillingham see no common ground

BPT
10/3/86

by Bruce Baltar
BayTimes Staff

City officials from Clarks Point and Dillingham met this week to seek common ground on the cities' conflicting annexation claims. But they could not come closer than an "agreement to disagree" on the main issue of annexing the waters of Nushagak Bay.

Both cities have filed annexation petitions with one major goal in mind: to tap more than \$500,000 in raw fish taxes that floating processors in Nushagak Bay pay the state each year. Although municipalities receive half of the raw fish taxes paid by processors within their boundaries, the migration of processors off-shore in recent years has deprived the cities of much of this revenue.

Clarks Point city council members and city administrator Sharon Clark met with Dillingham officials at city hall Tuesday to prepare for Local Boundary Commission hearings, which are scheduled in both communities tomorrow.

The meeting was friendly, but no compromise was reached. The stumbling block is that the processors congregate in a relatively small area off Clarks Point, the area Clarks Point councilman Mike Walker called "the money bag in the seine." Without giving up that most lucrative part of the Bay, there was little either side could offer by way of compromise.

Despite their inability to agree on bound-

See ANNEXATION Page 3

October 3, 1986 Bristol BayTimes Page 3

Annexation, Cont'd from Page 1

daries, officials did agree to cooperate in seeking legislation to distribute some of the fish taxes locally if both an-

nexation efforts fail.

That is a distinct possibility. The boundary commission's

staff has recommended complete rejection of the Clarks Point petition, and rejection of all of Dillingham's claim except for lands north of the city to about 13.5 mile on the Lake Road.

Clarks Point's petition asks that its boundary be extended to include upper Nushagak Bay from Clarks Point to Kakanak and Saguyak Corporation lands on both side of the bay. Officials said Tuesday that they will not reduce the area sought.

Dillingham's original petition asked for the entire Nushagak fishing district, shorelands down the west side of the Bay, and a large expanse of land north and west of the existing city limits including Snake Lake and most of the land between Aleknagik and Dillingham.

City officials agreed to reduce their claims after a pair of meetings with Choggiung, Ltd.'s board last week. The village corporation, the largest landowner in the area, had objected to the extent of the annexation claims, partly because it feared possible future taxation of its undeveloped land.

As revised, the Dillingham annexation petition would extend the existing city boundary one mile to the west and northward for several miles on either side of the Lake Road to about 12 Mile. The state's proposed Wood River land disposal area near Belt Creek would be included, as would the state open-to-entry land to the west of 11 Mile. To the south, the city would abandon its claim to shorelands along the western side of the bay, and would claim only the bay itself to the mean low water mark.

City officials plan to present the reduced boundary as an addendum to its petition at its hearing on October 4.

The public hearings will be held at the Clarks Point School gym at 1:00 p.m. and at the Senior Citizens Center in Dillingham at 7:00 p.m.



Clarks Point City Administrator Sharon Clark responds to a question from Mary Ellen Darling of the Dillingham City Council. Others Clarks Point council members attending Tuesday's annexation meeting included (from left) Manuel Floresta, Mike Walker, Thomas Gardner, Irene Clark, Lori George and (not pictured) Joe Clark.

(9)

Legislative Update

X
President Reagan recently signed two bills impacting the fishing industry. H.R. 3674, signed on December 29, renews for two years the Governing International Fisheries Agreement between the U.S. and Japan, and implements Annex V of MARPOL (International Convention for the Prevention of Pollution from Ships) which prohibits the dumping at sea of all garbage within 12 miles of the U.S. shore and the dumping of plastic garbage anywhere in the U.S. 200-mile zone. U.S. vessels are prohibited from dumping plastic even outside 200 miles and ports are required to provide onshore disposal facilities. Additionally, NOAA must identify the damaging effects of plastics on the marine environment and the Environmental Protection Agency must identify landbased sources of plastic pollution and other garbage and recommend methods of reducing them. The bill also reauthorizes the Sea Grant Program for \$45 million in FY1988, \$58 million in FY1989, and \$64 million in FY1990, and creates a grant program to improve marine affairs and resource management curricula at colleges and universities. A Strategic Marine Research Program also is created to concentrate on critical resource and environment areas not currently provided with adequate funding. Finally, the bill implements the Driftnet Fishing Control Act of 1987 which requires the Secretary of Commerce, through the Secretary of State, to negotiate monitoring and enforcement agreements with foreign countries whose fleets fish with high seas driftnets in the North Pacific, and to develop recommendations on a driftnet marking and registration system, a driftnet fishing vessel tracking system, and the use of biodegradable materials in driftnets.

H.R. 2598, the Commercial Fishing Industry Vessel Anti-Reflagging Act of 1987, was signed by the President on January 11, 1988. The bill includes provisions to prohibit foreign-built vessels applying for U.S. documentation after July 28, 1987 to be used for fish processing and places restrictions on foreign ownership and crews aboard U.S. fishing, fish processing and fish tendering vessels engaged in the fisheries in the navigable waters of the U.S.

Bering Sea and Aleutians Groundfish SEIS Work/Scoping Meeting

The National Marine Fisheries Service has determined that a Supplemental Environmental Impact Statement (SEIS) will be required to analyze the effect of raising the upper limit of the optimum yield range for groundfish in the Bering Sea and Aleutian Islands. The SEIS will be prepared by a workgroup composed of scientists from the National Marine Fisheries Service, U.S. Fish and Wildlife Service, Minerals Management Service, and North Pacific Fishery Management Council. A combined working session and National Environmental Policy Act scoping meeting will be held on February 16 in Anchorage and the concerned public is encouraged to attend. Please contact Denby Lloyd at the Council office for further details.

Joint Ventures May Fish Roe-bearing Rock Sole This Year

The Council was asked by the Alaska Factory Trawlers' Association to use permit conditions this year to restrict joint ventures from targeting on roe-bearing rock sole in the Bering Sea before April 1. This is a very valuable fishery for U.S. catcher/processors and the market apparently is limited to around 15,000 mt. Implementing such a permit condition based solely on economic allocation may require a 30-day public comment period which

ALEUTIANS EAST BOROUGH

SERVING THE COMMUNITIES OF

■ KING COVE ■ SAND POINT ■ AKUTAN ■ COLD BAY ■ FALSE PASS ■ NELSON LAGOON

March 14, 1988

The Honorable Fred Zharoff
Alaska State Senate
P.O. Box V
Juneau, Alaska 99811

RE: SB 454

Dear Senator Zharoff:

The City of King Cove supports the adoption of SS ~~HB 314~~ ^{SB 454}, an act relating to the allocation of fisheries business taxes to municipalities. The bill establishes a concrete program which the State can use to share taxes collected from the offshore processing industry with affected municipalities. King Cove directly benefited from the State's FY 87 pilot program on these taxes, and would like to continue receiving revenues from this source. The City uses the revenues to help pay the increased costs the City incurred to provide additional public services needed to mitigate the negative impacts from offshore fishing industry activities.

The City also advocates adopting a suggested change to use fish management regions, rather than areas, to determine the amount of monies each affected municipality receives. Implementation of the pilot program unearthed gross inequities in impact monies respective communities received when fish management areas were used to determine each municipality's share. The use of management regions should mostly correct this problem and provide a better and fairer system for determining the amount of monies a community will receive for the amount of impact experienced.

The City supports the institutionalization of the fish tax pilot project that will occur through SS ~~HB 314~~ ^{SB 454}. We hope the bill is adopted and that the legislature also allocates the revenues needed to implement the program for FY 89.

Sincerely,

Wayne Marshall *Robert S. Juettner* *Lamar Cotten*

Wayne Marshall
City Manager
King Cove

Robert S. Juettner
City Administrator
Sand Point

Lamar Cotten
Borough Administrator
Aleutians East Borough

1007 W. 3rd, Suite 201
Anchorage, Alaska 99501
274-7555



CITY OF DILLINGHAM

P.O. Box 889
Dillingham, Alaska 99576

CITY HALL	(907) 842-5211
FIRE RESCUE	(907) 842-2288
PLANNING	(907) 842-5203
PUBLIC WORKS	(907) 842-5148

POLICY POSITION - - CITY OF DILLINGHAM

Senate Bill 454 and House Bill 314

For the past three legislative sessions, one of the City's top legislative priorities has the issue of sharing raw fish taxes collected from floating processors with local governments impacted by those processing activities.

Perhaps a brief bit of background information on this issue would be helpful in framing the public policy issues surrounding this tax matter. Since Statehood, it has been the policy of the State of Alaska to share raw taxes with incorporated communities in or near the area in which the fishery resource is harvested and processed.

When the raw fish tax statute was originally implemented, the vast majority of fish processing facilities was located onshore. However, with the passage of time, advent of new technology, and changing economics of fishery resource processing, an ever-increasing amount of processing is taking place offshore, outside of municipal government boundaries. The net effect of this trend is that onshore communities which serve as staging areas for the offshore processing bear the brunt of the impacts created by the processing activities. However, the impacted communities do not receive any of the taxes paid to the State by the offshore processing facilities. We believe this is an inequitable situation which must be addressed; passage of S.B. 454 or H.B. 314 would correct this long-standing policy inequity.

Further, as a matter of public policy, we believe that any bill which passes the Legislature must incorporate the following elements:

1. Incorporated governments located on or within ADF&G Commercial Fishing Management Areas which are impacted by a fishery should be eligible for any funds which are distributed under this proposal. In situations in which more than one incorporated community lies within the boundary of an ADF&G management area, funds should be distributed among the eligible communities on a per capita basis, utilizing the annual Certification of Population Report issued by the Department of Community and Regional Affairs as base line data for population counts.

2. There are several distribution methods which could be used to determine how any funds available under this project should be shared. However, we believe the most equitable method is as follows:

- A. Determine the amount of taxes paid to the State by the floating processors

in each commercial fishing management area.

B. On a pro-rata, per capita basis, share the available funds based on the amount of taxes paid by the floating processors in each management area with the eligible communities within each management area.

3. Information regarding the amount of taxes paid by the floating processors to the State should be developed by the Department of Revenue. In addition, eligible local governments should be given an opportunity to provide such information to the Department of Revenue. For example, in the past, the City of Dillingham has developed information in this area by working directly with the floating processors operating near the community.

4. As a condition of sharing in this pool of previously unshared taxes, a participating local government must agree to use these funds to reduce the impacts created by adjacent fisheries on the community.

S.B. 454 and H.B. 314 each addresses these critically important policy criteria, and therefore we support their passage.

In closing, we want to stress that passage of this legislation will accomplish the following public policy objectives:

1. It corrects what appears to be an inequity in current state law which adversely affects local governments which absorb the impacts created by the offshore processors, but receive no financial assistance to cope with those impacts.

2. It discourages a recent trend by local governments to implement "creative alternatives" to capture tax revenues from floating processors, such as creating new governmental entities or annexing bays with boundaries drawn to include areas where floating processors now operate.

3. It holds the promise of giving local governments access to a long-term, stable source of income which will exist after Prudhoe Bay oil revenues have dried up.

5-1978B
Chenoweth
3/15/88

Original sponsor: Zharoff

1 IN THE SENATE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 454 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the allocation of fisheries
7 business taxes to municipalities by the Department of
8 Community and Regional Affairs; and providing for an
9 effective date."

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

11 * Section 1. FINDINGS. The legislature finds that

12 (1) it has been a longstanding state policy to share fisheries
13 business taxes with municipal governments in the areas in which the fishery
14 resources are harvested;

15 (2) these shared taxes constitute an important source of revenue
16 to municipal governments to mitigate the effects of fish harvesting and
17 processing activities;

18 (3) there is an impact in communities that experience an in-
19 crease in population or influx of people;

20 (4) fishing activities such as harvesting and processing create
21 an influx of population throughout the year in many coastal communities;

22 (5) the state has a vested interest in encouraging communities
23 to provide adequate services;

24 (6) revenue generated through the sharing of fisheries business
25 taxes will help many fishing communities to provide adequate services and
26 to prepare for future damage attributable to fisheries activities.

27 * Sec. 2. AS 29.60 is amended by adding a new section to read:

28 ARTICLE 6. SHARED FISHERIES BUSINESS TAXES.

29 Sec. 29.60.450. FISHERIES BUSINESS TAX ALLOCATION. (a) A

1 municipality is eligible for a fisheries business tax allocation if
2 the municipality demonstrates to the department that the municipality
3 suffered significant negative effects from fisheries business activ-
4 ities during the base year.

5 (b) Before making a tax allocation under (c) of this section, a
6 portion of the tax revenue available under AS 43.75.130(g) for allo-
7 cation under this section shall be apportioned by the department to
8 each management region. The apportionment must be based on the ratio
9 of the weight of the fish and shellfish processed by floating fisher-
10 ies businesses within the management region to the total weight of the
11 fish and shellfish processed by floating fisheries businesses in all
12 management regions.

13 (c) The tax allocation to an eligible municipality is the sum of

14 (1) the result of dividing the number of the management
15 region's eligible municipalities for the tax allocation year into
16 one-half of the tax revenue apportioned to the management region under
17 (b) of this section for the tax allocation year; and

18 (2) the result of multiplying the municipality's population
19 ratio by the other one-half of the tax revenue apportioned to the
20 management region under (b) of this section for the tax allocation
21 year.

22 (d) A municipality that receives a tax allocation under this
23 section shall use the tax allocation to help reduce the effect of
24 fisheries business activities on the municipality and may thereafter
25 use the tax allocation for the expenses of any municipal service.

26 (e) At the request of the department, an applicant or a re-
27 cipient of a tax allocation shall provide the department with the
28 assistance and information available to the municipality that is
29 necessary for the department to carry out the department's duties

1 under this section relating to the municipality.

2 (f) The department

3 (1) may designate management regions by regulation; the
4 management regions must be based on the management areas used by the
5 Board of Fisheries by regulation adopted under AS 16.05.251(a)(2) for
6 the management of the commercial fisheries of the state;

7 (2) may adopt other regulations necessary to carry out the
8 provisions of this section.

9 (g) In this section

10 (1) "base year" means the calendar year that precedes the
11 application deadline for the tax allocation year;

12 (2) "effect" means the change attributable to fisheries
13 business activities on the municipality's

14 (A) population;

15 (B) employment;

16 (C) finances;

17 (D) air and water quality;

18 (E) fish and wildlife habitats; and

19 (F) ability to provide essential public services,
20 including health care, public safety, education, transportation,
21 utilities, and government administration;

22 (3) "fisheries business activity" means activity related to
23 processing fisheries resources for sale by freezing, cooking, salting,
24 or other method and includes but is not limited to canneries, cold
25 storages, freezer ships, and processing plants;

26 (4) "management region" means one of the units designated
27 by the department by regulation adopted under AS 29.60.450(f)(1);

28 (5) "population" means the population determined under
29 AS 29.60.020;

1 (6) "population ratio" means the base year population of
2 the municipality divided by the population of the management region;

3 (7) "tax allocation year" means the fiscal year for which
4 the department makes the tax allocation.

5 * Sec. 3. AS 43.75.130 is amended by adding a new subsection to read:

6 (g) To the extent that appropriations are available for the
7 purpose, and notwithstanding the requirement of AS 37.07.080(e) that
8 approval of the office of management and budget is required, an amount
9 equal to 50 percent of the tax revenue that is collected under this
10 chapter from floating fisheries businesses and is not subject to
11 division with a municipality under (a), (c), and (d) of this section
12 shall be transmitted each fiscal year by the department to the Depart-
13 ment of Community and Regional Affairs for disbursal, without the
14 approval of the office of management and budget, to eligible munic-
15 ipalities under AS 29.60.450.

16 * Sec. 4. INTERIM FISHERY MANAGEMENT REGIONS. Notwithstanding AS 29.-
17 60.450(f)(1) and 29.60.450(g)(4) added by sec. 2 of this Act, until altered
18 or amended by the Department of Community and Regional Affairs by regu-
19 lation, each of the following constitutes a fishery management region for
20 purposes of administration of AS 29.60.450:

21 (1) Region I, including all water between the longitude of Cape
22 Suckling and Dixon Entrance;

23 (2) Region II, including all water west of the longitude of Cape
24 Suckling and north of the latitude of Cape Douglas;

25 (3) Region III, including all water north of the latitude of
26 Cape Newenham, and the water surrounding Nunivak, St. Lawrence, and St.
27 Matthew Islands; and

28 (4) Region IV, including all water south of the latitude of Cape
29 Douglas, west to Unimak Pass, and north to the latitude of Cape Newenham,

1 and the water surrounding the Kodiak, Aleutian, and Pribilof Islands.

2 * Sec. 5. This Act takes effect July 1, 1984.
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**CHAPTER 75.
FISHERIES BUSINESS TAX**

Article

1. Tax on Fisheries Business
(15 AAC 75.010–15 AAC 75.050)
2. Tax Imposed on Acquisition of Fisheries Resources (15 AAC 75.100)
3. General Provisions
(15 AAC 75.200–15 AAC 75.300)

**ARTICLE 1.
TAX ON FISHERIES BUSINESS**

Section

10. Information on return
20. Extension of time for filing returns
30. Liability for tax
35. Exclusion from fisheries business tax
40. Statement of value; records
50. Statement to be provided by custom processors

15 AAC 75.010. INFORMATION ON RETURN. A person subject to the fisheries business tax shall file a separate return no later than March 31 after the close of the calendar year for each business location, using the forms provided by the Department of Revenue, stating the following in the places prescribed on the form:

- (1) name of the taxpayer;
- (2) mailing address;
- (3) federal employer identification number (EIN) or social security number (SSN);
- (4) fisheries business license number;
- (5) year for which tax return is reporting;
- (6) location of operation;
- (7) value of fisheries resources processed during the license year, by category of fisheries business, pounds, price per pound, and by species;
- (8) names of developing commercial fish species processed during the year;
- (9) name of fisheries business which first actually and physically processed the fisheries

resources or which sold or processed the fisheries resources outside the taxing jurisdiction of Alaska;

(10) for a fisheries business which operates from a floating vessel, the name of the vessel, the date of arrival of the vessel in Alaska, subsequent movement of the vessel from one location to another, the reason for the movement of the vessel, and the date of departure of the vessel from Alaska for any reason; and

(11) other information required by the department on the tax return form. (Eff. 9/9/81, Reg. 79)

Authority: AS 43.05.080
AS 43.75.030(a)

15 AAC 75.020. EXTENSION OF TIME FOR FILING RETURNS. (a) Upon a showing of good cause, the department will, in its discretion, grant a reasonable extension of time, not to exceed 180 days in the aggregate, for filing a return or report required by AS 43.75. An extension of time for filing a return or report does not extend the time for the payment of the tax or part of the tax.

(b) The application for an extension of time for filing the return or report must be in writing and addressed to the Department of Revenue and must contain a full statement of the causes for the delay. It must be filed no later than 15 calendar days before the date the return is due.

(c) If an extension of time for filing the return or report is granted, the return must be filed before the expiration of the period of extension.

(d) If an application for extension is denied, the return or report must be filed within 10 calendar days after the date the notice of denial is mailed by the department or 10 calendar days after the due date, whichever is later. (Eff. 9/9/81, Reg. 79)

Authority: AS 43.05.080
AS 43.75.030(c)

15 AAC 75.030. LIABILITY FOR TAX. (a) The person engaging in a fisheries business who first actually and physically processes a fisheries resource is liable for and shall pay to the department the entire tax imposed under AS 43.75.015. If two or more persons perform

separate steps in the processing of the same fisheries resource, the first person who performs a processing step is liable for and shall pay the tax. This section applies to the period June 1, 1979 through December 31, 1980.

(b) For periods after December 31, 1980, the person engaging in a fisheries business who first actually and physically processes a fisheries resource or who has a fisheries resource processed by a fisheries business inside the state, or the person who purchases a fisheries resource that is frozen from a person excluded by AS 43.75.017 from liability for the tax, is liable for and shall pay to the department the entire tax imposed under AS 43.75.015. In determining the tax liability, the person who first actually and physically processed a fisheries resource may deduct from the value of the fisheries resource processed the value of a fisheries resource processed for another fisheries business. If a person custom processes a fisheries resource for another fisheries business, the custom processor is not liable for the tax, but if he custom processes for someone other than another fisheries business, the custom processor must pay the tax. (Eff. 9/9/81, Reg. 79; am 9/18/81, Reg. 80)

Authority: AS 43.05.080
AS 43.75.015(c)

15 AAC 75.035. EXCLUSION FROM FISHERIES BUSINESS TAX. For a fisheries resource processed after December 31, 1980, a person is not liable for the fisheries business tax under AS 43.75.015 if that person meets the requirements of AS 43.75.017 and if the person claiming the exclusion is the commercial fisherman who caught the fisheries resource. (Eff. 9/18/81, Reg. 80)

Authority: AS 43.05.080
AS 43.75.017

15 AAC 75.040. STATEMENT OF VALUE; RECORDS. (a) For periods before January 1, 1981, the department will, in its discretion, require a person contracting with a custom processor for fisheries resource processing to furnish the custom processor or the department with a statement of value for the resource processed by the custom processor. The statement of value must report the species of fisheries resources processed, the total pounds of each species, and the actual value by species, as

determined in accordance with AS 43.75.140 (7) and 15 AAC 75.300(6).

(b) The custom processor is liable for an additional tax assessment, if any, unless the custom processor obtains from the owner of the fisheries resource an assumption of liability for an incorrect statement of value and the owner pays any additional tax assessed resulting from the incorrect statement of value.

(c) For periods after December 31, 1980, the department will, in its discretion, require a person, other than a fisheries business, who contracts with a custom processor for fisheries resource processing to furnish the custom processor or the department with a statement of value for the resource processed by the custom processor. The statement of value must report the species of fisheries resources processed, the total pounds of each species, and the actual value by species, as determined in accordance with AS 43.75.140(7) and 15 AAC 75.300 (6).

(d) The custom processor who processes a fisheries resource for a non-fisheries business is liable for an additional tax assessment, if any, unless the custom processor obtains from the owner of the fisheries resource an assumption of liability for an incorrect statement of value and the owner pays any additional tax assessed resulting from the incorrect statement of value.

(e) The records of the owner of the fisheries resource shall be open to audit for purposes of verifying the values reported under (a) and (c) of this section. The owner's records shall be subject to the same statute of limitations as the records of a fisheries business. (Eff. 9/9/81, Reg. 79; am 9/18/81, Reg. 80; am 1/16/82, Reg. 81)

Authority: AS 43.05.080
AS 43.75.015
AS 43.75.140

15 AAC 75.050. STATEMENT TO BE PROVIDED BY CUSTOM PROCESSORS. After December 31, 1980, a person claiming a deduction under 15 AAC 75.030 for a fisheries resource processed for another fisheries business shall include in his return a schedule, using the form provided by the department, which shows the following information:

(1) name, address, and fisheries business license number of each fisheries business for whom processing is done; and

(2) pounds of fisheries resource processed for the fisheries business, by species. (Eff. 9/18/81, Reg. 80)

Authority: AS 43.05.080
AS 43.75.015(c)

**ARTICLE 2.
TAX IMPOSED ON ACQUISITION
OF FISHERIES RESOURCES**

Section
100. Tax imposed on acquisition of fisheries resources

15 AAC 75.100. **TAX IMPOSED ON ACQUISITION OF FISHERIES RESOURCES.** (a) A person who takes, purchases or otherwise acquires a fisheries resource, and who transports the fisheries resource to a point outside the taxing jurisdiction of the state, before processing the fisheries resource, is subject to the tax in AS 43.75.015. This subsection does not apply to a commercial transportation carrier which performs a transportation service for a person subject to the tax.

(b) A person described in (a) of this section who processes the fisheries resource shall pay the rate of tax which he would pay if the processing took place within the taxing jurisdiction of the state.

(c) A person described in (a) of this section who does not process the fisheries resource shall pay the rate of tax which the fisheries business to which the fisheries resources are sold would pay if the fisheries business were located within the taxing jurisdiction of the state. There is a rebuttable presumption that the fisheries resources were sold to a floating fisheries business.

(d) The tax imposed by this section will be computed on the value of the fisheries resources in accordance with AS 43.75.140(7) and 15 AAC 75.300(3) and (6).

(e) A person described in (a) of this section who does not process the fisheries resource and who sells the fisheries resource outside the taxing jurisdiction of the state to someone other

than a fisheries business is presumed to be liable for the same rate of tax as a floating fisheries business. (Eff. 9/9/81, Reg. 79; am 9/18/81, Reg. 80)

Authority: AS 43.05.080
AS 43.75.015
AS 43.75.100

**ARTICLE 3.
GENERAL PROVISIONS**

Section	
200.	(Reserved)
210.	(Reserved)
220.	(Reserved)
230.	(Reserved)
240.	(Reserved)
250.	(Reserved)
260.	(Reserved)
270.	(Reserved)
280.	(Reserved)
290.	Shore-based fisheries business
300.	Definitions

15 AAC 75.200 – 15 AAC 75.280. Reserved.

15 AAC 75.290. **SHORE-BASED FISHERIES BUSINESS.** A fisheries business operated from a floating vessel is not permanently attached to the land. A fisheries business operated from a floating vessel is a shore-based fisheries business only if it remains anchored in one place and does not move from that anchorage during an entire tax year. A movement of the vessel from the anchorage, for any reason, including dry-dock, repairs, maintenance, or a new processing location, either to another location in the state or to another location outside the state, disqualifies the fisheries business as a shore-based fisheries business. (Eff. 9/9/81, Reg. 79)

Authority: AS 43.05.080
AS 43.75.015

15 AAC 75.300. **DEFINITIONS.** In AS 43.75 and this chapter

(1) "custom processor" means a fisheries business which does not own the fisheries resources it is processing;

(2) "fisheries resource" means fin fish and shellfish, including but not limited to salmon, halibut, herring, flounder, crab, clam, cod, shrimp, and pollock; fish byproducts, such as

roe, entrails and carcasses, are separate fisheries resources if they are transferred to another person for processing;

(3) "market value" means the prevailing value paid for fisheries resources of like kind and quality by fisheries businesses in the same market area to fishermen who own their vessels.

(4) "processing" means any activity which modifies the physical condition of a fisheries resource, including butchering, freezing, salting, cooking, canning, dehydrating, or smoking; however, "processing" does not include decapitating shrimp and gutting, gilling, sliming, or icing a fisheries resource solely for the purpose of maintaining the quality of the fresh resource;

(5) "processing fisheries resources for sale" means the series of activities which are performed in preparing the fisheries resources for subsequent sale, regardless of whether the processor owns the fisheries resources and regardless of whether the processor is the seller in the subsequent sale of the fisheries resources;

(6) "value" means the actual price paid for the fisheries resource by the fisheries business, including indirect consideration such as fuel, supplies, or gear, whether paid at the time of purchase of the fisheries resource or tendered as a deferred, delayed, or advance payment, except that "value" means the market value of the fisheries resource if the fisheries resource is taken in company-owned or company-subsidized boats operated by employees of the fisheries business or in boats which are operated under lease or other arrangement. (Eff. 9/9/81, Reg. 79; am 9/18/81, Reg. 80)

Authority: AS 43.05.080
AS 43.75.015
AS 43.75.140(7)

15 AAC 76.030. RECORDS. A permit holder subject to the salmon enhancement tax under 15 AAC 76.010 shall prepare and retain the following records for all salmon subject to the tax and either removed from the state, or sold or otherwise transferred in the state but outside a region for which the salmon enhancement tax has been approved:

(1) Alaska Department of Fish and Game fish tickets for salmon either removed from the state, or sold or otherwise transferred in the state but outside a region for which the salmon enhancement tax has been approved;

(2) a daily journal or other record showing for each transaction the following:

(A) the person to whom the salmon were sold or otherwise transferred either in the state or upon removal from the state;

(B) pounds and value by species of the salmon; and

(C) the region designated under AS 16.10.375 in which the salmon were caught. (Eff. 4/1/81, Reg. 78; am 8/9/81, Reg. 79; am 7/31/81, Reg. 79; am 3/31/85, Reg. 93)
Authority: AS 43.05.080 AS 43.76.011
AS 43.76.010 AS 43.76.028

15 AAC 76.040. ANNUAL REPORT BY LIMITED ENTRY PERMIT HOLDER. (a) A permit holder who is required to file a monthly salmon enhancement tax report during a calendar year under 15 AAC 76.020 must file an annual information report, using the form provided by the department, stating the following in the places provided on the form:

(1) name of the permit holder;

(2) limited entry permit number;

(3) mailing address;

(4) employer identification number (EIN) or social security number (SSN);

(5) telephone number;

(6) each region designated under AS 16.10.375 in which salmon were caught and sub-

sequently either removed from the state, or sold or otherwise transferred in the state but outside a region for which the tax has been approved;

(7) total pounds and value of the salmon caught in each region reported under (6) of this subsection, and subsequently removed from the state; and

(8) other information required by the department on the form.

(b) The annual report is due by March 1 of the year following the year in which salmon subject to tax were either removed from the state, or were sold or otherwise transferred in the state but outside a region for which the tax has been approved. The report must be accompanied by any remittance shown to be due upon reconciliation of the monthly reports. (Eff. 4/1/81, Reg. 78; am 8/9/81, Reg. 79; am 7/31/81, Reg. 79; am 3/31/85, Reg. 93)

Authority: AS 43.05.080 AS 43.76.011
AS 43.76.010 AS 43.76.028

ARTICLE 2.
SALMON ACQUIRED BY BUYERS

Section

- 100. Collection of tax
- 110. Monthly report and remittance of tax by buyers
- 120. Records
- 130. Annual report by buyers
- 140. Reporting of bonus or other additional payments

15 AAC 76.100. COLLECTION OF TAX. The salmon enhancement tax is to be collected by the buyer for every salmon acquired within a region designated under AS 16.10.375 which has approved the imposition of a salmon enhancement tax, from a person holding a limited entry permit under AS 16.43, regardless of whether the salmon was taken in a company-owned or company-subsidized boat operated by employees or agents of the buyer responsible for the collection of the salmon enhancement tax, or in a boat which is operated under lease or other arrangement by the buyer. (Eff. 4/1/81, Reg. 78; am 8/9/81, Reg. 79; am 7/31/81, Reg. 79; am 3/31/85, Reg. 93)

Authority: AS 43.05.080 AS 43.76.011
AS 43.76.010 AS 43.76.025

15 AAC 76.110. MONTHLY REPORT AND REMITTANCE OF TAX BY BUYERS. (a) A buyer responsible for the collection of the salmon enhancement tax under 15 AAC 76.100 shall file a monthly report using the form provided by the department, stating the following in the places provided on the form:

- (1) name of the buyer;
- (2) mailing address;
- (3) employer identification number (EIN) or social security number (SSN);
- (4) telephone number;
- (5) location of operation or name of vessel;
- (6) fisheries business license number or Alaska business license number;
- (7) the region designated under AS 16.10.375 in which the buyer is located;
- (8) total pounds and value of the salmon, by region, which the buyer has purchased or otherwise acquired during the preceding month; and
- (9) other information required by the department on the form.

(b) The monthly report required under this section must be submitted to the department, together with all taxes required to be collected, not later than the last day of the month following the month in which the tax was collected.

(c) A monthly report is required only for a month in which the buyer purchased or otherwise acquired salmon. (Eff. 4/1/81, Reg. 78; am 8/9/81, Reg. 79; am 7/31/81, Reg. 79; am 3/31/85, Reg. 93)

Authority: AS 43.05.080
AS 43.76.025

15 AAC 76.120. RECORDS. A buyer responsible for the collection of the salmon enhancement tax shall prepare and retain the following records:

- (1) Alaska Department of Fish and Game fish tickets salmon purchased or otherwise acquired;

(2) a daily journal or other record showing for each transaction the following:

(A) the permit holder from whom the salmon was acquired;

(B) the limited entry permit number of the permit holder named under (A) of this paragraph;

(C) the pounds and value, by species, of the salmon purchased or otherwise acquired;

(D) the amount of salmon enhancement tax collected; and

(E) the region designated under AS 16.10.375 in which the salmon were caught. (Eff. 4/1/81, Reg. 78; am 8/9/81, Reg. 79; am 7/31/81, Reg. 79; am 3/31/85, Reg. 93)

Authority: AS 43.05.080
AS 43.76.025

15 AAC 76.130. ANNUAL REPORT BY BUYERS. (a) A buyer responsible for the collection of the salmon enhancement tax under 15 AAC 76.100 shall file an annual information report, using the form provided by the department, stating the following in the places provided on the form:

- (1) name of the buyer;
- (2) mailing address;
- (3) employer identification number (EIN) or social security number (SSN);
- (4) telephone number;
- (5) location of operation or name of vessel;
- (6) fisheries business license number or Alaska business license number;
- (7) the region designated under AS 16.10.375 in which the buyer is located;
- (8) total pounds and value of the salmon caught in each region designated under AS 16.10.375, or other location, which the buyer has purchased or otherwise acquired during the preceding calendar year;

(9) total value of the salmon purchased or acquired in each region designated under AS 16.10.375, or other location, which the buyer has purchased or otherwise acquired during the preceding calendar year, reconciled with the amounts reported on the monthly reports; and

(10) other information required by the department on the form.

(b) A buyer who files an annual report under (a) of this section shall attach a schedule to the report showing, for all salmon purchased or otherwise acquired, the following:

(1) limited entry permit numbers under which the salmon were caught;

(2) names of permit holders;

(3) total value of salmon purchased or otherwise acquired with respect to each limited entry permit number reported; and

(4) total tax collected for salmon purchased or otherwise acquired with respect to each limited entry permit number reported.

(c) The annual report is due by March 1 of the year following the calendar year in which the salmon were purchased or otherwise acquired and must be accompanied by any remittance shown to be due upon reconciliation of the monthly reports. (Eff. 4/1/81, Reg. 78; am 8/9/81, Reg. 79; am 7/31/81, Reg. 79; am 3/31/85, Reg. 93)

Authority: AS 43.05.080
AS 43.76.025

15 AAC 76.140. REPORTING OF BONUS OR OTHER ADDITIONAL PAYMENTS. (a) A buyer making bonus or other additional payments to a limited entry permit holder for salmon purchased or otherwise acquired in a previous calendar year shall collect the tax and file a special salmon enhancement tax report of the additional payments made. The buyer responsible for collection of the tax shall file the report on a form prescribed by the department, stating the following:

(1) name of buyer;

(2) mailing address;

(3) employer identification number (EIN) or social security number (SSN);

(4) telephone number;

(5) location of operation or name of vessel;

(6) fisheries business license number or Alaska business license number;

(7) the region designated under AS 16.10.375 in which the buyer is located;

(8) year in which the salmon were initially purchased or otherwise acquired; and

(9) additional value paid, by species, for the salmon acquired in a previous year.

(b) The salmon enhancement tax report of bonus or other additional payments must be filed and the tax paid no later than the last day of the month following the month in which the additional payment was made. (Eff. 3/31/85, Reg. 93)

Authority: AS 43.05.080
AS 43.76.025

**ARTICLE 3.
GENERAL PROVISIONS**

Section

- 200. (Reserved)
- 210. (Reserved)
- 220. (Reserved)
- 230. (Reserved)
- 240. (Reserved)
- 250. (Reserved)
- 260. (Reserved)
- 270. (Reserved)
- 280. (Reserved)
- 290. Definitions

15 AAC 76.200 – 15 AAC 76.280. (Reserved)

15 AAC 76.290. DEFINITIONS. In this chapter

(1) "buyer" means a person who purchases or otherwise acquires salmon from a limited entry permit holder, and includes a person required to obtain a license under AS 43.75.011, but does not include a person acquiring salmon for personal consumption or a tender acquiring

salmon on behalf of a person required to obtain a license under AS 43.75.011;

(2) "permit" means an entry permit issued under AS 16.43.270 and an interim-use permit issued under AS 16.43.210;

(3) "person" means an individual, partnership, association, company, corporation, or any group or combination acting as a unit;

(4) "region" means a region of the state designated by the commissioner of fish and game under AS 16.10.375 for the purpose of salmon production, in which there exists a regional association organized for the purpose of enhancing salmon production and licensed to do so by the commissioner of fish and game, and in which an election has been held to approve the imposition of the salmon enhancement tax. (Eff. 7/31/81, Reg. 79; am 3/31/85, Reg. 93)

Authority: AS 43.05.080 AS 43.76.025
 AS 43.76.010 AS 43.76.028
 AS 43.76.011 AS 43.76.040
 AS 43.76.015

CHAPTER 80. SALMON PRICES

Section

10. Report of average wholesale salmon prices

15 AAC 80.010. REPORT OF AVERAGE WHOLESALE SALMON PRICES. (a) If, during a particular calendar year, the department does not receive a joint request as described in AS 43.80.035(d) for an average wholesale salmon price report, no report will be prepared for that calendar year. If the department does receive a joint request during a calendar year, a report will be prepared for that year on the salmon species for which a report is requested.

(b) If a joint request is not received during a calendar year but is received on or before February 15 of the following year, the department will approve the request if reasonable cause is shown for the delay.

(c) If no joint request is received under (a) of this section and no joint request is approved under (b) of this section for a report on a salmon species, then no report will be prepared for that salmon species in any subsequent year.

(d) If a joint request is received under (a) of this section or approved under (b) of this section, the department will mail a wholesale salmon price information form to each salmon cannery which operated in the state. It will mail the form by January 5 of the year following the year for which the report is requested or within five days after the approval of a request under (b) of this section.

(e) Each cannery shall complete the information form and return it to the department by February 10 or, upon the approval of a request under (b) of this section, within 30 days of the date of mailing the form under (d) of this section.

(f) If a cannery does not return a completed information form to the department by April 1 following the year for which a report is requested under (a) of this section, or within 60 days of the approval of a request under (b) of this section, the person required to file the report shall pay a civil penalty of \$5,000 unless

it is demonstrated to the department that the failure to file was due to a reasonable cause and not to willful neglect. (Eff. 4/8/82, Reg. 82; am 8/1/82, Reg. 83)

Authority: AS 43.05.080
AS 43.80.035

FISHERIES BUSINESS TAX CREDIT

(INVESTMENTS APPROVED AS OF 11/24/87)

		# APPLICAT.
SOUTHCENTRAL AK	\$ 2,021,379	10
SOUTHEAST AK	7,018,919	28
SOUTHWEST AK	29,750,294	6
BRISTOL BAY AREA	1,108,245	9
KODIAK ISLAND AREA	8,935,423	14
PRINCE WILLIAM SOUND	2,677,687	8
OTHER (LOCATIONS NOT IDENTIFIED)	<u>2,091,994</u>	<u>1</u>
TOTAL (CAPITAL INVESTMENT APPROVED 11/24/87)	\$ 53,603,941	76

(9 APPLICATIONS FOR \$3,312,239 DENIED FOR VARIOUS REASONS)

- 50% of CAPITAL INVESTMENT CAN BE CREDITED AGAINST 50% of TAX LIABILITY
 - CAN BE CARRIED OVER TO SUBSEQUENT YEARS UP TO BE 3 YRS.
 - MUNICIPALITIES CAN CREDIT 25% OF CAPITAL INVESTMENT AGAINST THEIR SHARE OF TAX
 - PROGRAM IS AVAILABLE FROM JULY 1, 1986 UNTIL DEC 31, 1989.
 - A CREDIT GRANTED IN 1989 CAN BE APPLIED FOR THREE YEARS TO TAX LIABILITY.
- TAX NOW PRODUCES ABOUT \$40 MILL PER YEAR.

15 AAC 75.090. LIMITATION ON CREDIT. (a) If a taxpayer is operating both shore-based and floating fish processor facilities in the same tax year that eligible capital expenditures are made, the total credit that may be claimed in that tax year may not exceed 50 percent of the taxpayer's combined fisheries business tax liability incurred at all of the taxpayer's fish processing facilities. However, in no event may the fisheries business tax credit generated at a processing facility in one tax year be applied to the fisheries business tax liability incurred at another processing facility in a subsequent year if the other facility was not owned by the taxpayer in the tax year the capital expenditure was made. The following are illustrative examples:

(1) Company F solely owns and operates a shore-based processing facility in Alaska and a floating freezership. In 1987, the company spent \$1 million in adding new refrigeration equipment and capacity to its shore-based plant. The company's 1987 fisheries business tax liability at its shore-based plant is \$200,000 and at its floating facility is \$50,000. The 1987 fish tax credit is limited to \$125,000, one-half of the combined

liabilities of both facilities. The remaining \$375,000 credit is available to offset taxes incurred in tax year 1988.

(2) Assume the same facts as in (1), except that in 1988 Company F acquires a second floating freezership and makes no additional eligible capital expenditures to its shore-based facility. For tax year 1988, the new company has a fish tax liability at its shore-based facility of \$200,000, at the original floating facility of \$50,000 and at the acquired facility of \$150,000. The 1988 fisheries business tax credit is again limited to \$125,000. The unused credit cannot be used to offset fisheries business tax incurred at the new facility which was not owned in the year the capital expenditure was made.

(b) A fisheries business tax credit will not be approved if the fisheries business has any arrears or outstanding liability to the state under AS 43.75 which could result in a lien under AS 43.10.035(a), irrespective whether the arrears or outstanding liability arose out of the business activity of the facility for which the expenditure was made. An amount properly and timely disputed under the provisions of AS 43.05.240 shall not constitute an amount in arrears or an outstanding liability.

AS 43.75.032. FISHERIES BUSINESS TAX CREDITS. (a) A fisheries business is entitled to a credit of not more than 50 percent of the business tax liability under AS 43.75.015 for capital expenditures made during the tax year that (1) increase product diversity, or production efficiency and capacity, or improve product quality, at a shore-based fisheries business facility in the state, or (2) contribute to the development of a cooperative seafood industrial park in the state, if an application for credit is approved by the department in advance of the capital expenditure. A fisheries business may claim a credit under this subsection for a maximum period of three consecutive years. An applicant for the credit may elect to begin the three-year period with any tax year from 1987 through 1989. A tax credit under this subsection may not be approved for more than 50 percent of a capital expenditure, plus any increase required under (b) of this section.

(b) The amount of a credit under (a) of this section for a capital expenditure involving a shore-based fisheries business facility or cooperative seafood industrial park located or to be located in a municipality shall be increased by the amount by which the municipality's fisheries business tax refund is reduced under AS 43.75.130(c). The total amount of a credit increase under this subsection during a three-year period may not exceed 25 percent of the amount of the capital expenditure.

(c) The portion of a capital expenditure that is eligible for a credit under this section but is not claimed during a single tax year may not be carried back to a prior tax year but is available for the computation as a credit under this section for a subsequent tax year within the three-year period elected under (a) of this section.

(d) Within 10 days after submitting an application for a credit under (a) of this section the applicant shall send a copy of the application to the municipality, if any, in which the shore-based fisheries business facility or cooperative seafood industrial park for which the expenditure is to be made is located or is to be located.

(e) A fisheries business is entitled to a credit of not more than five percent of the business tax liability under AS 43.75.015 for contributions made during the tax year to the A.W. "Winn" Brindle memorial scholarship account (AS 14.43.250). A fisheries business may claim a credit under this subsection for the 1987 tax year and subsequent tax years. A tax credit under this subsection may not be approved for more than 100 percent of a scholarship contribution.

(f) The total tax credits that may be claimed under this section for a tax year for capital expenditures and scholarship contributions combined may not exceed 50 percent of the taxpayer's business tax liability under AS 43.75.015 for that tax year.

(g) The department may not approve a tax credit under this section if

(1) the property for which the capital expenditure was made was the subject of a previous capital expenditure by another taxpayer for whom a corresponding tax credit under this section has been approved;

(2) the property for which the capital expenditure was made was sold or transferred between fisheries businesses having substantial common ownership; or

(3) the fisheries business claiming the credit is in arrears in the payment of a fisheries business tax under AS 43.75.015; for purposes of this paragraph, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

(h) The department shall prepare an application form for a credit under this section.

(i) The department shall approve or disapprove an application for a credit under this section not later than 60 days after receiving the application.

(j) In this section

(1) "cooperative" has the meaning given in AS 10.15.595.

(2) "seafood industrial park" means a seafood processing center with facilities to land, handle, and process or to ship or transship to any location all marketable species of seafood; a seafood industrial park may contain commercial facilities to support the activities of the park, and the labor force and vessels that operate at or from the park;

AS 43.75.140(9) "capital expenditures" includes the price paid for equipment and the cost of improvements made to depreciable property, but does not include expenditures that are deducted entirely for federal income tax purposes in the year in which they accrued or were paid; in this paragraph, "equipment" and "depreciable property" have the meaning given in regulations adopted by the commissioner of commerce and economic development;

(10) "product diversity" means the processing of nontraditional fish or other seafood species or products;

(11) "product quality" means the handling of fish or other seafood species or products in order to increase product sales or value.

FISHERIES BUSINESS TAX (REVENUES)

	FY80 (MILLIONS)	FY81	FY82	FY83	FY84	FY85	FY86	FY87	FY88 Projected
CANNED SALMON 4½%	4.3	5.9	8.6	4.3	5.5	5.6	3.5	} 17.5	} 6.0'
SHORE BASED 3%	7.6	11.0	8.7	11.5	7.1	8.3	10.1		
FLOATING 5%	2.7	3.8	5.5	4.7	6.4	4.8	7.5	9.0	9.8
TOTAL	14.6	20.7	22.8	20.5	19.0	18.7	21.1	26.5	15.8

Source: AK DEPT OF REVENUE. (12-3-87)

1) EFFECTS OF TAX CREDIT - DEPT OF REVENUE ESTIMATES THAT TOTAL FISHERIES BUSINESS TAX WOULD HAVE BEEN \$30 MILLION BUT WAS REDUCED \$14.2 MILLION BECAUSE OF TAX CREDIT.

FISHERIES BUSINESS TAX (REVENUES)

	FY80 (Millions)	FY81	FY82	FY83	FY84	FY85	FY86	FY87	FY88 (Projected)
CANNED SALMON 4½%	4.3	5.9	8.6	4.3	5.5	5.6	3.5	} 17.5	} 6.0
SHORE BASED 3%	7.6	11.0	8.7	11.5	7.1	8.3	10.1		
FLOATING 5%	2.7	3.8	5.5	4.7	6.4	4.8	7.5	9.0	9.8
TOTAL	14.6	20.7	22.8	20.5	19.0	18.7	21.1	26.5	15.8

SOURCE: AK DEPT OF REVENUE. (12-3-87)

1) EFFECTS OF TAX CREDIT - DEPT OF REVENUE ESTIMATES THAT TOTAL FISHERIES BUSINESS TAX WOULD HAVE BEEN \$30 MILLION BUT WAS REDUCED \$14.2 MILLION BECAUSE OF TAX CREDIT.

FISHERIES BUSINESS TAX (REVENUES)

(millions)

	FY 80	<u>81</u>	<u>82</u>	<u>83</u>	<u>84</u>	<u>85</u>	<u>86</u>	<u>87</u>	<u>88</u>
CANNED SALMON	4.3	5.9	8.6	4.3	5.5	5.6	3.5 5.2	5.2 17.5	5.2 6.0
SHORE BASED	7.6	11.0	8.7	11.5	7.1	8.3	10.1 9.0	9.0 9.0	9.0 9.8
FLOATING	2.7	3.8	5.5	4.7	6.4	4.8	7.5 5.0	9.0 5.0	9.8 5.0
	14.6	20.7	22.8	20.5	19.0	18.7	19.2 21.1	19.2 26.5	19.2 15.8
								40	30
								crd = 14.2	15.8

FISHERIES TAX CREDITS

INVESTMENTS APPROVED AS OF 11/24/85

#

S.E. 7,018,919

3yr program.

S.W. 29,750,294

S.C. 2,021,379

B.B. 1,108,245

KOD 8,935,423

P.W.S. 2,677,687

OTHER 2,091,994

TOTAL

53,603,941

= ⁷⁶~~85~~ APPLICATIONS

3,312,339

= ⁹~~85~~ DENIED

AK-HQ

7,090

WA-HQ

46,504,239

50% STATE

TOTAL

53,603,941

25% MUNI

AS 43.75.032. FISHERIES BUSINESS TAX CREDITS. (a) A fisheries business is entitled to a credit of not more than 50 percent of the business tax liability under AS 43.75.015 for capital expenditures made during the tax year that (1) increase product diversity, or production efficiency and capacity, or improve product quality, at a shore-based fisheries business facility in the state, or (2) contribute to the development of a cooperative seafood industrial park in the state, if an application for credit is approved by the department in advance of the capital expenditure. A fisheries business may claim a credit under this subsection for a maximum period of three consecutive years. An applicant for the credit may elect to begin the three-year period with any tax year from 1987 through 1989. A tax credit under this subsection may not be approved for more than 50 percent of a capital expenditure, plus any increase required under (b) of this section.

(b) The amount of a credit under (a) of this section for a capital expenditure involving a shore-based fisheries business facility or cooperative seafood industrial park located or to be located in a municipality shall be increased by the amount by which the municipality's fisheries business tax refund is reduced under AS 43.75.130(c). The total amount of a credit increase under this subsection during a three-year period may not exceed 25 percent of the amount of the capital expenditure.

(c) The portion of a capital expenditure that is eligible for a credit under this section but is not claimed during a single tax year may not be carried back to a prior tax year but is available for the computation as a credit under this section in a subsequent tax year within the three-year period elected under (a) of this section.

(d) Within 10 days after submitting an application for a credit under (a) of this section the applicant shall send a copy of the application to the municipality, if any, in which the shore-based fisheries business facility or cooperative seafood industrial park for which the expenditure is to be made is located or is to be located.

(e) A fisheries business is entitled to a credit of not more than five percent of the business tax liability under AS 43.75.015 for contributions made during the tax year to the A.W. "Winn" Brindle memorial scholarship account (AS 14.43.250). A fisheries business may claim a credit under this subsection for the 1987 tax year and subsequent tax years. A tax credit under this subsection may not be approved for more than 100 percent of a scholarship contribution.

(f) The total tax credits that may be claimed under this section for a tax year for capital expenditures and scholarship contributions combined may not exceed 50 percent of the taxpayer's business tax liability under AS 43.75.015 for that tax year.

(g) The department may not approve a tax credit under this section if

- (1) the property for which the capital expenditure was made was the subject of a previous capital expenditure by another taxpayer for whom a corresponding tax credit under this section has been approved;
- (2) the property for which the capital expenditure was made was sold or transferred between fisheries businesses having substantial common ownership; or
- (3) the fisheries business claiming the credit is in arrears in the payment of a fisheries business tax under AS 43.75.015; for purposes of this paragraph, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

(h) The department shall prepare an application form for a credit under this section.

(i) The department shall approve or disapprove an application for a credit under this section not later than 60 days after receiving the application.

(j) In this section

- (1) "cooperative" has the meaning given in AS 10.15.595.
- (2) "seafood industrial park" means a seafood processing center with facilities to land, handle, and process or to ship or transship to any location all marketable species of seafood; a seafood industrial park may contain commercial facilities to support the activities of the park, and the labor force and vessels that operate at or from the park;

AS 43.75.140(9) "capital expenditures" includes the price paid for equipment and the cost of improvements made to depreciable property, but does not include expenditures that are deducted entirely for federal income tax purposes in the year in which they accrued or were paid; in this paragraph, "equipment" and "depreciable property" have the meaning given in regulations adopted by the commissioner of commerce and economic development;

(10) "product diversity" means the processing of nontraditional fish or other seafood species or products;

(11) "product quality" means the handling of fish or other seafood species or products in order to increase product sales or value.

ALASKA DEPARTMENT OF REVENUE
 DIVISION OF AUDIT
 ALASKA FISHERIES BUSINESS TAX CREDIT APPLICATION
 A.S. 43.75.032

FOR THE PERIOD	ONE APPLICATION PER SHORE-BASED LOCATION
Name (Person, firm or corporation)	Fisheries Business License Number
Mailing Address	Federal EIN or Soc. Sec. Number
City, State, Zip Code	Daytime Telephone Number ()
Contact Person:	
Physical Location of Operation: (Note: If operating within a municipality you must indicate the name of the municipality)	

I. Enter the total actual or estimated value of capital expenditures made or to be made during the period for which a fisheries business tax credit is being claimed. Attach to this application an itemized statement which includes the date each capital expenditure was made or will be made and give a brief explanation of how the capital expenditure qualifies. (See back of this page for definition of qualifying expenditures) I. _____

II. Enter the total dollar value of contributions made to an approved cooperative seafood industrial park. Enter the name and location of the approved park. _____
 Attach copy of cancelled check or receipt for this contribution. II. _____

III. Enter the total dollar value of contributions made to the A.W. Winn Brindle memorial scholarship account. Attach copy of cancelled check or receipt which documents this contribution. III. _____

Under section (b) of Alaska Statute 43.75.032, the fisheries business tax credit may be increased if the municipality requests the Department of Revenue to reduce the amount of shared revenues they would normally receive. To apply for this credit increase a copy of this application must be submitted to the municipality within 10 days after this application is submitted to the Department of Revenue.

OFFICE USE ONLY			
Application for credit:			Yes No
Approved:	Date:	Audit Appeals	
Disapproved:	Date:	Enforcement	
		Public Service Licensing	

FOR FURTHER INFORMATION CONTACT
 FISHERIES & MINING TAX UNIT
 (907) 465-2371

CHAPTER 75.

FISHERIES BUSINESS TAX

Article

1. Tax on Fisheries Business
(15 AAC 75.010 -- 15 AAC 75.090)
2. Tax Imposed on Acquisition of Fisheries Resources (15 AAC 75.100)
3. General Provisions
(15 AAC 75.200 -- 15 AAC 75.300)

ARTICLE 1.

TAX OF FISHERIES BUSINESS

Section

10. Information on return
20. Extension of time for filing returns
30. Liability for tax
35. Exclusion from fisheries business tax
40. Statement of value; records
50. Statement to be provided by custom processors
60. Expenditures eligible for tax credit
70. Application for fisheries business tax credit
80. Placed in service rule
90. Limitation on credit

15 AAC 75 is amended by adding the following sections to read:

15 AAC 75.070. APPLICATION FOR FISHERIES BUSINESS TAX CREDIT. (a) To qualify for the Fisheries Business Tax Credit for eligible expenditures, as defined in 15 AAC 75.060, made between July 1, 1986 and December 31, 1989, a fisheries business must apply for the credit in advance of the capital

expenditure on forms prescribed by the department. On the form, the fisheries business must provide the following information:

- (1) the name of fisheries business;
- (2) the fisheries business license number of each processing facility owned by the fisheries business;
- (3) the mailing address for the fisheries business;
- (4) telephone number for the fisheries business;
- (5) the location of processing facility for which eligible expenditures will be made;
- (6) a list of all equipment and depreciable property to be purchased or constructed and a description of their functions related to the processing of fish;
- (7) the approximate cost of each piece of equipment or depreciable property to be purchased;
- (8) the estimated date that the equipment or depreciable property is to be purchased or constructed and the date it first will be placed into service;
- (9) if used equipment or property is to be purchased, a list of the names of the previous owners of the equipment or property, and the dates of their ownership.

(b) Notwithstanding (a), for the period July 1, 1986, through March 31, 1987, the Department will accept applications for the tax credit for eligible expenditures made prior to the date of the application.

Authority: AS 43.05.080
AS 43.75.032

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REVENUE

15 AAC 75.080

15 AAC 75.080. PLACED IN SERVICE RULE. (a) In order for a credit to be applied against a fisheries business tax liability, the depreciable property or equipment which is the subject of the credit must be effectively placed in service in the state.

(b) Depreciable property or equipment will be considered to have been placed in service in the earlier of the following tax years:

(1) the taxable year in which, under the taxpayer's depreciation practice, the period for depreciation with respect to such property or equipment begins; or

(2) the taxable year in which the depreciable property or equipment is placed in a condition or state of readiness and availability for a specifically assigned function integrally related to the manufacturer of seafood products or fish processing functions under 15 AAC 75.060.

(c) If otherwise qualifying as an eligible expenditure, the following property will be considered in a state of readiness and availability:

(1) parts acquired and set aside during the taxable year for use as replacements for a particular machine in order to avoid operational time loss;

(2) operational fish processing equipment acquired during a taxable year, where it is not practicable to use the equipment for its specifically assigned function in the fisheries business until the following year; and

(3) equipment acquired for a specifically assigned function that is operational but is undergoing testing to eliminate defects.

(d) If the department has determined that certain expenditures are eligible for tax credit, but the expenditures do not reflect the full cost of the equipment or depreciable property because the total amount to be paid or incurred by the taxpayer is indeterminate, credit will be allowed to the taxpayer for the first taxable year with respect to so much of the cost as has been paid or incurred as of the close of that year, and additional credit will be allowed to the taxpayer for subsequent eligible tax years with respect to additional expenditures made during each subsequent year.

(e) Notwithstanding (a) -- (d) of this section and for fish tax credit computation purposes only, property placed in service from July 1, 1986 through December 31, 1986 will be considered to have been first placed in service in tax year 1987.

Authority: AS 43.05.080

AS 43.75.032

15 AAC 75.090. LIMITATION ON CREDIT. (a) If a taxpayer is operating both shore-based and floating fish processor facilities in the same tax year that eligible capital expenditures are made, the total credit that may be claimed in that tax year may not exceed 50 percent of the taxpayer's combined fisheries business tax liability incurred at all of the taxpayer's fish processing facilities. However, in no event may the fisheries business tax credit generated at a processing facility in one tax year be applied to the fisheries business tax liability incurred at another processing facility in a subsequent year if the other facility was not owned by the taxpayer in the tax year the capital expenditure was made. The following are illustrative examples:

(1) Company F solely owns and operates a shore-based processing facility in Alaska and a floating freezership. In 1987, the company spent \$1 million in adding new refrigeration equipment and capacity to its shore-based plant. The company's 1987 fisheries business tax liability at its shore-based plant is \$200,000 and at its floating facility is \$50,000. The 1987 fish tax credit is limited to \$125,000, one-half of the combined

liabilities of both facilities. The remaining \$375,000 credit is available to offset taxes incurred in tax year 1988.

(2) Assume the same facts as in (1), except that in 1988 Company F acquires a second floating freezership and makes no additional eligible capital expenditures to its shore-based facility. For tax year 1988, the new company has a fish tax liability at its shore-based facility of \$200,000, at the original floating facility of \$50,000 and at the acquired facility of \$150,000. The 1988 fisheries business tax credit is again limited to \$125,000. The unused credit cannot be used to offset fisheries business tax incurred at the new facility which was not owned in the year the capital expenditure was made.

(b) A fisheries business tax credit will not be approved if the fisheries business has any arrears or outstanding liability to the state under AS 43.75 which could result in a lien under AS 43.10.035(a), irrespective whether the arrears or outstanding liability arose out of the business activity of the facility for which the expenditure was made. An amount properly and timely disputed under the provisions of AS 43.05.240 shall not constitute an amount in arrears or an outstanding liability.

(c) No credit will be approved for otherwise eligible expenditures made to acquire property from another fisheries business in which there exists substantial common ownership. For purposes of this subsection, "substantial common ownership" means a 50% direct or constructive ownership interest, and constructive ownership will be determined according to the provisions of 26 U.S.C. 318 (Internal Revenue Code § 318) in effect on _____, 1987. [Editor - please insert effective date of this regulation.] (Eff. / / , Register .)

Authority: AS 43.05.080

AS 43.75.032

AS 43.75.015(a) is amended to read:

Sec. 43.75.015. Fisheries business tax. (a) A person engaged in a fisheries business is liable for and shall pay the tax levied by this section on the value of each of the following fisheries resources processed during the year at the rate set out after each:

(1) salmon canned at a shore-based fisheries business [CANNERY] - four and one-half percent;

(2) salmon processed by a shore-based fisheries business, except salmon for which the tax is due under (1) of this subsection, and all other fisheries resources processed by a shore-based fisheries business - three percent;

(3) fisheries resources processed by a floating fisheries business - five percent;

AS 43.75 is amended by adding a new section to read:

Sec. 43.75.032. FISHERIES BUSINESS TAX CREDITS. (a) A fisheries business is entitled to a credit of not more than 50 percent of the business tax liability under AS 43.75.015 for capital expenditures made during the tax year that (1) increase product diversity, or production efficiency and capacity, or improve product quality, at a shore-based fisheries business facility in the state, or (2) contribute to the development of a cooperative seafood industrial park in the state, if an application for the credit is approved by the department in advance of the capital expenditure. A fisheries business may claim a credit under this subsection for a maximum period of three consecutive years. An applicant for the credit may elect to begin the three-year period with any tax year from 1987 through 1989. A tax credit under this subsection may not be approved for more than 50 percent of a capital expenditure, plus any increase required under (b) of this section.

(b) The amount of a credit under (a) of this section for a capital expenditure involving a shore-based fisheries business facility or cooperative seafood industrial park located or to be located in a municipality shall be increased by the amount by which the municipality's fisheries business tax refund is reduced under AS 43.75.130(c). The total amount of a credit increase under this subsection during a three-year period may not exceed 25 percent of the amount of the capital expenditure.

(c) The portion of a capital expenditure that is eligible for a credit under this section but is not claimed during a single tax year may not be carried back to a prior tax year but is available for the computation as a credit under this section for a subsequent tax year within the three year period elected under (a) of this subsection.

(d) Within 10 days after submitting an application for a credit under (a) of this section the applicant shall send a copy of the application to the municipality, if any, in which the shore-based fisheries business facility or cooperative seafood industrial park for which the expenditure is to be made is located or is to be located.

(e) A fisheries business is entitled to a credit of not more than five percent of the business tax liability under AS 43.75.015 for contributions made during the tax year to the A.W. "Winn" Brindle memorial scholarship account (AS 14.43.250). A fisheries business may claim a credit under this subsection for the 1987 tax year and subsequent tax years. A tax credit under this subsection may not be approved for more than 100 percent of a scholarship contribution.

(f) The total tax credits that may be claimed under this section for a tax year for capital expenditures and scholarship contributions combined may not exceed 50 percent of the taxpayer's business tax liability under AS 43.75.015 for that tax year.

(g) The department may not approve a tax credit under this section if

(1) the property for which the capital expenditure was made was the subject of a previous capital expenditure by another taxpayer for whom a corresponding tax credit under this section has been approved;

(2) the property for which the capital expenditure was made was sold or transferred between fisheries businesses having substantial common ownership; or

(3) the fisheries business claiming the credit is in arrears in the payment of a fisheries business tax under AS 43.75.015; for purposes of this paragraph, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

(h) The department shall prepare an application form for a credit under this section.

(i) The department shall approve or disapprove an application for a credit under this section not later than 60 days after receiving the application.

(j) In this section

(1) "cooperative" has the meaning given in AS 10.15.595.

(2) "seafood industrial park" means a seafood processing center with facilities to land, handle, and process or to ship or transship to any location all marketable species of seafood; a seafood industrial park may contain commercial facilities to support the activities of the park, and the labor force and vessels that operate at or from the park;

Sec. 43.75.034. TAX CREDIT REPORT. Not later than the 15th of legislative day of each regular legislative session the Department of Revenue, shall submit to the legislature a report on the fisheries business tax credit program under AS 43.75.032. The report shall describe the expenditures for which a credit was approved during the previous tax year and, if possible, the increase in employment and processing capacity by the fisheries businesses for which the credit was approved.

AS 43.75.032 is repealed and reenacted to read:

Sec. 43.75.032. TAX CREDIT FOR SCHOLARSHIP CONTRIBUTIONS.
(a) A fisheries business is entitled to a credit of not more than five percent of the business tax liability under AS 47.75.015 for contributions made during the tax year to the A.W. "Winn" Brindle memorial scholarship account (AS 14.43.250). A tax credit under this section may not be approved for more than 100 percent of a scholarship contribution.

(b) The department may not approve a tax credit under this section if the fisheries business claiming the credit is in arrears in the payment of a fisheries business tax under AS 43.75.015; for purposes of this subsection, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

(c) The department shall prepare an application form for a credit under this section.

(d) The department shall approve or disapprove an application for credit under this section not later than 60 days after receiving the application.

AS 43.75.130 is amended by adding new subsections to read:

(b) For purposes of this section, tax revenue collected under AS 43.75.015 from a person entitled to a credit under AS 43.75.032 shall be calculated as if the person's tax had been collected without applying the credit.

(c) Within 60 days after a credit is approved under AS 43.75.032 for a capital expenditure involving a shore-based fisheries business facility or cooperative seafood industrial park located or to be located in a municipality, the municipality may adopt an ordinance directing the department to reduce the municipality's refund under this section over a period of time not more than three years by an amount not exceeding 25 percent of the capital expenditure.

AS 43.75.140 is amended by adding new paragraphs to read:

(9) "capital expenditures" includes the price paid for equipment and the cost of improvements made to depreciable property, but does not include expenditures that are deducted entirely for federal income tax purposes in the year in which they accrued or were paid; in this paragraph, "equipment" and "depreciable property" have the meaning given in regulations adopted by the commissioner of commerce and economic development;

(10) "product diversity" means the processing of nontraditional fish or other seafood species or products;

"
(11) "product quality" means the handling of fish or other seafood species or products in order to increase product sales or value.

The fish tax credit report under AS 43.75.034, enacted by sec. 2 of this Act, is due February 2, 1987, and shall describe the expenditures for which a credit was approved during 1986 for the 1987 tax year.

AS 43.75.130(c) and 43.75.140(9) - (11) are repealed January 1, 1992.

AS 43.75.034 is repealed February 15, 1992.

Sections 1, 2, and 4-8 of this Act take effect July 1, 1986.

Section 3 of this Act takes effect January 1, 1992.

STATE OF ALASKA

DEPARTMENT OF REVENUE

STEVE COWPER, GOVERNOR

STATE OFFICE BUILDING
P.O. BOX SA
JUNEAU, ALASKA 99811-0400

2320

October 14, 1987

The Honorable Senator Sturgulewski
Capitol Building
Room 427
Juneau, Alaska 99801

TO AM - STUR

Attn: Frank Homan

Dear Mr. Homan:

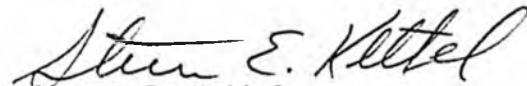
Per your request of October 12, 1987, we have reviewed the Fisheries Business Tax Credit Applications that we have received to date and the following is a breakdown of those applications:

Applications received	79 each
Approved Capital Expenditures	\$52,378,131
Denied Capital Expenditures	\$ 3,247,339

These credits will first be available to offset tax on the 1987 Fisheries Business return which is due on March 31, 1988. You can estimate at least 50% of those capital expenditures will reduce revenues over the three years this credit is available. This amount may be increased as there is a provision which allows the local municipalities to authorize an additional 25% credit in exchange for a reduction in their share of the fish tax revenue.

If I can be of further service please feel free to call.

Sincerely,



Steven E. Kettel
Director of Audit-Income and Excise

SEK:tw

87-124

CHAPTER 75
FISHERIES BUSINESS TAX

ARTICLE 1
TAX ON FISHERIES BUSINESS

15 AAC 75.060. EXPENDITURES ELIGIBLE FOR TAX CREDIT. The following "equipment" and "depreciable property" are capital expenditures eligible for fisheries business tax credits under AS 43.75.032:

(1) Refrigeration equipment, or new plant construction or improvements made to depreciable property which are integrally related to the original installation of refrigeration equipment, which is dedicated to and necessary for the performance of the following functions at a shore-based seafood processing facility in Alaska:

- (A) manufacturing, storing and delivery of ice;
- (B) refrigerated holding or storing of processed seafood products, raw fish, or shellfish prior to processing or shipment; or
- (C) seafood product freezing.

(2) Fish processing equipment, or new plant construction or improvements made to depreciable property which are integrally related to the original installation of fish processing equipment, which is necessary for the manufacturing of the following products at a shore-based seafood processing facility in Alaska:

- (A) round or dressed frozen fish or shellfish products;
- (B) fresh or frozen cut or formed boneless portions;
- (C) fresh or frozen fillet products;
- (D) comminuted or minced fish products or products which are based on the use of comminuted or minced fish;
- (E) surimi or products which are based on the use of surimi;
- (F) fish or shellfish meal, oil, solubles, protein derivatives, pharmaceuticals or biochemicals;
- (G) canned salmon;
- (H) smoked or cured seafood products;
- (I) fish or shellfish products preserved by new or nontraditional methods, including aseptic handling, irradiation, controlled atmosphere storage or the application of chemicals.

(3) To be eligible under (2) of this section, the equipment, construction, or improvements must be dedicated to and necessary for appropriate processing functions, such as vessel unseparation, cutting, skinning, bone separation, can filling, forming, washing, mixing, grinding, pumping, concentrating, can seaming, cooking, retorting, drying, pressing, can washing, packaging, labeling, or the addition of chemicals, colors or flavoring.

(Eff. 12/16/86, Register 101).

Authority: AS 43.75.140(9)

INSTRUCTIONS. Complete only one schedule, and attach it to the Alaska Fisheries Business Return. If your fisheries business files more than one return, attach a copy of the schedule to each return.

Name of Person, Firm or Corporation	Federal EIN or Social Security Number*	* If your business has not been issued a federal employer identification number (EIN), you are required to provide your social security number so that the Department of Revenue may administer the tax laws of Alaska. AS 4305080. The information is used by the department for identification purposes.
Mailing Address	Contact Person	
City, State and Zip Code	Daytime Telephone Number	

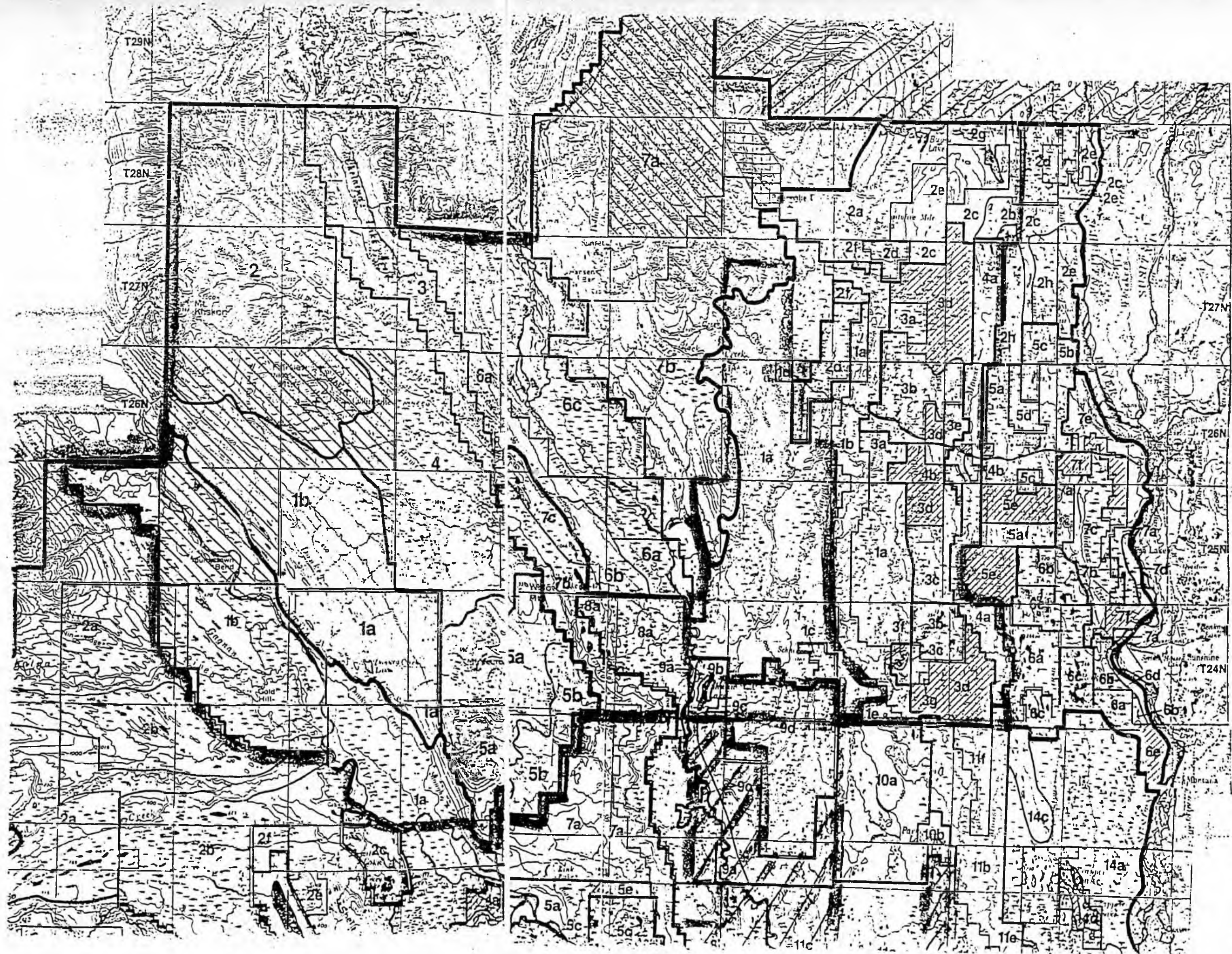
1. Number of Alaska Fisheries Business Returns filed for this tax year	1		REVENUE USE ONLY
2. Total Tax Before Credits. Enter amount from Page 1, line 8 of your Alaska Fisheries Business Return. If more than one return is filed, complete the Summary Schedule below and enter the amount from line 9a	2		
3. Total Available Capital Expenditures Credit. Enter amount from line 3H of the Detail Schedule on the other side.	3		
4. (a) A.W. "Winn" Brindle Scholarship Contribution	4a		
(b) Limitation. Multiply line 2 by 5% (.05).	4b		
(c) Credit. Compare the amounts on lines 4a and 4b. Enter the smaller amount on line 4c.	4c		
5. Total Credits. Add lines 3 and 4c	5		
6. Limitation. Multiply line 2 by 50% (.50).	6		
7. TAX CREDIT AVAILABLE FOR TAX YEAR. Compare the amounts on lines 5 and 6. Enter the smaller amount on line 7	7		
8. AMOUNT AVAILABLE FOR CARRY FORWARD. Subtract line 6 from line 5 and enter the difference. If less than 0, enter 0.	8		

9. SUMMARY SCHEDULE. HOW CREDITS ARE TO BE APPLIED. (Use this schedule if the fisheries business files more than one Alaska Fisheries Business Return. Attach additional schedule if more space is needed.)

Fisheries Bus. Lic. No.	Name of Facility	Tax Before Credits (Line 8 of Fisheries Business Return)	Amount of Credit to be Applied	REVENUE USE ONLY

DRAFT

(a) TOTAL TAX BEFORE CREDITS	9a		
(b) TOTAL CREDITS TO BE APPLIED (Must equal line 7).	9b		



FISHERIES BUSINESS TAX CREDIT

DATE OF APPROVAL OR DENIAL	YEAR	CITY/STATE	LOCATION OF FACILITY	AMOUNT APPROVED	AMOUNT DENIED	REASON FOR DENIAL
09/30	1987	Anchorage, AK	NIKISKI	\$540,000.00	\$10,000.00	
10/05	1986	Seattle, WA	KODIAK	\$4,215,000.00		
06/18	1986	Seattle, WA	SEWARD	\$0.00	\$76,856.00	PRIOR TO EFFECTIVE DATE
06/18	1986	Seattle, WA	SEWARD	\$5,892.00	\$0.00	
06/18	1986	Seattle, WA	SEWARD	\$12,195.00	\$0.00	
06/24	1986	Seattle, WA	PETERSBURG	\$231,115.00	\$0.00	
06/19	1987	Seattle, WA	SEWARD	\$600,000.00	\$0.00	
06/19	1987	Seattle, WA	PETERSBURG	\$2,456,245.00	\$0.00	
06/19	1986	Seattle, WA	KODIAK	\$124,916.00	\$0.00	
06/19	1987	Bellingham, WA	SITKA	\$12,131.00	\$0.00	
06/19	1987	Seattle, WA	NAKNEK	\$68,000.00	\$0.00	
06/24	1987	Wrangell, AK	WRANGELL	\$197,000.00	\$0.00	
06/24	1987-88	Seattle, WA	KING COVE	\$2,500,000.00	\$0.00	
06/24	1986	Seattle, WA	KODIAK	\$280,000.00	\$0.00	
06/24	1987	Seattle, WA	NAKNEK	\$221,850.00	\$0.00	
06/24	1987	Seattle, WA	KETCHIKAN	\$385,900.00	\$0.00	
06/24	1987	Seattle, WA	KETCHIKAN	\$0.00	\$395,000.00	BUNKHOUSE
06/24	1986	Seattle, WA	CORDOVA	\$37,596.00	\$0.00	
06/24	1986	Seattle, WA	CORDOVA	\$236,778.00	\$0.00	
06/24	1986	Seattle, WA	CORDOVA	\$117,210.00	\$0.00	
06/24	1986-87	Seattle, WA	PORT BRILEY	\$364,653.00	\$30,958.00	WINTERIZING LV QUARTERS
06/24	1987	Seattle, WA	AKUTAN	\$200,000.00	\$0.00	
06/24	1986	Seattle, WA	KODIAK	\$0.00	\$219,756.00	PRIOR TO EFFECTIVE DATE
06/24	1986	Seattle, WA	KODIAK	\$0.00	\$422,945.00	TENTATIVE EFFECTIVE DATE
08/04	1987	Bellingham, WA	SITKA	\$114,292.00	\$0.00	
08/04	1987-88	Redmond, WA	UNALASKA	\$450,000.00	\$0.00	
08/04	1986	Seattle, WA	KODIAK	\$249,000.00	\$0.00	
08/04	1987	Seattle, WA	CORDOVA	\$2,091,994.00	\$0.00	
08/06	1986	Valdez, AK	VALDEZ	\$387,527.00	\$0.00	
08/07	1986	Seattle, WA	VALDEZ	\$475,000.00	\$0.00	
08/14	1987-90	Seattle, WA	AKUTAN	\$13,688,000.00	\$800,000.00	BUNKHOUSE
04/14	1987	Seattle, WA	ALITAK	\$120,000.00	\$0.00	
04/14	1987	Seattle, WA	KENAI	\$96,629.00	\$0.00	
01/15	1987	Seattle, WA	EKUK	\$96,100.00	\$0.00	
04/14	1987	Seattle, WA	EKUK	\$339,545.00	\$0.00	
08/12	1986	Ketchikan, AK	KETCHIKAN	\$731,699.00	\$0.00	
08/25	1987	Cordova, AK	CORDOVA	\$382,647.00	\$0.00	
08/26	1987	Kodiak, AK	KODIAK	\$150,000.00	\$0.00	
09/14	1986	Seattle, WA	TOGIAK	\$0.00	\$312,935.00	PRIOR TO EFFECTIVE DATE
09/21	1987	Seattle, WA	TOGIAK	\$139,395.00	\$0.00	
06/19	1987	Seattle, WA	KODIAK	\$613,000.00	\$0.00	
09/29	1987	Yakutat, AK	YAKUTAT	\$75,465.00	\$0.00	
01/15	1986	Ketchikan, AK	KETCHIKAN	\$1,160,000.00	\$0.00	
01/15	1986	Seattle, WA	NAKNEK	\$17,276.00	\$0.00	
01/15	1986	Seattle, WA	KETCHIKAN	\$172,321.00	\$0.00	
01/15	1986	Kasilof, AK	KENAI	\$88,400.00	\$0.00	
01/15	1986	Sitka, AK	SITKA/YAKUTAT	\$128,389.00	\$0.00	
06/19	1987	Sitka, AK	SITKA	\$57,000.00	\$0.00	
06/19	1987	Sitka, AK	SITKA/YAKUTAT	\$15,000.00	\$0.00	
06/19	1986	Sitka, AK	SITKA	\$27,356.00	\$0.00	
06/19	1987	Sitka, AK	SITKA	\$356,272.00	\$0.00	
06/19	1987	Sitka, AK	YAKUTAT	\$138,138.00	\$0.00	
01/15	1986	Kenai, AK	KENAI	\$234,400.00	\$0.00	
01/16	1986	Juneau, AK	JUNEAU	\$3,000.00	\$0.00	
01/15	1986	Seattle, WA	UNALASKA	\$12,483,742.00	\$0.00	
01/15	1986	Hoonah, AK	HOONAH	\$195,515.00	\$0.00	
01/15	1986	Seattle, WA	KODIAK	\$791,207.00	\$0.00	
04/14	1987	Seattle, WA	KETCHIKAN	\$98,237.00	\$0.00	
04/14	1987	Seattle, WA	KETCHIKAN	\$31,100.00	\$0.00	
04/14	1987	Seattle, WA	KETCHIKAN	\$54,000.00	\$0.00	
04/14	1987	Seattle, WA	EXCURSION INLET	\$223,937.00	\$0.00	
04/14	1987	Seattle, WA	EXCURSION INLET	\$7,500.00	\$0.00	
04/14	1987	Seattle, WA	EXCURSION INLET	\$17,000.00	\$0.00	
04/14	1987	Seattle, WA	EXCURSION INLET	\$6,800.00	\$0.00	
04/14	1987	Seattle, WA	EXCURSION INLET	\$27,000.00	\$0.00	
04/14	1986	Kenai, AK	KENAI	\$383,500.00	\$0.00	
04/09	1986	Seattle, WA	KODIAK	\$642,209.00	\$713,893.00	FLOATING OPERATION
04/07	1986	Redmond, WA	UNALASKA	\$428,552.00	\$0.00	
04/14	1987	Seattle, WA	NAKNEK	\$106,500.00	\$0.00	
04/14	1987	Seattle, WA	PETERSBURG	\$77,000.00	\$0.00	
06/19	1986	Seattle, WA	CORDOVA	\$965,929.00	\$0.00	
06/19	1986	Seattle, WA	KENAI	\$49,553.00	\$0.00	
06/19	1986	Seattle, WA	NAKNEK	\$82,940.00	\$0.00	
06/19	1987	Kodiak, AK	KODIAK	\$85,000.00	\$0.00	
06/19	1987	Kodiak, AK	KODIAK	\$160,438.00	\$0.00	
06/19	1986	Seattle, WA	S NAKNEK	\$36,639.00	\$0.00	
06/10	1986	Seattle, WA	PETERSBURG	\$0.00	\$191,493.00	PRIOR TO EFFECTIVE DATE
06/18	1986	Seattle, WA	PETERSBURG	\$0.00	\$17,840.00	PRIOR TO EFFECTIVE DATE
06/18	1986	Seattle, WA	PETERSBURG	\$0.00	\$55,663.00	PRIOR TO EFFECTIVE DATE
06/18	1986	Seattle, WA	PETERSBURG	\$19,487.00	\$0.00	
11/03	1987	Anchorage, AK	KODIAK	\$540,000.00	\$0.00	
11/03	1987	Ketchikan, AK	CRAIG	\$0.00	\$65,000.00	EXP. MADE BEFORE APPROVAL
11/12	1987	Seattle, WA	CORDOVA	\$75,000.00	\$0.00	
11/24	1987	Anchorage, AK	KODIAK/KENAI	\$600,000.00	\$0.00	
11/24	1987	Anchorage, AK	NIKISKI	\$10,310.00	\$0.00	

TOTAL \$ AMOUNT APPROVED \$53,603,941.00

\$3,312,339.00

TOTAL \$ APPLIED FOR

\$56,916,280.00

96



ALASKA COMMERCIAL FISHERIES REGIONS AND AREAS

REGION I: SOUTHEASTERN: Dixon Entrance to Cape Suckling

- Areas:
- A. Juneau & Yakutat
 - B. Ketchikan
 - C. Petersburg
 - D. Sitka

REGION II: CENTRAL: State Third Judicial Division Northern Boundary to Cape Suckling to Cape Douglas to Cape Mensehikof to Cape Newenham

- Areas:
- E. Prince William Sound
 - H. Cook Inlet
 - T. Bristol Bay (salmon and herring catch; all fish and shellfish production)

REGION III: ARCTIC-YUKON-KUSKOKWIM (AYK); North of State Third Judicial Division Northern Boundary which ends at the west at Cape Newenham including Nunivak, St. Matthew, and St. Lawrence Islands

- Areas:
- W. Kuskokwim
 - X. Kotzebue
 - Y. Yukon
 - Z. Norton Sound

REGION IV: WESTERN: Cape Douglas to Unimak Pass to Cape Newenham including Kodiak and Aleutian Islands

- Areas:
- K. Kodiak
 - L. Chignik
 - M. Alaska Peninsula
 - O. Dutch Harbor
 - Q. Bering Sea
 - R. Adak & W. Aleutians
 - T. Bristol Bay (fish other than salmon and herring catch; and shellfish catch)

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION I: SOUTHEASTERN						
AREA A - JUNEAU & YAKUTAT						
ANSON	1	0	\$1,612.51	\$0.00	\$1,612.51	
HAINES	0	0	\$0.00	\$0.00	\$0.00	
HAINES, BOROUGH OF	0	0	\$0.00	\$0.00	\$0.00	
JUNEAU, CITY AND BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
SKAGWAY	1	100	\$1,612.51	\$3,225.01	\$4,837.52	
YAKUTAT	0	0	\$0.00	\$0.00	\$0.00	
AREA A - TOTAL.....	2	100	\$3,225.01	\$3,225.01	\$6,450.03	3,384,559
AREA B - KETCHIKAN						
CRAIG	1	500	\$2,417.34	\$2,347.84	\$4,765.18	
HYDABURG	0	0	\$0.00	\$0.00	\$0.00	
KASAAN	0	0	\$0.00	\$0.00	\$0.00	
KETCHIKAN	1	1,994	\$2,417.34	\$9,363.20	\$11,780.54	
KETCHIKAN, BOROUGH OF	1	0	\$2,417.34	\$0.00	\$2,417.34	
KLANOCK	1	80	\$2,417.34	\$375.66	\$2,792.99	
METLAKATLA	0	0	\$0.00	\$0.00	\$0.00	
SAXMAN	1	0	\$2,417.34	\$0.00	\$2,417.34	
THORNE BAY	0	0	\$0.00	\$0.00	\$0.00	
AREA B - TOTAL.....	5	2,574	\$12,086.70	\$12,086.70	\$24,173.40	12,684,641
AREA C - PETERSBURG/WRANGELL						
KAKE	0	0	\$0.00	\$0.00	\$0.00	
KUPREANOF	0	0	\$0.00	\$0.00	\$0.00	
PETERSBURG	0	0	\$0.00	\$0.00	\$0.00	
WRANGELL	0	0	\$0.00	\$0.00	\$0.00	
AREA C - TOTAL.....	0	0	\$143.39	\$143.39	\$286.78	150,488
AREA D - SITKA						
HOONAH	0	0	\$0.00	\$0.00	\$0.00	
PELICAN	1	38	\$1,093.90	\$78.43	\$1,172.33	
PORT ALEXANDER	0	0	\$0.00	\$0.00	\$0.00	
SITKA, BOROUGH OF	1	1,200	\$1,093.90	\$2,476.76	\$3,570.66	
TENAKEE SPRINGS	1	352	\$1,093.90	\$726.52	\$1,820.42	
AREA D - TOTAL.....	3	1,590	\$3,281.71	\$3,281.71	\$6,563.41	3,444,055

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION II: CENTRAL						
AREA E - PRINCE WILLIAM SOUND						
CORDOVA	1	500	\$8,055.08	\$10,068.85	\$18,123.94	
VALDEZ	1	300	\$8,055.08	\$6,041.31	\$14,096.40	
WHITTIER	0	0	\$0.00	\$0.00	\$0.00	
AREA E - TOTAL.....	2	800	\$16,110.17	\$16,110.17	\$32,220.33	16,907,153
AREA H - COOK INLET						
ANCHORAGE, MUNICIPALITY OF	0	0	\$0.00	\$0.00	\$0.00	
ANDERSON	0	0	\$0.00	\$0.00	\$0.00	
HOMER	0	0	\$0.00	\$0.00	\$0.00	
HOUSTON	0	0	\$0.00	\$0.00	\$0.00	
KACHEMAK	0	0	\$0.00	\$0.00	\$0.00	
KENAI PENINSULA BOROUGH	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	
KENAI	0	0	\$0.00	\$0.00	\$0.00	
KATANUSKA-SUSITNA BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
PALMER	0	0	\$0.00	\$0.00	\$0.00	
SELDOVIA	0	0	\$0.00	\$0.00	\$0.00	
SEWARD	0	0	\$0.00	\$0.00	\$0.00	
SOLDATNA	0	0	\$0.00	\$0.00	\$0.00	
WASILLA	0	0	\$0.00	\$0.00	\$0.00	
AREA H - TOTAL.....	1	7,643	\$1,212.67	\$1,212.67	\$2,425.34	1,272,663
AREA T - BRISTOL BAY						
ALEKNAGIK	0	0	\$0.00	\$0.00	\$0.00	
BRISTOL BAY BOROUGH	1	345	\$22,287.66	\$4,607.79	\$26,895.44	
CLARK'S POINT	1	407	\$22,287.66	\$5,435.85	\$27,723.51	
DILLINGHAM	1	1,423	\$22,287.66	\$19,005.44	\$41,293.10	
EKWOK	0	0	\$0.00	\$0.00	\$0.00	
MANOKOTAK	0	0	\$0.00	\$0.00	\$0.00	
NEW STUYAHOK	0	0	\$0.00	\$0.00	\$0.00	
NEWHALEN	0	0	\$0.00	\$0.00	\$0.00	
NONDALTON	0	0	\$0.00	\$0.00	\$0.00	
TOGIAK	1	4,500	\$22,287.66	\$60,101.54	\$82,389.20	
AREA T - TOTAL.....	4	6,675	\$89,150.62	\$89,150.62	\$178,301.25	93,560,997

COMM.FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION III: A-Y-K						
AREA W - KUSKOKWIM						
AKIACHUK	0	0	\$0.00	\$0.00	\$0.00	
AKIAK	0	0	\$0.00	\$0.00	\$0.00	
ANIAK	0	0	\$0.00	\$0.00	\$0.00	
ATMAUTLUAK	0	0	\$0.00	\$0.00	\$0.00	
BETHEL	0	0	\$0.00	\$0.00	\$0.00	
CHEFUNAK	0	0	\$0.00	\$0.00	\$0.00	
CHUATI BALUK	0	0	\$0.00	\$0.00	\$0.00	
EEK	0	0	\$0.00	\$0.00	\$0.00	
GOODNEWS BAY	0	0	\$0.00	\$0.00	\$0.00	
KASIGLUK	0	0	\$0.00	\$0.00	\$0.00	
KWETHLUK	0	0	\$0.00	\$0.00	\$0.00	
LOWER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
MEKORYUK	0	0	\$0.00	\$0.00	\$0.00	
NAPAKIAK	0	0	\$0.00	\$0.00	\$0.00	
NAPASKIAK	0	0	\$0.00	\$0.00	\$0.00	
NEWTOK	0	0	\$0.00	\$0.00	\$0.00	
NIGHTMUTE	0	0	\$0.00	\$0.00	\$0.00	
NIKOLAI	0	0	\$0.00	\$0.00	\$0.00	
MUNAPITCHUK (AKOLMIUT)	0	0	\$0.00	\$0.00	\$0.00	
PLATINUM	0	0	\$0.00	\$0.00	\$0.00	
QUINHAGAK	1	50	\$1,730.20	\$1,161.21	\$2,891.41	
TOKSOOK BAY	1	99	\$1,730.20	\$2,299.20	\$4,029.40	
TULUKSAK	0	0	\$0.00	\$0.00	\$0.00	
TUNUKAK	0	0	\$0.00	\$0.00	\$0.00	
UPPER KALSKAG	0	0	\$0.00	\$0.00	\$0.00	
AREA W - TOTAL.....	2	149	\$3,460.41	\$3,460.41	\$6,920.82	3,631,598
AREA X - KOTZEBUE						
AMBLER	0	0	\$0.00	\$0.00	\$0.00	
ANAKTUVUK PASS	0	0	\$0.00	\$0.00	\$0.00	
ATQASUK	0	0	\$0.00	\$0.00	\$0.00	
BARROW	0	0	\$0.00	\$0.00	\$0.00	
BUCKLAND	0	0	\$0.00	\$0.00	\$0.00	
DEERING	0	0	\$0.00	\$0.00	\$0.00	
KAKTOVIK	0	0	\$0.00	\$0.00	\$0.00	
KIANA	0	0	\$0.00	\$0.00	\$0.00	
KIVALINA	0	0	\$0.00	\$0.00	\$0.00	
KOTZEBUE	0	0	\$0.00	\$0.00	\$0.00	
NOORVIK	0	0	\$0.00	\$0.00	\$0.00	
NORTH SLOPE BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
NORTHWEST ARCTIC BOROUGH	0	0	\$0.00	\$0.00	\$0.00	
KUQSUT	0	0	\$0.00	\$0.00	\$0.00	
POINT HOPE	0	0	\$0.00	\$0.00	\$0.00	
SELAWIK	0	0	\$0.00	\$0.00	\$0.00	
SHISHMAREF	0	0	\$0.00	\$0.00	\$0.00	

SHUNGNAK	0	0	\$0.00	\$0.00	\$0.00	
WAINWRIGHT	0	0	\$0.00	\$0.00	\$0.00	
AREA X - TOTAL.....	0	0	\$0.00	\$0.00	\$0.00	
AREA Y - YUKON						
ALAKANUK	0	0	\$0.00	\$0.00	\$0.00	
CHEVAK	0	0	\$0.00	\$0.00	\$0.00	
EMMONAK	1	112	\$4,949.34	\$4,949.34	\$9,898.67	
FORTUNA LEDGE (MARSHALL)	0	0	\$0.00	\$0.00	\$0.00	
HOLY CROSS	0	0	\$0.00	\$0.00	\$0.00	
HOOVER BAY	0	0	\$0.00	\$0.00	\$0.00	
KOTLIK	0	0	\$0.00	\$0.00	\$0.00	
MOUNTAIN VILLAGE	0	0	\$0.00	\$0.00	\$0.00	
PILOT STATION	0	0	\$0.00	\$0.00	\$0.00	
RUSSIAN MISSION	0	0	\$0.00	\$0.00	\$0.00	
SAINT MARY'S	0	0	\$0.00	\$0.00	\$0.00	
SCAMMON BAY	0	0	\$0.00	\$0.00	\$0.00	
SHELDON POINT	0	0	\$0.00	\$0.00	\$0.00	
AREA Y - TOTAL.....	1	112	\$4,949.34	\$4,949.34	\$9,898.67	5,194,186
AREA Z - NORTON SOUND						
BREVIG MISSION	0	0	\$0.00	\$0.00	\$0.00	
ELIM	0	0	\$0.00	\$0.00	\$0.00	
GOLDVYN	1	70	\$2,300.36	\$843.06	\$3,143.42	
KOYUK	1	3	\$2,300.36	\$36.13	\$2,336.49	
NOPE	0	0	\$0.00	\$0.00	\$0.00	
SAINT MICHAEL	0	0	\$0.00	\$0.00	\$0.00	
SHAKTODLIK	0	0	\$0.00	\$0.00	\$0.00	
STEBBINS	0	0	\$0.00	\$0.00	\$0.00	
TELLER	0	0	\$0.00	\$0.00	\$0.00	
UNALAKLEET	1	500	\$2,300.36	\$6,021.87	\$8,322.23	
WALES	0	0	\$0.00	\$0.00	\$0.00	
WHITE MOUNTAIN	0	0	\$0.00	\$0.00	\$0.00	
AREA Z - TOTAL.....	3	573	\$6,901.07	\$6,901.07	\$13,802.14	7,242,471

COMM. FISH REGIONS & AREA COMMUNITIES	IMPACT (YES=1) (NO =0)	POP. GROWTH IMPACT	ALLOCATION BY % AREA- WIDE CATCH	ALLOCATION BY POP. CHANGE	TOTAL \$\$ ALLOCATION	CATCH IN POUNDS
REGION IV: WESTERN						
AREA K - KODIAK						
AKHTOK	0	0	\$0.00	\$0.00	\$0.00	
KODIAK	1	133	\$1,929.28	\$2,411.59	\$4,340.87	
KODIAK ISLAND BOROUGH	1	359	\$1,929.28	\$6,509.49	\$8,438.77	
LARSEN BAY	1	0	\$1,929.28	\$0.00	\$1,929.28	
OLD HARBOR	0	0	\$0.00	\$0.00	\$0.00	
OUZINKIE	1	0	\$1,929.28	\$0.00	\$1,929.28	
PORT LIONS	1	40	\$1,929.28	\$725.29	\$2,654.57	
AREA K - TOTAL.....	5	532	\$9,646.38	\$9,646.38	\$19,292.75	10,123,593
AREA L - CHIGNIK						
CHIGNIK	1	240	\$1,259.12	\$1,259.12	\$2,518.25	
AREA L - TOTAL.....	1	240	\$1,259.12	\$1,259.12	\$2,518.25	1,321,415
AREA M - FLASKA PENINSULA						
COLD BAY	0	0	\$0.00	\$0.00	\$0.00	
KING COVE	1	314	\$4,806.71	\$5,949.96	\$10,756.67	
PORT HEIDEN	1	72	\$4,806.71	\$1,364.32	\$6,171.03	
SAND POINT	1	375	\$4,806.71	\$7,105.85	\$11,912.55	
AREA M - TOTAL.....	3	761	\$14,420.13	\$14,420.13	\$28,840.26	15,133,507
AREA R10 - ALEUTIANS						
AKUTAN	0	0	\$0.00	\$0.00	\$0.00	
UNALASKA	1	1000	\$3,790.71	\$3,790.71	\$7,581.43	
AREA R10 - TOTAL.....	1	1,000	\$3,790.71	\$3,790.71	\$7,581.43	3,978,244
AREA Q - BERING SEA						
SAINTE PAUL	1	0	\$27,981.28	\$0.00	\$27,981.28	
SAINTE GEORGE	1	14	\$27,981.28	\$55,962.57	\$83,943.85	
AREA Q - TOTAL.....	2	14	\$55,962.57	\$55,962.57	\$111,925.13	58,731,032

STATEWIDE CATCH TOTAL (LBS.)..						236,760,662
TOTAL FUNDING.. (\$\$).....			\$225,600.00	\$225,600.00	\$451,200.00	
CHECK SUMS TOTAL.....	35	22,763	\$225,456.61	\$225,456.61	\$450,913.21	236,760,662
BALANCE OUTSTANDING.....			\$143.39	\$143.39	\$286.79	

MEMORANDUM

State of Alaska Community and Regional Affairs

TO: Rena Bukovich
Legislative Aide to
Adelheide Herrmann


DATE: March 18, 1988

FILE NO: 0194Q/JP/jp

TELEPHONE NO: 465-4750

THRU:

SUBJECT: Comparative Fish
Tax Distributions

FROM: Jim Plasman 
Deputy Director
Municipal and Regional
Assistance Division

Attached please find a comparison of three different formulas for the proposed offshore fish tax sharing program.

Column A: The first reflects distributions under the formula used by the department as part of the pilot project conducted by the department pursuant to legislative intent in the FY 86 budget bill. This formula allocated funds to municipalities on the basis of their location within specific commercial fisheries management areas and the population increase in each municipality due to off shore fish processing. The distribution reflects the initial appropriation to the pilot project of about \$451,000.

Column B: This shows distributions under 2nd SSHB 314, a formula similar to the pilot project formula except that it utilizes municipal population rather than population increase. The distribution also reflects an appropriation to the program of \$4.5 million, which is the amount estimated for FY 89 under the funding provisions of both HB 314 and SB 454.

Column C: This shows distributions under the formula used for SB 454. It differs from 2nd SSHB 314 in that it uses management regions, rather than management areas. Regions consist of multiple areas. Like 2nd SSHB 314 it uses municipal population rather than the population increase uses in the pilot project. It also distributes \$4.5 million under the formula.

It should be noted that these distributions assume the findings under the pilot project. Actual distributions may be expected to differ because other municipalities may apply and be found eligible and some which applied may be found not to be eligible under the proposed legislation.

Attachment

cc: Marty Rutherford, MRAD
Dan Backhorst, MRAD

file code: HB 314

- (A) - OFFSHORE FISHERIES TAX REFUND AS ADMINISTERED, 1987. (AREA POP. GROWTH)
 (B) - OFFSHORE FISHERIES TAX REFUND BASED UPON (NET) AREA POPULATION,
 (FUNDING @ \$4,500,000)
 (C) - OFFSHORE FISHERIES TAX REFUND BASED UPON (NET) REGIONAL POPULATION,
 W/ BRISTOL BAY INCLUDED IN WESTWARD REGION IV. (FUNDING @ \$4,500,000)

COMM. FISH REGIONS & AREA COMMUNITIES	PILOT PROJECT	BY AREA	BY REGION
	(A) TOTAL \$\$ ALLOCATION	(B) TOTAL \$\$ ALLOCATION	(C) TOTAL \$\$ ALLOCATION
REGION I: SOUTHEASTERN			
AREA A - JUNEAU & YAKUTAT			
ANGOODN	\$1,458.66	\$27,558.32	\$20,871.86
HAINES	\$0.00	\$0.00	\$0.00
HAINES, BOROUGH OF	\$0.00	\$0.00	\$0.00
JUNEAU, CITY AND BOROUGH	\$0.00	\$0.00	\$0.00
SKAGWAY	\$4,375.97	\$30,632.80	\$21,840.05
YAKUTAT	\$0.00	\$0.00	\$0.00
AREA A - TOTAL.....	\$5,834.63	\$58,191.12	\$42,711.91
AREA B - KETCHIKAN			
CRAIG	\$4,310.54	\$33,088.29	\$24,257.32
HYDABURG	\$0.00	\$0.00	\$0.00
KASAAN	\$0.00	\$0.00	\$0.00
KETCHIKAN	\$10,656.56	\$103,132.95	\$70,724.00
KETCHIKAN, BOROUGH OF	\$2,186.70	\$28,236.30	\$52,405.34
KLAWOCK	\$2,526.51	\$28,506.93	\$21,218.10
METLAKATLA	\$0.00	\$0.00	\$0.00
SAXMAN	\$2,186.70	\$25,124.06	\$18,973.95
THORNE BAY	\$0.00	\$0.00	\$0.00
AREA B - TOTAL.....	\$21,867.01	\$218,088.53	\$187,578.71
AREA C - PETERSBURG/WRANGELL			
KAKE	\$0.00	\$0.00	\$0.00
KUPREANOF	\$0.00	\$0.00	\$0.00
PETERSBURG	\$0.00	\$0.00	\$0.00
WRANGELL	\$0.00	\$0.00	\$0.00
AREA C - TOTAL.....	\$0.00	\$0.00	\$0.00
AREA D - SITKA			
HOONAH	\$0.00	\$0.00	\$0.00
PELICAN	\$1,060.48	\$10,605.81	\$18,140.41
PORT ALEXANDER	\$0.00	\$0.00	\$0.00
SITKA, BOROUGH OF	\$3,229.98	\$38,306.83	\$69,486.51
TENAKEE SPRINGS	\$1,646.73	\$10,301.40	\$17,576.17
AREA D - TOTAL.....	\$5,937.19	\$59,214.05	\$105,203.09
REGION I - TOTAL.....	\$33,638.84	\$335,493.70	\$335,493.70

REGION II: CENTRAL			
AREA E - PRINCE WILLIAM SOUND			
CORDOVA	\$16,394.73	\$131,680.08	\$64,097.77
VALDEZ	\$12,751.46	\$159,006.60	\$69,656.37
WHITTIER	\$0.00	\$0.00	\$0.00
AREA E - TOTAL.....	\$29,146.18	\$290,686.68	\$133,754.14
AREA H - COOK INLET			
ANCHORAGE, MUNICIPALITY OF	\$0.00	\$0.00	\$0.00
ANDERSON	\$0.00	\$0.00	\$0.00
HOMER	\$0.00	\$0.00	\$0.00
HOUSTON	\$0.00	\$0.00	\$0.00
KACHEMAK	\$0.00	\$0.00	\$0.00
KENAI PENINSULA BOROUGH	\$2,193.94	\$21,881.05	\$178,813.59
KENAI	\$0.00	\$0.00	\$0.00
MATANUSKA-SUSITNA BOROUGH	\$0.00	\$0.00	\$0.00
PALMER	\$0.00	\$0.00	\$0.00
SELDOVIA	\$0.00	\$0.00	\$0.00
SEWARD	\$0.00	\$0.00	\$0.00
SOLDATNA	\$0.00	\$0.00	\$0.00
WASILLA	\$0.00	\$0.00	\$0.00
AREA H - TOTAL.....	\$2,193.94	\$21,881.05	\$178,813.59
AREA T - BRISTOL BAY			
ALEKNAGIK	\$0.00	\$0.00	\$0.00
BRISTOL BAY BOROUGH	\$24,329.34	\$448,778.27	\$215,140.90
CLARK'S POINT	\$25,078.40	\$216,666.70	\$118,248.18
DILLINGHAM	\$37,353.32	\$620,669.46	\$286,895.21
EKWOK	\$0.00	\$0.00	\$0.00
MANDKOTAK	\$0.00	\$0.00	\$0.00
NEW STUYAHOK	\$0.00	\$0.00	\$0.00
NEWHALEN	\$0.00	\$0.00	\$0.00
NONDALTON	\$0.00	\$0.00	\$0.00
TOGIAK	\$74,528.43	\$322,490.87	\$162,423.45
AREA T - TOTAL.....	\$161,289.49	\$1,608,605.30	\$782,707.74
REGION II - TOTAL.....	\$192,629.62	\$1,921,173.02	\$312,567.73

REGION III: A-Y-K			
AREA W - KUSKOKWIM			
AKIACHUK	\$0.00	\$0.00	\$0.00
AKIAK	\$0.00	\$0.00	\$0.00
ANIAK	\$0.00	\$0.00	\$0.00
ATMAUTLUAK	\$0.00	\$0.00	\$0.00
BETHEL	\$0.00	\$0.00	\$0.00
CHEFORNAK	\$0.00	\$0.00	\$0.00

CHUATHBALUK	\$0.00	\$0.00	\$0.00
EEK	\$0.00	\$0.00	\$0.00
GOODNEWS BAY	\$0.00	\$0.00	\$0.00
KASIGLUK	\$0.00	\$0.00	\$0.00
KWETHLUK	\$0.00	\$0.00	\$0.00
LOWER KALSKAG	\$0.00	\$0.00	\$0.00
MEKORYUK	\$0.00	\$0.00	\$0.00
NAPAKIAK	\$0.00	\$0.00	\$0.00
NAPASKIAK	\$0.00	\$0.00	\$0.00
NEWTOK	\$0.00	\$0.00	\$0.00
NIGHTMUTE	\$0.00	\$0.00	\$0.00
NIKOLAI	\$0.00	\$0.00	\$0.00
NUNAPITCHUK (AKOLMIUT)	\$0.00	\$0.00	\$0.00
PLATINUM	\$0.00	\$0.00	\$0.00
QUINHAGAK	\$2,615.54	\$32,453.50	\$47,438.37
TOKSOOK BAY	\$3,644.96	\$29,985.00	\$43,860.11
TULUKSAK	\$0.00	\$0.00	\$0.00
TUNUNAK	\$0.00	\$0.00	\$0.00
UPPER KALSKAG	\$0.00	\$0.00	\$0.00

AREA W - TOTAL..... \$6,260.50 \$62,438.49 \$91,298.48

AREA X - KOTZERUE

AMBLER	\$0.00	\$0.00	\$0.00
ANAKTUVUK PASS	\$0.00	\$0.00	\$0.00
ATQASUK	\$0.00	\$0.00	\$0.00
BARROW	\$0.00	\$0.00	\$0.00
BUCKLAND	\$0.00	\$0.00	\$0.00
DEERING	\$0.00	\$0.00	\$0.00
KAKTOVIK	\$0.00	\$0.00	\$0.00
KIANA	\$0.00	\$0.00	\$0.00
KIVALINA	\$0.00	\$0.00	\$0.00
KOTZERUE	\$0.00	\$0.00	\$0.00
NOORVIK	\$0.00	\$0.00	\$0.00
NORTH SLOPE BOROUGH	\$0.00	\$0.00	\$0.00
NORTHWEST ARCTIC BOROUGH	\$0.00	\$0.00	\$0.00
NUIQSUT	\$0.00	\$0.00	\$0.00
POINT HOPE	\$0.00	\$0.00	\$0.00
SELAWIK	\$0.00	\$0.00	\$0.00
SHISHMAREF	\$0.00	\$0.00	\$0.00
SHUNGNAK	\$0.00	\$0.00	\$0.00
WAINWRIGHT	\$0.00	\$0.00	\$0.00

AREA X - TOTAL..... \$0.00 \$0.00 \$0.00

AREA Y - YUKON

ALAKANUK	\$0.00	\$0.00	\$0.00
CHEVAK	\$0.00	\$0.00	\$0.00
EMMONAK	\$8,954.24	\$89,304.25	\$56,752.40
FORTUNA LEDGE (MARSHALL)	\$0.00	\$0.00	\$0.00
HOLY CROSS	\$0.00	\$0.00	\$0.00
HOOPER BAY	\$0.00	\$0.00	\$0.00

KOTLIK	\$0.00	\$0.00	\$0.00
MOUNTAIN VILLAGE	\$0.00	\$0.00	\$0.00
PILOT STATION	\$0.00	\$0.00	\$0.00
RUSSIAN MISSION	\$0.00	\$0.00	\$0.00
SAINT MARY'S	\$0.00	\$0.00	\$0.00
SCAMMON BAY	\$0.00	\$0.00	\$0.00
SHELDON POINT	\$0.00	\$0.00	\$0.00

AREA Y - TOTAL.....	\$8,954.24	\$89,304.25	\$56,752.40
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AREA Z - NORTON SOUND

BREVIG MISSION	\$0.00	\$0.00	\$0.00
ELIM	\$0.00	\$0.00	\$0.00
GOLOVIN	\$2,843.50	\$28,231.33	\$30,125.87
KOYUK	\$2,113.56	\$31,942.58	\$33,651.51
NOME	\$0.00	\$0.00	\$0.00
SAINT MICHAEL	\$0.00	\$0.00	\$0.00
SHAKTOULIK	\$0.00	\$0.00	\$0.00
STEBBINS	\$0.00	\$0.00	\$0.00
TELLER	\$0.00	\$0.00	\$0.00
UNALAKLEET	\$7,528.20	\$64,346.75	\$64,435.15
WALES	\$0.00	\$0.00	\$0.00
WHITE MOUNTAIN	\$0.00	\$0.00	\$0.00

AREA Z - TOTAL.....	\$12,485.27	\$124,520.66	\$128,212.53
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REGION III - TOTAL.....	\$27,700.01	\$276,263.41	\$276,263.41
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REGION IV: WESTERN

AREA K - KODIAK

AKHIOK	\$0.00	\$0.00	\$0.00
KODIAK	\$3,926.71	\$60,489.97	\$654,208.95
KODIAK ISLAND BOROUGH	\$7,633.62	\$56,574.38	\$604,908.37
LARSEN BAY	\$1,745.20	\$18,794.81	\$129,230.98
OLD HARBOR	\$0.00	\$0.00	\$0.00
OUZINKIE	\$1,745.20	\$18,911.11	\$130,695.35
PORT LIONS	\$2,401.29	\$19,285.87	\$135,413.89

AREA K - TOTAL.....	\$17,452.03	\$174,056.13	\$1,654,457.54
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AREA L - CHIGNIK

CHIGNIK	\$2,277.98	\$22,719.24	\$122,478.59
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AREA L - TOTAL.....	\$2,277.98	\$22,719.24	\$122,478.59
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AREA M - ALASKA PENINSULA

COLD BAY	\$0.00	\$0.00	\$0.00
KING COVE	\$9,730.37	\$90,118.64	\$156,647.31
PORT HEIDEN	\$5,582.25	\$51,326.97	\$119,387.13
SAND POINT	\$10,775.98	\$118,746.56	\$184,144.99

AREA M - TOTAL.....	\$26,088.60	\$260,192.18	\$460,179.44
AREA R&D - ALEUTIANS			
AKUTAN	\$0.00	\$0.00	\$0.00
UNALASKA/DUTCH HARBOR	\$50,166.59	\$500,331.69	\$268,102.42
AREA R&D - TOTAL.....	\$50,166.59	\$500,331.69	\$268,102.42
AREA Q - BERING SEA			
SAINT PAUL	\$25,311.58	\$632,704.37	\$160,145.53
SAINT GEORGE	\$75,934.75	\$377,066.24	\$127,603.90
AREA Q - TOTAL.....	\$101,246.33	\$1,009,770.62	\$287,749.43
REGION IV - TOTAL.....	\$197,231.54	\$1,967,069.86	\$3,575,675.16

TOTAL FUNDING.. (\$\$).....	\$451,200.00	\$4,500,000.00	\$4,500,000.00

ALEUTIANS EAST BOROUGH

SERVING THE COMMUNITIES OF

■ KING COVE ■ SAND POINT ■ AKUTAN ■ COLD BAY ■ FALSE PASS ■ NELSON LAGOON

March 14, 1988

The Honorable Fred Zharoff
Alaska State Senate
P.O. Box V
Juneau, Alaska 99811

RE: SB 454

Dear Senator Zharoff:

The City of King Cove supports the adoption of SS ~~SB 414~~ ^{SB 454}, an act relating to the allocation of fisheries business taxes to municipalities. The bill establishes a concrete program which the State can use to share taxes collected from the offshore processing industry with affected municipalities. King Cove directly benefited from the State's FY 87 pilot program on these taxes, and would like to continue receiving revenues from this source. The City uses the revenues to help pay the increased costs the City incurred to provide additional public services needed to mitigate the negative impacts from offshore fishing industry activities.

The City also advocates adopting a suggested change to use fish management regions, rather than areas, to determine the amount of monies each affected municipality receives. Implementation of the pilot program unearthed gross inequities in impact monies respective communities received when fish management areas were used to determine each municipality's share. The use of management regions should mostly correct this problem and provide a better and fairer system for determining the amount of monies a community will receive for the amount of impact experienced.

The City supports the institutionalization of the fish tax pilot project that will occur through SS ~~SB 414~~ ^{SB 454}. We hope the bill is adopted and that the legislature also allocates the revenues needed to implement the program for FY 89.

Sincerely,

Wayne Marshall *Robert S. Juettner* *Lamar Cotten*

Wayne Marshall
City Manager
King Cove

Robert S. Juettner
City Administrator
Sand Point

Lamar Cotten
Borough Administrator
Aleutians East Borough

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