

S B

4 1 6

# STATE OF ALASKA

## DEPARTMENT OF FISH AND GAME

### OFFICE OF THE COMMISSIONER

SB 416  
WALTER J. HICKEL, GOVERNOR

P.O. BOX 3-2000  
JUNEAU, ALASKA 99802-2000  
PHONE: (907) 465-4100

April 2, 1992

The Honorable Drue Pearce  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

\*\*\*\*\*  
F A X T R A N S M I T T A L M E M O \*\*\*\*\*

TO: Roy Gillespie

DEPT: \_\_\_\_\_ FAX #: \_\_\_\_\_

FROM: Johnny Holland PHONE: \_\_\_\_\_

CO: \_\_\_\_\_ FAX #: \_\_\_\_\_

Post-it brand fax transmittal memo 7671

NO. OF PAGES  
5

Finally!

Dear Senator Pearce:

During the March 18 Senate Subcommittee on Commerce and Labor hearing, Dr. J. S. Holland, Assistant Director of the department's Fisheries Rehabilitation, Enhancement and Development (FRED) Division, responded to questions posed by committee members. The committee requested clarification of the funding status of the state's hatcheries. Also, at one point, Dr. Holland mentioned the FRED Division's public hatchery strategic plan, three copies of which are enclosed.

Of the 20 state-owned hatcheries, nine are currently operated and/or funded by the private sector. Of those contracted hatcheries, Beaver Falls has no long-term contract commitment by the private sector and faces closure in FY 93. Negotiations are ongoing for the Southern Southeast Regional Aquaculture Association (SSRAA) to operate Beaver Falls. A long-term contractual commitment by SSRAA to operate Beaver Falls is dependent on both a hatchery upgrade CIP request (currently on the Governor's CIP list) and on deferment of fishery enhancement loans.

Three of the remaining 11 hatcheries (Clear, Elmendorf, and Ft. Richardson) are sport fish production facilities and, as such, are primarily funded by Sport Fish Restoration Act federal aid funds with matching funds provided from the fish and game fund or general fund. Following development of the enclosed public hatchery strategic plan, the FRED Division learned that Anadromous Fish Conservation Act federal aid funds will no longer be available. This leaves the Deer Mountain Hatchery with only half of the necessary funds needed to operate it in FY 93. The division is seeking additional funding sources for Deer Mountain, but if this funding does not come through, the facility will face closure in FY 93.

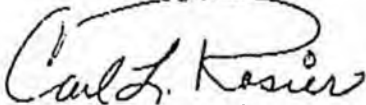
Of the remaining seven state hatcheries, three (Big Lake, Klawock, and Russell Creek) have been slated for closure in FY 93 given the magnitude of the department's proposed FY 93 budget reduction. At

April 2, 1992

this time, there are no private sector salmon producers that have expressed an interest in contracting the operations of any of these facilities, as cost-recovery options are severely limited. The four remaining hatcheries (Crystal Lake, Snettisham, Crooked Creek, and Sikusuilag Springs) each have unique properties; i.e., major impact on international fisheries treaties, research status, major impact on sport fish production, etc., that require they remain open.

I hope this information is useful when considering Senate Bill 416.

Sincerely,



Carl L. Rosier  
Commissioner

Enclosures

cc: Geron Bruce  
J. S. Holland  
Jeff Koenings

Alaska Department of Fish and Game-FRED Division  
Public Hatchery Strategic Plan

Hatchery	Location	Species	Program * Intent	Comments	FY92		Oper. Plan FY	Plan Agenc	Percent ** Subsistence	Percent Sport	Percent Commercial
					Operating Costs	Funding Source					
Beaver Falls	Ketchikan	Sockeye	CF	Contracted to SSRAA with GF for FY92 operation.	\$294.8		92	SSRAA	***	0%	100%
Big Lake	Big Lake	Sockeye Coho	CF, PU	Major production of enhancement fi for Anchorage area. Sockeye shortfunded in FY93.	\$60.0	CIP	92	FRED	14%	1%	85%
			SF, CF, PU		\$312.4	GF			5%		
Cannery Creek	Whittier	Pink	CF	Operated by PWSAC			89	PWSAC			100%
Clear	Clear	Arctic char Arctic grayling Lake trout	SF	Major sport fish production facility Vital to US/Can chum and chinook programs	\$22.9	GF	92	FRED		100%	
			SF		\$313.6	DJ/WB			100%		
			SF		\$92.5	F&G			100%		
Crooked Creek	Soldotna	Sockeye	CF, PU	Sockeye contracted to CIAA Contributes substantially to sport fish program through eggtrak for other facilities.	\$46.0	CIAA	92	FRED	3%	2%	95%
		Coho	SF, PU		\$340.3	GF		CIAA	5%	95%	
		Steelhead	SF		\$3.8	PGR			100%		
		Chinook	SF					100%			
Crystal Lake	Petersburg	Chinook CL rel.	US/C, SF, CF	Large US/Can capital investment including Harding River, Deep Cove, and Farragut River. Provides 5-7 million chinook eggs in addition to its own needs primary stream rehab work from unique isolation modules.	\$602.6	GF	92	FRED		44%	56%
		Chinook remote	US/C, CF		\$15.0	PgR				1%	99%
		Coho	SF, PU, CF		\$12.8	DJ/WB			***	17%	83%
		Steelhead	SF						100%		
Deer Mountain	Ketchikan	Chinook	RES, SF, CF	Fisheries technology development results supplied to other state and private programs. Prim tourist facility, over 250,000 annually. Major role in public education. Urban (SF) fisheries program being developed with Rainbow trout.	\$149.7	GF	92	FRED	***	40%	60%
		Coho	SF, PU, CF		\$141.5	ANAD			***	17%	83%
		Steelhead	SF		\$13.0	DJ/WB				100%	
		Rainbow	SF						100%		

Facility	Location	Species	Program * Intent	Comments	Operating Costs	Funding Source	Operational Pla FY	Agcn	Percent ** Subsistence	Percent Sport	Percent Commercial
Elmendorf	Anchorage	Chinook	SF	Major sport fish production facility	\$112.8	F&G	92	FRED	1%	90%	9%
		Coho	SF	High visibility tourist attraction	\$385.2	DJ/WB			3%	87%	10%
Ft Richardson	Anchorage	Chinook	SF	Major sport fish production facility	\$143.9	GF	92	FRED		88%	13%
		Coho	SF		\$596.0	DJ/WB			90%	10%	
		Rainbow	SF, RES		\$181.6	F&G			100%		
Gulkana	Glennallen	Sockeye Chinook	CF, SUB CF, SF, SUB	The most cost effective sockeye facility in the world. 35 million sockeye salmon egg take annually. FY92 contract for one year, potential long term contract.	\$41.2	GF	92	FRED/ PWSAC	8% 20%	2% 30%	90% 50%
Hidden Falls	Sitka	Chinook	CF	\$2.5 million chinook expansion with US/Can funds. Operated by NSRAA.			89	NSRAA			100%
		Chum	CF		100%						
Kitai Bay	Kodiak	Pink	CF	Operated by state with funds provided by KRAA.			92	FRED/KRAA			100%
		Chum	CF		100%						
		Coho	SF, CF		50%	50%					
		Sockeye	GF		100%						
Klawock	Klawock	Sockeye	SUB	BIA funds to address local projects. GF used in projects to rehabilitate POW in post-logging years.	\$424.3	GF	92	FRED	100%		
		Coho	CF, SUB		\$10.0	PgR(non-existent)			7%	93%	
		Steelhead	SF		\$18.0	DJ/WB			100%		
Main Bay	Whittier	Sockeye	CF	Operated by PWSAC			92	PWSAC		1%	99%
Pillar Creek	Kodiak	Sockeye	CF	Primarily operated with funds provided by KRAA. Some GF involved.	\$37.9	GF	92	FRED/KRA	***		100%
Russell Creek	Cold Bay	Chum	CF	FY92 PgR from Aleutian's East Borough. Fisheries developmental facility to be contracted in FY99	\$420.0	GF	99	Reg. Assoc.			100%
		Pink	CF		\$52.8	PgR			1%	99%	
		Coho	SF, CF						50%	50%	

Hatchery	Location	Species	Program * Intent	Comments	Operating Costs	Funding Source	Operational Pla FY	Operational Pla Agen	Percent ** Subsistence	Percent Sport	Percent Commercial
Sikusuilag	Kotzebue	Chum	CF, SUB	Developmental facility for fisheries technology. Potential for subsistence harvest. To be contracted in 1999.	\$390.8	GF	99	Reg. Asso	20%		80%
Sneltisham	Juneau	Sockeye CIF	US/C, CF, RE	Tremendous involvement in US/Can projects, transboundary river sock enhancement plus SE Baranof chum Applied technology development for sockeye smolt. Major sport fish production in Juneau recreation project.	\$612.8	GF	92	FRED	***		100%
		Sockeye (smolt)	US/C, CF		\$108.0	US/CAN			***		100%
		Chinook (Deep)	US/C, CF		\$94.1	W/B				6%	94%
		Chinook (juvenile SF)								34%	66%
Trail Lakes	Moose Pass	Coho	SF, CF	Operated by CIAA			89	CIAA		75%	25%
		Sockeye	CF						***		100%
Tulka	Homer	Pink	CF	Contracted to CIAA		CIP	92	CIAA		2%	98%
		Chum	CF						***		100%
		Sockeye	CF						***		100%

\* - Legend- subsistence (SUB), sport fish(SF), commercial fish(CF), research (RES), US/Canada (US/C)

\*\* - Includes personal use

\*\*\* - Thought to contribute to subsistence but as yet unquantified

\*\*\*\* - SSRAA -Southern Southeast Regional Aquaculture Association

PWSAC- Prince William Sound Aquaculture Corporation

CIAA - Cook Inlet Aquaculture Association

NSRAA - Northern Southeast Regional Aquaculture Association

REG. ASSOC.- as yet unknown aquaculture association.

Pg.R. - program receipts

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SB 416

Revision Date: 3/12/92

Department Affected: Fish and Game

Title: Defer Fishery Enhancement Loan

BRU: FRED

Payments

Component: FRED

Sponsor: Senator Zharoff

Requestor: Senate Labor and Commerce  
Expenditures/Revenues: (Thousands of Dollars)

COMPONENT SERIAL NO. 

4	6	7
---	---	---

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE:	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars) \*

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	0	0	0	0	0	0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Geron Bruce

Phone: 465-4100

Division: Commissioner's Office

Date: 3/12/92

Approved by Commissioner: *Geron Bruce*

Agency: Department of Fish and Game

Date: 3/19/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. OSC., & Impacted Agency(ies).

BILL NO. SB 416

Revision Date: \_\_\_\_\_

Department Affected: Commerce & Econ. Dev.

Title: Defer Fisheries Enhancement Loan  
Repayments

BRU: Alaska Industrial Dev. & Export Auth.

Component: \_\_\_\_\_

Sponsor: Zharoff, Jones

Requestor: Senate Labor and Commerce

COMPONENT SERIAL NO. 

1	2	3	4
---	---	---	---

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	146.9	0	0	0	0	0
<b>TOTAL OPERATING</b>	<b>146.9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CAPITAL</b>						
<b>REVENUE FUND RESOURCE:</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	146.9	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
FUND SOURCE:						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

**ANALYSIS (Attach a separate page if necessary.)**

See Division of Investments, Department of Commerce and Economic Development fiscal note for analysis. AIDEA fisheries enhancement loans and receipts therefrom are pledged to the repayment of the DeLong Mountain Transportation Project Revenue Bonds

Prepared By: Bill Scott, Executive Director Phone: 561-8050

Division: Alaska Industrial Dev. & Export Auth. Date: 3/17/92

Approved by Commissioner: Glenn A. Olds

Agency: Department of Commerce & Economic Development Date: 3.17.92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., and Impacted Agency(ies).

Page 1 of 1



ALASKA INDUSTRIAL DEVELOPMENT  
AND EXPORT AUTHORITY

---

480 WEST TUDOR • ANCHORAGE, ALASKA 99503-6690 • (907) 561-8050 • FAX (907) 561-8998

Part of AIDEA Fiscal Note, SB 416:

AIDEA fisheries enhancement loans and receipts therefrom are pledged to the repayment of the DeLong Mountain Transportation Project Revenue Bonds.

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SB 416

Revision Date: \_\_\_\_\_

Department Affected: Commerce & Econ. Dev.

Title: Defer Fisheries Enhancement Loan

BRU: Investments

Repayments

Component: \_\_\_\_\_

Sponsor: Zharoff, Jones

Requestor: Senate Labor and Commerce

COMPONENT SERIAL NO. 

0	3	8	4
---	---	---	---

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	2,486.1	1,523.0	1,523.0	1,272.2	38.0	0
<b>TOTAL OPERATING</b>	<b>2,486.1</b>	<b>1,523.0</b>	<b>1,523.0</b>	<b>1,272.2</b>	<b>38.0</b>	<b>0</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND RESOURCE: 1070	[2,486.1]	[1,523.0]	[1,523.0]	[1,272.2]	[38.0]	[0]
-----------------------------	-----------	-----------	-----------	-----------	--------	-----

FERLF

FUNDING: (Thousands of Dollars)

GENERAL FUND	2,486.1	1,523.0	1,523.0	1,272.2	38.0	0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
<b>TOTAL</b>	<b>2,486.1</b>	<b>1,523.0</b>	<b>1,523.0</b>	<b>1,272.2</b>	<b>38.0</b>	<b>0</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Martin J. Richard, Director Phone: 465-2510

Division: Investments Date: 2/27/92

Approved by Commissioner: Glenn A. Olds Date: 5-17-92

Agency: Department of Commerce & Economic Development

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., and Impacted Agency(ies).

## FISCAL NOTE - SB 416

### ANALYSIS:

To adequately reflect the fiscal impact of SB 416, it was necessary to develop the attached spreadsheets for each fiscal year affected. Below is an explanation of these spreadsheets:

Column 1 lists the state-owned hatcheries that are currently being operated by qualified regional aquaculture associations or ones that are projected to be transferred in the near future. The date of transfer or projected date of transfer is also noted and is important because section 2 of the bill says that repayment may be deferred for a period of time that is sufficient to defray costs of operation not to exceed five years from the date that the association assumes operating responsibility for the hatchery.

Columns 2 and 3 indicate the payments that are scheduled to be made by the affected associations, and column 4 displays payments that are projected not to be made in FY 93. These estimates in column 4 have been used in determining the cash flow projections of the Fisheries Enhancement Revolving Loan Fund and the resulting General Fund request to fund loan demand for FY 93.

Column 5 shows the total projected operating costs of the transferred facilities and must be compared to columns 1, 2 and 3 to arrive at the fiscal impact. In FY's 93-97, the payments that are scheduled to be made (columns 2 and 3) minus the anticipated deferments (column 4) is less than the projected operational costs of the transferred facilities.

Columns 7 and 8 break down the fiscal impact according to the investor that is affected. While most of the loans are owned by the Fisheries Enhancement Loan Fund, some are owned by Alaska Industrial Development and Export Authority (AIDEA). A separate fiscal note reflecting the impact on AIDEA's loans as shown in Column 7 has been prepared by AIDEA. The impact borne by the loan fund is shown in column 8 and on the attached fiscal note.

**DIVISION OF INVESTMENTS  
ALASKA DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT**

**FISCAL NOTE ANALYSIS OF SB 416 FOR FY'93**

*(Figures are shown in thousands of dollars)*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TRANSFERRED HATCHERIES	AIDEA PAYMENTS DUE IN FY'93	FE FUND PAYMENTS DUE IN FY'93	DEFERRED PAYMENTS IN FY'93	OPERATIONAL COSTS DURING FY'93	TOTAL OF FY'93 FISCAL NOTES	AIDEA FISCAL NOTE	FE FUND FISCAL NOTE
<b>COOK INLET AQUACULTURE ASSN.</b>	0.0	0.0	0.0	1,237.0	0.0	0.0	0.0
TRAIL LAKES (7/1/88)				683.0			
TUTKA (7/1/92)				554.0			
<b>KODIAK REGIONAL AQUA. ASSN.</b>	0.0	0.0	0.0	901.0	0.0	0.0	0.0
KITOI (7/1/88)				703.0			
PILLAR CREEK (7/1/92)				198.0			
<b>NORTHERN S. E. REGIONAL AQUA. ASSN.</b>	0.0	351.5	0.0	997.0	351.5	0.0	351.5
HIDDEN FALLS (6/23/86)				997.0			
<b>PRINCE WILLIAM SOUND AQUA. ASSN.</b>	277.9	1,822.1	0.0	1,969.0	1969.0	146.9	1822.1
CANNERY CREEK (7/1/88)				926.0			
GULKANA (7/1/90)				338.0			
MAIN BAY (7/1/91)				705.0			
<b>SOUTHERN S. E. REGIONAL AQUA. ASSN.</b>	312.5	1,064.2	1,064.2	400.0	312.5	0.0	312.5
BEAVER FALLS (7/1/91)				400.0			
<b>TOTALS</b>	<b>590.4</b>	<b>3,237.8</b>	<b>1,064.2</b>	<b>5,504.0</b>	<b>2,633.0</b>	<b>146.9</b>	<b>2,486.1</b>

DIVISION OF INVESTMENTS  
ALASKA DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

**FISCAL NOTE ANALYSIS OF SB 416 FOR FY'95**

*(Figures are shown in thousands of dollars)*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TRANSFERRED HATCHERIES	AIDEA PAYMENTS DUE IN FY'93	FE FUND PAYMENTS DUE IN FY'93	DEFERRED PAYMENTS IN FY'93	OPERATIONAL COSTS DURING FY'93	TOTAL OF FY'93 FISCAL NOTES	AIDEA FISCAL NOTE	FE FUND FISCAL NOTE
<b>COOK INLET AQUACULTURE ASSN.</b>	0.0	0.0	0.0	554.0	0.0	0.0	0.0
TRAIL LAKES (7/1/88)				*			
TUTKA (7/1/92)				554.0			
<b>KODIAK REGIONAL AQUA. ASSN.</b>	0.0	0.0	0.0	198.0	0.0	0.0	0.0
KITOI (7/1/88)				*			
PILLAR CREEK (7/1/92)				198.0			
<b>NORTHERN S. E. REGIONAL AQUA. ASSN.</b>	0.0	386.1	0.0	0.0	0.0	0.0	0.0
HIDDEN FALLS (6/23/88)				*			
<b>PRINCE WILLIAM SOUND AQUA. ASSN.</b>	277.9	1,858.8	0.0	1,043.0	1043.0	0.0	1043.0
CANNERY CREEK (7/1/88)				*			
GUI KANA (7/1/90)				338.0			
MAIN BAY (7/1/91)				705.0			
<b>SOUTHERN S. E. REGIONAL AQUA. ASSN.</b>	312.5	1,064.2	0.0	480.0	480.0	0.0	480.0
BEAVER FALLS (7/1/91)				480.0			
<b>TOTALS</b>	<b>590.4</b>	<b>3,309.1</b>	<b>0.0</b>	<b>2,275.0</b>	<b>1,523.0</b>	<b>0.0</b>	<b>1,523.0</b>

**DIVISION OF INVESTMENTS**  
**ALASKA DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT**

**FISCAL NOTE ANALYSIS OF SB 416 FOR FY'96**

*(Figures are shown in thousands of dollars)*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TRANSFERRED HATCHERIES	AIDEA PAYMENTS DUE IN FY'93	FE FUND PAYMENTS DUE IN FY'93	DEFERRED PAYMENTS IN FY'93	OPERATIONAL COSTS DURING FY'93	TOTAL OF FY'93 FISCAL NOTES	AIDEA FISCAL NOTE	FE FUND FISCAL NOTE
<b>COOK INLET AQUACULTURE ASSN.</b>	0.0	38.0	0.0	554.0	38.0	0.0	38.0
TRAIL LAKES (7/1/88)				*			
TUTKA (7/1/92)				554.0			
<b>KODIAK REGIONAL AQUA. ASSN.</b>	0.0	0.0	0.0	198.0	0.0	0.0	0.0
KITOI (7/1/88)				*			
PILLAR CREEK (7/1/92)				198.0			
<b>NORTHERN S. E. REGIONAL AQUA. ASSN.</b>	0.0	386.1	0.0	0.0	0.0	0.0	0.0
HIDDEN FALLS (6/23/88)				*			
<b>PRINCE WILLIAM SOUND AQUA. ASSN.</b>	277.9	2,070.3	0.0	705.0	705.0	0.0	705.0
CANNERY CREEK (7/1/88)				*			
GULKANA (7/1/90)				*			
MAIN BAY (7/1/91)				705.0			
<b>SOUTHERN S. E. REGIONAL AQUA. ASSN.</b>	312.5	1,064.2	0.0	529.2	529.2	0.0	529.2
BEAVER FALLS (7/1/91)				529.2			
<b>TOTALS</b>	<b>590.4</b>	<b>3,558.6</b>	<b>0.0</b>	<b>1,986.2</b>	<b>1,272.2</b>	<b>0.0</b>	<b>1,272.2</b>

DIVISION OF INVESTMENTS  
ALASKA DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

**FISCAL NOTE ANALYSIS OF SB 416 FOR FY'97**

*(Figures are shown in thousands of dollars)*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TRANSFERRED HATCHERIES	AIDEA PAYMENTS DUE IN FY'93	FE FUND PAYMENTS DUE IN FY'93	DEFERRED PAYMENTS IN FY'93	OPERATIONAL COSTS DURING FY'93	TOTAL OF FY'93 FISCAL NOTES	AIDEA FISCAL NOTE	FE FUND FISCAL NOTE
<b>COOK INLET AQUACULTURE ASSN.</b>	0.0	38.0	0.0	554.0	38.0	0.0	38.0
TRAIL LAKES (7/1/88)				*			
TUTKA (7/1/92)				554.0			
<b>KODIAK REGIONAL AQUA. ASSN.</b>	0.0	0.0	0.0	198.0	0.0	0.0	0.0
KITOI (7/1/88)				*			
PILLAR CREEK (7/1/92)				198.0			
<b>NORTHERN S. E. REGIONAL AQUA. ASSN.</b>	0.0	386.1	0.0	0.0	0.0	0.0	0.0
HIDDEN FALLS (6/23/88)				*			
<b>PRINCE WILLIAM SOUND AQUA. ASSN.</b>	277.9	2,070.3	0.0	0.0	0.0	0.0	0.0
CANNERY CREEK (7/1/88)				*			
GULKANA (7/1/90)				*			
MAIN BAY (7/1/91)				*			
<b>SOUTHERN S. E. REGIONAL AQUA. ASSN.</b>	312.5	1,064.2	0.0	0.0	0.0	0.0	0.0
BEAVER FALLS (7/1/91)				*			
<b>TOTALS</b>	<b>590.4</b>	<b>3,558.6</b>	<b>0.0</b>	<b>752.0</b>	<b>38.0</b>	<b>0.0</b>	<b>38.0</b>

**DIVISION OF INVESTMENTS**  
**ALASKA DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT**

**FISCAL NOTE ANALYSIS OF SB 416 FOR FY'98**

*(Figures are shown in thousands of dollars)*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TRANSFERRED HATCHERIES	AIDEA PAYMENTS DUE IN FY'93	FE FUND PAYMENTS DUE IN FY'93	DEFERRED PAYMENTS IN FY'93	OPERATIONAL COSTS DURING FY'93	TOTAL OF FY'93 FISCAL NOTES	AIDEA FISCAL NOTE	FE FUND FISCAL NOTE
<b>COOK INLET AQUACULTURE ASSN.</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TRAIL LAKES (7/1/88)				*			
TUTKA (7/1/92)				*			
<b>KODIAK REGIONAL AQUA. ASSN.</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0
KITOI (7/1/88)				*			
PILLAR CREEK (7/1/92)				*			
<b>NORTHERN S. E. REGIONAL AQUA. ASSN.</b>	0.0	386.1	0.0	0.0	0.0	0.0	0.0
HIDDEN FALLS (6/23/88)				*			
<b>PRINCE WILLIAM SOUND AQUA. ASSN.</b>	277.9	1,858.8	0.0	*	0.0	0.0	0.0
CANNERY CREEK (7/1/88)				*			
GULKANA (7/1/90)				*			
MAIN BAY (7/1/91)				*			
<b>SOUTHERN S. E. REGIONAL AQUA. ASSN.</b>	312.5	1,064.2	0.0	0.0	0.0	0.0	0.0
BEAVER FALLS (7/1/91)				*			
<b>TOTALS</b>	<b>590.4</b>	<b>3,309.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

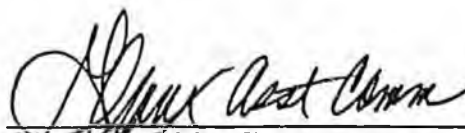
## SB 416: "Defer Fisheries Enhancement Loan Repayments"

SB 416 makes changes to the fisheries enhancement loan program to provide financial assistance to regional aquaculture associations and their nonprofit corporations that are taking over hatcheries previously operated by the state. This financial assistance will be accomplished without direct appropriations to the Department of Fish and Game or the regional aquaculture associations by reducing the amount of interest charged to these associations on loans received under the fisheries enhancement loan program. SB 416 allows the department to approve a noninterest accrual and nonpayment period to defray the costs of operation of a state-owned hatchery that has been transferred to a qualified regional aquaculture association. This time period which would be determined by the commissioner could not exceed five years from the date that the association assumes operating responsibility for the hatchery and can only be approved if certain conditions are met.

Those conditions are:

1. the association or corporation holding the loan has entered into or is prepared to enter into an agreement with the state to take over the operation of a state-owned facility; and
2. deferral of repayment of the loan would materially assist the association or corporation to pay the operational costs of the hatchery.

The department is neutral on this legislation. While the passage of SB 416 will result in fewer dollars returning to the loan fund over the next few years and may increase the department's general fund request for this program, there will be savings over the long term due to a reduction in the amount of general fund monies spent by the Department of Fish and Game to operate the facilities being transferred.



---

Glenn A. Olds, Commissioner

Date: 3.17.92