

HJR

65

# Alaska State Legislature

## House Resources Committee

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T/Th 1 - 4 p.m.

Vice Chair: Beverly Masek,  
Representatives Ramona Barnes, Fred Dyson, Joe Green, Reggie Joule, Irene Nicholia, William Williams

### HJR 65

#### Classify Wild Salmon as Organic Food

The organic-foods market is a growing market (annual growth rate of 20%) with total sales of \$3.5 billion in 1996. Alaska's wild salmon, long recognized by the medical community as a heart healthy food, and reared in pristine Alaskan waters should be a strong candidate for this growing market.

Unfortunately, farmed salmon producers, both domestic and foreign, are ahead of Alaska in striving to convince the U.S. Department of Agriculture that farmed salmon should qualify for Organic certification under federal law.

House Joint Resolution 65 requests that Alaska wild salmon be fairly considered by objective scientific criteria as an organic food. The United States Department of Agriculture, via the Agricultural Marketing Service (AMS), is seeking the establishment of national standards for the organic production and handling of agricultural products. The deadline for public and official input is May 30<sup>th</sup>, 1998.

The global salmon industry is fiercely competitive. Organic certification is a valuable market niche because a rapidly growing base of consumers has demonstrated willingness to consistently pay top dollar for products of choice.

HJR 65 is but one step in pursuing this significant market. It puts the United States Department of Agriculture on notice that Alaskans are watching the pending debate over organic qualification, and it asks our delegation in Congress to assist in this matter, to insure the huge agri-industry doesn't simply dominate the agenda from the start.

## **Purpose and Background of the National Organic Program**

The organic industry experiences numerous problems marketing organically produced and handled products. Inconsistent and conflicting standards, labeling problems and consumer confusion are all obstacles.

The industry failed in an attempt to establish a national voluntary organic certification program and thereafter petitioned Congress to establish a mandatory national program.

Congress, in 1990, enacted the Organic Foods Production Act (OFPA). This year, USDA released general guidelines describing how different foods would be classified and opened public comment until April 30 of this year. The proposed classifications would be part of a newly established National Organic Program under the OFPA and would set national standards governing the marketing of organic products.

Establishing a national definition for organic is expected to increase the supply and variety of organic products, especially meat and poultry, available to consumers. The USDA has withheld approval for the use of organic labels on meat and poultry pending the outcome of the current proposed rule making. (Salmon not only competes with salmon for market share, but other protein sources, as well).

## **Need for Separate Seafood Section Under OFPA**

While seafood is not explicitly excluded these rules are not clearly inclusive of seafood, particularly when harvested from the sea.

The most applicable existing section, "wild crop harvesting" is clearly written from a "land" perspective and is too limited to clearly apply to ocean seafood. Existing language regarding aquaculture, wild mushroom gathering and honey production may open the door for wild salmon, though USDA contends that certification for ocean seafood is unacceptable because you can't guarantee the purity of the water they swim in or the quality of the food they eat.

# Fisherman says organic sticker will sell salmon

By ELIZABETH MANNING  
Daily News reporter

Picture this: It's salmon season, and inside supermarkets across the nation, shoppers are snubbing refrigerated displays packed with cheaper, farm-raised salmon, heading straight for fish caught in Alaska waters instead. Oh, and one more detail: They're willing to pay top dollar.

Look closer and you'll see why. Cut into slabs, packed into cans or molded into fish cakes, every Alaska salmon product



FRAN DURNER / Anchorage Daily News

Jeff Bailey, a commercial fisherman and salmon buyer, is behind the movement to label Alaska wild salmon as organic.

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## SALMON: Fisherman hopes to add organic labeling

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sports a label approved by the U.S. Department of Agriculture: 100 percent organic.

Of course, this is only a dream, but it's one that Cordova fisherman Jeff Bailey is trying to turn into reality. The national organic labels don't exist yet, but when they do appear in stores in a year or so, Bailey wants to make sure Alaska salmon are wearing them.

Bailey, who also owns Prime Select Seafoods Inc., believes the label would help Alaskans profit from the lucrative organic-foods market, worth \$3.5 billion in sales in 1996 with an average annual growth rate of 20 percent. He also thinks it would give the state a marketing tool to separate salmon caught in Alaska waters from fish raised in farms off the coast of Chile, British Columbia, Maine or Washington.

"Right now," Bailey said, "a salmon is a salmon." The label could change that, he said.

The national organic program was required by the 1990 Organic Foods Production Act. This year, the USDA released general guidelines describing how different foods would be classified organic and gave the public until April 30 to comment. The agency hopes to begin implementing a program within 18

months, USDA spokeswoman Demaris Kogut said.

Bailey heard about the guidelines on National Public Radio and downloaded them onto his computer. Combing through the text, he found language about aquaculture, wild mushroom gathering and honey production. Bailey believes some of the language might be tweaked to include wild fish, or that perhaps a whole new section for fishing should be added. He's been on a letter-writing campaign ever since, commenting on the rule and trying to drum up support from government officials and the seafood industry.

The Alaska Seafood Marketing Institute, a government/industry funded group that markets the state's seafood, said it liked the idea. But program coordinator Barbara Belknap said she didn't have enough staff to pursue it.

Connie Godwin, an aide to U.S. Sen. Ted Stevens, R-Alaska, said Bailey has contacted her office, and staff is looking into the idea.

The most help so far has come from Kate Troll, a fisheries specialist with the state Department of Commerce and Economic Development. She wants to ensure that whatever language the state proposes includes salmon started in hatcheries as well as stream-spawned salmon.

So far, reaction from the USDA has been skeptical. The agency said wild fish pose a problem because you can't guarantee the purity of the water they swim in or the quality of the food they eat. With wild food gathering, the USDA at least can require the owner of the land where the food was collected to disclose whatever chemicals might have been used there.

"These rules probably aren't ever going to apply to wild fish," Kogut said. "You can't manage where the fish grow and what they're eating. But someone could certainly make a case for it. That's what the comment period is for."

Despite the lack of encouragement, Bailey and others believe it's still worth making a case. After all, what could be a healthier meal than the wild fish caught in the clear, pristine waters of Alaska?

"Some poor USDA official is probably thinking this will open a whole can of worms," said University of Alaska Anchorage fisheries economist Gunna Knapp. "But it makes sense for the congressional delegation and individuals to see what they can do. Anybody marketing salmon can point out that wild salmon are natural. But how often does it (enter) someone's consciousness?"

An attractive government sticker sure would help, Knapp said.



*Alaska Seafood*

March 31, 1998

Representative Norm Rokeberg, Chairman  
House Labor and Commerce Committee  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Rokeberg:

The Alaska Seafood Marketing Institute (ASMI) supports HJR 65 by the House Resources Committee, requesting that Alaska wild salmon be included as an organic food under federal law, and asks that the House Labor and Commerce Committee give the measure favorable consideration.

Proposed rules now being considered by the U. S. Dept. of Agriculture do not provide for organic labeling of wild Alaska seafood. In addition, it is possible that they may restrict Alaska's use of words that would indirectly imply that a product is organic. These restrictions would have a detrimental effect on Alaska's seafood products industry. A cornerstone concept of ASMI's marketing program is the inherently natural quality of Alaska wild seafood, particularly salmon. This concept is a valuable tool for the Alaska Seafood Marketing Institute as it markets Alaska salmon in a highly competitive global market glutted with Norwegian and Chilean farmed salmon. Organic certification for Alaska's wild seafood will be valuable to the Alaska seafood industry as a whole and for the Alaska businesses that must aggressively pursue an increased share of the domestic market.

Thank you for your consideration.

Sincerely,

Barbara Belknap  
Executive Director

# Cordova District Fishermen United

Celebrating 63 Years of Service to Commercial Fishermen in Cordova, Alaska  
P.O. Box 939 Cordova, Alaska 99574 / Telephone (907) 424-3447 / Fax (907) 424-3430

April 1, 1998

**Oral testimony given re: HJR 65 (Relating to Alaska wild salmon inclusion under federal organic food standards)**

Good afternoon. Mr. Chairman and committee members, my name is Cheri Shaw. I am Executive Director of Cordova District Fishermen United (CDFU) and will be speaking on behalf of CDFU and myself this afternoon.

CDFU supports HJR 65 and the effort it will create to allow wild Alaska salmon to be federally labeled as organic. While the market for wild salmon has been eroding due to the increasing production of farmed salmon, the organic market has been growing dramatically. As noted in HJR 65, in 1996 alone, sales were worth \$3.5 billion. Organic food sales have increased 20 to 25% in each of the last six years. Overseas, organic foods are even more popular.

The commercial fishing industry has often been called the first permanent fund. With the high quality of management we find here in Alaska, the salmon fishing industry will pump millions, if not billions of dollars into the state's economy into perpetuity. Anything the legislature can do to help increase Alaska's salmon share in the global market will benefit all Alaskan's.

In conjunction with a passage of HJR 65 in the legislature, a letter writing campaign by all senators, representatives and the constituents they represent should be organized requesting the federal government allow wild harvested Alaska salmon to be labeled organic under the Organic Foods Production Act. This step forward will give the State and its salmon industry a valuable marketing edge they've both been searching for in this increasingly competitive global market.

The organic label will increase demand for Alaska wild salmon and should increase ex-vessel value thereby adding growth to the State's revenue in shared raw fish taxes. A win win situation for all.

Thank you for opportunity to testify on behalf of CDFU today. If you have any questions regarding my testimony, I will be happy to answer them at this time. Thank you for your consideration.

Sincerely,



Cheri Shaw, Executive Director  
Cordova District Fishermen United