

SB

139

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB139
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Alaska Salmon Price BRU Revenue Operations
Report Program Component Tax Division
 Sponsor Senator Dyson
 Requester Senate Resources Committee Component No. 2476

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	50.0	50.0	50.0	50.0	50.0	50.0
1003 GF Match						
1004 GF	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 This legislation would remove the June 30, 2003 sunset date in statute, thereby allowing the Department of Revenue Tax Division to continue compiling and producing the Alaska Salmon Price Report. This legislation would not require an additional appropriation.

The Tax Division is required, under AS 43.80.050-.055, to collect from fish processors a multitude of information on catches, prices and volumes, and then prepare the Salmon Price Report, which is distributed three times a year.

The Tax Division, in its budget submission for Fiscal Year 2004, proposes changing the funding source for the Salmon Price Report (\$50,000 per year) from state General Fund to federal money (Salmon Treaty funding through the Department of Fish and Game).

Prepared by: Larry Persily, Deputy Commissioner Phone 465-5469
 Division Department of Revenue Date/Time 5/1/03 6:24 PM
 Approved by: Larry Persily, Deputy Commissioner Date 5/1/2003
 Agency Department of Revenue

SPONSOR STATEMENT

SB 139

“An act repealing the termination date of the Alaska Salmon Price Report program”

The Alaska Salmon Price Report provides important economic data to the commercial salmon industry, allowing both processing companies and fishermen access to market information organized in a useful way. The report tracks salmon production by product form, area and value, giving the industry a tool with which to assess inventory, compare statistics with other sources and negotiate prices.

Reliable data from independent sources is often hard to come by in the seafood business, making it hard to do economic analysis. The ASPR is a valuable resource, providing data that are used by thousands of Alaskans and state and federal agencies every year. AS 43.80.055 established the ASPR but it will sunset on July 1, 2003. Therefore, SB 139 will repeal the sunset date and will permanently establish the ASPR in statute.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 139
 (S) Publish Date: 4/2/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Alaska Salmon Price BRU Revenue Operations
Report Program Component Tax Division
 Sponsor Senator Dyson
 Requester Senate Resources Committee Component No. 2476

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Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

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Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

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Prepared by: Larry Persily, Deputy Commissioner
 Division: Department of Revenue
 Approved by: Larry Persily, Deputy Commissioner
 Agency: Department of Revenue

Phone 465-5469
 Date/Time 3/28/03 5:37 PM
 Date 3/28/2003



UNITED FISHERMEN OF ALASKA

April 15, 2003

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Juneau, Alaska 99801-1172
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(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

Representative John Harris
Representative Bill Williams
Co-Chair
House Finance Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK 99801-1182

Dear Representatives Harris and Williams,

United Fishermen of Alaska supports SB 139 for the renewal of the Alaska Salmon Price Report. The ASPR has proven to be of great benefit to fishermen, coastal communities, and businesses as well agencies of the State of Alaska and the federal government.

In this time of change facing the salmon industry, this accurate and timely information about the market conditions is critical to the progress that we seek in ensuring the health of our salmon fishing families and communities and the businesses that depend on them. If the Alaska Salmon Price Report is not renewed, we will lose one of the necessary roadmaps on our difficult path forward.

We strongly urge your support of SB 139 to ensure the continuation of this vital source of information.

Sincerely,

Thomas M. Gemmell
Executive Director

Copy: Representative Kevin Meyer
Representative Mike Chenault
Representative Richard Foster
Representative Mike Hawker
Representative Bill Stoltze
Representative Jim Whitaker

Representative Eric Croft
Representative Reggie Joule
Representative Carl Moses
Senator Fred Dyson

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Alaska Trollers Association • At-sea Processors Association • Bristol Bay Reserve
Chignik Regional Aquaculture Association • Chignik Seiners Association • Concerned Area "M" Fishermen • Cook Inlet Aquaculture Association • Cordova District Fishermen United
Crab Rationalization and Buyback Group • Douglas Island Pink and Chum • Groundfish Forum • Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association
Kodiak Seiners Association • North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Old Harbor Fishermen's Association
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association • Seafood Producers Cooperative
Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Cook Inlet Drift Association • United Salmon Association • United Southeast Alaska Gillnetters • Western Gulf of Alaska Fishermen

March 4, 2003

To whom it May Concern:

This is a letter of support from the Salmon Market Information Service concerning renewal legislation for the Alaska Salmon Price Report (ASPR).

The ASPR was established in 2000 by Alaska Statute 43.80.055. The legislation contains a "sunset" clause that will cause the ASPR to expire in July 2003 unless legislative action is taken to correct it and make the report permanent. Loss of the ASPR would reduce the ability of the Salmon Market Information Service to provide timely and pertinent market information to Alaska salmon permit holders and others.

The Salmon Market Information Service (SMIS) is charged with informing Alaska salmon permit holders and others about market conditions for Alaska salmon. The Alaska Salmon Price Report is an important tool for the SMIS in fulfilling this charge.

- SMIS publishes the Salmon Market Bulletin, a market periodical distributed to over 3,000 subscribers. Data from the ASPR or derived using ASPR figures, is published regularly in the Salmon Market Bulletin. Six of the last ten Salmon Market Bulletins draw significant portions of their content from the ASPR.
- ASPR data enables the SMIS to crosscheck statistics from other sources, such as NMFS foreign trade data. While ASPR and NMFS data are substantially different in terms of basis, the ASPR provides an important means to identify obvious problems with foreign trade statistics, most recently with the July 2002 NMFS export data.
- Since the ASPR is specific to month and area, the SMIS can more accurately assess and report the progression of sales. For instance, first wholesale value of Bristol Bay H&G frozen sockeye ranged between \$1.46 and \$1.81 per pound during June - August 2002. However, the bulk of sales volume during that period (84 percent) occurred in July, at the highest price. Having access to the monthly ASPR data enables both fishermen and processors to accurately represent their interests, using objective data from an impartial source.
- ASPR data enables the Salmon Market Information Service to make timely canned salmon inventory estimates, which would not exist otherwise. State officials use these estimates as the basis to request USDA canned pink salmon surplus reduction purchases, as recently as February 2003. The canned salmon inventory estimates would be impossible without ASPR data.

Dependable statistics from government sources become more important to industry as the voluntary reporting of seafood industry statistics has declined in recent years. National Food Processors Association (NFPA) ceased voluntary reporting of canned salmon inventories several years ago. Processing and harvesting sector representatives agreed to use SMIS canned salmon inventory estimates at an October 2002 meeting. Renewing the ASPR will enable SMIS to continue providing that information.

Chris McDowell

Project Manager, Salmon Market Information Service

Cordova District Fishermen United

Celebrating 65 Years of Service to Commercial Fishermen in Cordova, Alaska
P.O. Box 939 Cordova, Alaska 99574 / phone (907) 424-3447 / fax (907) 424-3430 /
e-mail cdfu@ptialaska.net

March 17, 2003

Senate Resources Committee
c/o Senator Scott Ogan
State Capitol (ME 3100)
Juneau, AK 99801-1182

SENT VIA FACSIMILE TO 907.465.3625

RE: SUPPORT FOR SB 139

Dear Members,

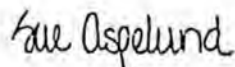
Cordova District Fishermen United (CDFU) represents the hardworking fishing families of Area E—Prince William Sound and the Copper River. We are pleased to provide comment to you regarding our support for SB 139.

Timely, accurate, and verifiable reporting of wholesale values of Alaska's salmon, as well as known production, provides a variety of benefits to our industry, coastal communities, programs dependent upon ex-vessel value assessments, and the State of Alaska. SB 139 provides continuation of a proven mechanism for gathering and providing the information forms the basis for better decision-making by those dependent upon the Alaska Salmon Price Report.

We are all too well aware of the vagaries of natural resource markets. Access to timely and accurate information regarding the condition of salmon markets will afford more accurate evaluation of the myriad of decisions that are constantly being made by those impacted by Alaska's salmon fisheries.

We urge your support for SB 139.

Respectfully Submitted,



Sue Aspelund
Executive Director

cc: Senator Fred Dyson

Southeast Alaska Fishermen's Alliance

9369 North Douglas Highway
Juneau, AK 99801



Phone 907-586-6652

Fax 907-586-5648

E-mail: seafa@gci.net

March 29, 2003

Senate Resources Committee
Senator Scott Ogan, Chair
Alaska State Legislature
State Capitol, Mail Stop 3100
Juneau, AK 99801

RE: Support SB 139

Senator Ogan,

The Southeast Alaska Fishermen's Alliance supports passage of SB 139 that repeals the termination date of the Alaska salmon price report program. This program as is has been in place for three years now. The fishermen use this report for price negotiations with the processors and it provides information regarding the salmon pack.

The Southeast Alaska Fishermen's Alliance is a fishermen's membership organization representing our members involved in the salmon, crab, shrimp and longline fisheries of Southeast Alaska.

Sincerely,

Kathy Hansen