

HB

484

HFIN

FILE

HOUSE FINANCE COMMITTEE

April 10, 2006 - Monday 9:00 a.m.

HB 484 FISHERY ASSOCIATION REIMBURSEMENT

Rep. Peggy Wilson/Linda Miller, Staff
Peter Froehlich, Commercial Fisheries Entry Commission
Jerry McCune

HB 360 REGULATION OF PUBLIC DRINKING WATER

Michael Pawlowski, Staff, Co-Chair Meyer
Kristin Ryan, Director, Environmental Health, DEC

Testifying via Teleconference:

Thomas Stratton - Alaska Rural Water Systems

Rep. Rotheberg - amend - I held

HB 93-DENTISTS AND DENTAL HYGIENISTS
Need to Adopt C^s LS0384C

Heath Hilyard, Staff, Representative Anderson

Rick Urion, Director Occupational Licensing, DCCED
George Shaffer, DMD, Alaska Dental Society
David Logan, Alaska Dental Society

Via Teleconference:

Jim Towle, Alaska Dental Society

HB 390 PROPERTY ASSESSMENT APPEAL FEE

Rep. Bill Stoltze/Ben Mulligan, Staff
Kathy Wasserman, Alaska Municipal League

Via Teleconference:

Shane Horan, Kenai Peninsula Borough

Mon. April 10

9:12 am.

adopted

HB 93 - Dentists
Anderson

FN # 1 CED

CSHB 93 (FIN)

24-LS0384 \ C, Mischel,

3/1/06

H+H

HB 360 - Pub. Drinking Water
Meyer

FN # 1 DAC

24-LS1482 \ A

(amended) amendment 1 - not adopted yet

H+H.

HB 390 - Property Assessment
Stoltz

FN # 1 DAC

CSHB 390 (CRA)

24-LS0504 \ G

Sched. but not heard

HB 484 - Fishery Rec.
Wilson

FN # 1 DAC

new ϕ DFG

CSHB 484 (FSA)

24-LS0503 \ F

R.O. no rec.

Committee Action on Legislation

COMMITTEE H. Fin.
N. Thomas SECRETARY

DATE: 4-10-06
PAGE 2 OF 2

SHORT TITLE

HB 93

ACTION TAKEN ON LEGISLATION

- Moved Out of Cmte
- Moved CS () Out of Cmte
- Moved HCS () Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
- Scheduled but not Heard
- Failed to Move Out of Committee
- Waived Out of Committee

SHORT TITLE

HB 360

ACTION TAKEN ON LEGISLATION

- Moved Out of Cmte
- Moved CS () Out of Cmte
- Moved HCS () Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
- Scheduled but not Heard
- Failed to Move Out of Committee
- Waived Out of Committee

SHORT TITLE

HB 390

ACTION TAKEN ON LEGISLATION

- Moved Out of Cmte
- Moved CS () Out of Cmte
- Moved HCS () Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
- Scheduled but not Heard
- Failed to Move Out of Committee
- Waived Out of Committee

Committee Action on Legislation

COMMITTEE House Finance
A. Thomas SECRETARY

DATE: 4-10-06
PAGE 1 OF 2

SHORT TITLE

HB 484

ACTION TAKEN ON LEGISLATION

- Moved Out of Cmte
- Moved CS (ESH) Out of Cmte
- Moved HCS (___) Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
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- Moved Out of Cmte
- Moved CS (___) Out of Cmte
- Moved HCS (___) Out of Cmte
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- Moved CS (___) Out of Cmte
- Moved HCS (___) Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
- Scheduled but not Heard
- Failed to Move Out of Committee
- Waived Out of Committee

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB484(FSH)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
Title Fishery Association Reimbursement RDU Comm. Fish Entry Commission
Component Commercial Fisheries Entry Commission
Sponsor Representative(s) Wilson
Requester House Resources Component No. 471

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
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						
1003 GF Match						
1004 GF						
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 (FY2006) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impacts associated with this bill.

Prepared by: Shirley Penrose, Administrative Officer Phone 907-790-6960
Division Commercial Fisheries Entry Commission Date/Time 3/24/06 7:49 AM
Approved by: Frank M. Homan, Chairman Date 3/24/2006
Agency Commercial Fisheries Entry Commission

CS FOR HOUSE BILL NO. 484(FSH)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

Offered: 3/24/06

Referred: Resources, Finance

Sponsor(s): REPRESENTATIVE WILSON

A BILL

FOR AN ACT ENTITLED

1 "An Act allowing for revenue received from issuance of additional entry permits to be
2 appropriated for reimbursement to salmon fishery associations."

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

4 * Section 1. AS 16.43.330 is amended by adding a new subsection to read:

5 (c) If a salmon fishery association qualified under AS 16.40.250 takes part in a
6 fleet reduction program by expending money or incurring debt to contract with permit
7 holders to relinquish the holders' entry permits under AS 16.43.150(i), and if this
8 section requires additional permits to be issued for the same fishery in which the fleet
9 reduction program was implemented, the legislature may appropriate any resulting
10 revenue to the association for reimbursement of money expended or to retire any
11 outstanding debt incurred for fleet reduction purposes.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 484(FSH)
(H) Publish Date: 3/24/2006

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish & Game
Title: FISHERY ASSOCIATION REIMBURSEMENT RDU _____
Component _____
Sponsor: Representative Wilson Component No. _____
Requester: _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
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 ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
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 (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Ian Fisk Phone 465-6867
Division: Staff, Representative Thomas Date/Time 3/22/06 2:09 PM
Approved by: Representative Thomas and Representative LeDoux Date _____
Agency: Co-Chairs, House Special Committee on Fisheries

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB484(FSH)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
Title: Fishery Association Reimbursement RDU: Comm. Fish Entry Commission
Sponsor: Representative(s) Wilson Component: Commercial Fisheries Entry Commission
Requester: House Resources Component No.: 471

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
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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)

FUND SOURCE	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
1002 Federal Receipts						
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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 (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

POSITIONS	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impacts associated with this bill.

Prepared by: Shirley Penrose, Administrative Officer
Division: Commercial Fisheries Entry Commission
Approved by: Frank M. Homan, Chairman
Agency: Commercial Fisheries Entry Commission

Phone: 907-790-6960
Date/Time: 3/24/06 7:49 AM
Date: 3/24/2006



Alaska State Legislature

Representative Peggy Wilson

House District 2

Putting Alaska's Families First

SPONSOR STATEMENT

CSHB 484

"Fishery Association Reimbursement"

In 2002, the Alaska legislature created salmon fishery associations (AS 16.40.250) to encourage fleet reduction in the Alaska salmon fisheries. Salmon fishery associations may be formed in salmon fisheries throughout the state to facilitate a permit buyback program.

CSHB 484 is a housekeeping measure to clarify what may happen to the revenue if the Commercial Fishery Entry Commission should find it necessary to sell (re-issue) permits that have been relinquished under the buyback program authorized under AS 16.40.250.

Under CSHB484 the legislature may appropriate revenue from the permit sale (re-issue) to the Association that paid money or incurred debt to remove the permit from the market in the first place.

The state (CFEC) has the responsibility to monitor each limited entry fishery. In the event the CFEC determines more permits are needed in a salmon fishery through an optimum number determination or court action, the provisions of HB 484 would apply.

I ask for your support of CSHB 484 "Fishery Association Reimbursement."

Representative Peggy Wilson

March 31, 2006

Talking Points HB 484 "Fishery Association Reimbursement"

Under current Statute a group of fishermen may form an Association and vote to tax themselves for purposes of Buying Back Fishery Permits.

The Southeast Seiners Association is considering a Buy Back Program for Southeast Seine permits. During discussions the point was raised - What would happen if we buy these permits back and then at some point in the distant future the Commercial Fisheries Entry Commission sells permits back into the fishery. All the money we have spent on buy back is then down the drain. HB 484 answers that question.

HB 484 makes it clear that in the unlikely event CFEC sells more permits that were previously purchased by an Association the Legislature may appropriate money back to that Association. .

The change in CSHB 484 is to make it clear that the fishery association that did the buy back is the fishery association that may receive the pay back.

Simply put - Buy back - re-sell - Pay-back



March 30, 2006

Representative Ramras and Samuels, Co-Chairs
House Resources Committee
State Capitol Building
Juneau, Alaska

Dear Representative's Ramras and Samuels,

The Southeast Alaska Seiners Association (SEAS) urges you to pass HB484, relating to fixing a simple housekeeping measure regarding statutorily authorized fleet consolidation associations. And although this fix is a simple one, it is nonetheless incredibly important.

For years, salmon fishermen in Alaska have agonized over the question of fleet consolidation or buybacks. There are a number of considerations that make consolidation a fit for some regions and not for others, but there has always been one limiting factor in even initiating discussion of the question of "whether to do a buyback" in a region. This factor has been the requirement of "optimum number". Unfortunately our forefathers did not foresee the problems and the lack of durability in "optimum number" studies. But that is an issue for another day.

So the problem for the fleets, simply put, is that they may have to pay a bunch of money for permits that may then be reissued and resold by CFEC at a later date. Therefore the fishermen would have wasted their money to buy back permits just to see those same permits resold again.

HB484 solves, at least temporarily for decades, the "optimum number" issue. The fishermen's association in that region will be able to recover the funds that they expended for the permits that they bought back originally. This will have a positive effect on the way fleet consolidation is viewed by Alaska's fleets who may be of a mind to use fleet consolidation under state statute. This is what SEAS is in the midst of pursuing and we are sure others will follow.

Sincerely

Dan Castle
President, SEAS



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110
Juneau, Alaska 99801-1172
(907) 586-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

March 30, 2006

Representative Jay Ramras, Co-Chairman
Representative Ralph Samuels, Co-Chairman
House Resources Committee
Alaska State Legislature
State Capitol (Mail Stop 3100)
Juneau AK 99801

Dear Representative's Ramras and Samuels,

The United Fishermen of Alaska (UFA) supports House Bill 484, allowing for revenue received from issuance of additional entry permits to be appropriated for reimbursement to salmon fishery associations.

In 2002 we supported HB 286 to create the option for fishermen to proceed with self-funded voluntary fleet reduction, to be paid for by an assessment from fishery revenues from the remaining fleet after such a buyback. In the detailed analysis of this it has been pointed out that the possibility of permits being reissued after such a buyback would disrupt the mechanisms of the payback for the permits that were bought back. We support HB 484 as a fine tuning of the mechanism for self-funded buybacks, in the spirit and intention of the legislation already passed.

UFA represents 31 Alaska commercial fishing organizations throughout the state, altogether representing thousands of Alaska commercial fishermen. We appreciate your consideration of our input.

Respectfully,

Bob Thorstenson Jr
President

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Armstrong Keta • At-sea Processors Association
Bristol Bay Reserve • Concerned Area "M" Fishermen • Cook Inlet Aquaculture Association • Cordova District Fishermen United
Douglas Island Pink and Chum • Fishing Vessel Owners Association • Groundfish Forum • Kenai Peninsula Fishermen's Association
Kodiak Regional Aquaculture 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 Owner Association • Seafood Producers Cooperative • Southeast Alaska Herring Seiners Marketing Association
Southeast Alaska Fisherman's Alliance • Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners Association
Southern Southeast Regional Aquaculture Association • United Catcher Boats • United Salmon Association • United Southeast Alaska Gillnetters



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www.ufa-fish.org

March 21, 2006

Representative Bill Thomas, Co-Chairman
Special Committee on Fisheries
Alaska State Legislature
State Capitol (Mail Stop 3100)
Juneau AK 99801

Dear Representative Thomas,

The United Fishermen of Alaska (UFA) supports House Bill 484, allowing for revenue received from issuance of additional entry permits to be appropriated for reimbursement to salmon fishery associations.

In 2002 we supported HB 286 to create the option for fishermen to proceed with self-funded voluntary fleet reduction, to be paid for by an assessment from fishery revenues from the remaining fleet after such a buyback. In the detailed analysis of this it has been pointed out that the possibility of permits being reissued after such a buyback would disrupt the mechanisms of the payback for the permits that were bought back. We support HB 484 as a fine tuning of the mechanism for self-funded buybacks, in the spirit and intention of the legislation already passed.

UFA represents 31 Alaska commercial fishing organizations throughout the state, altogether representing thousands of Alaska commercial fishermen. We appreciate your consideration of our input.

Respectfully,

Bob Thorstenson Jr
President

Mark Vinsel
Executive Director

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Armstrong Keta • At-sea Processors Association
Bristol Bay Reserve • Concerned Area 'M' Fishermen • Cook Inlet Aquaculture Association • Cordova District Fishermen United
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Southern Southeast Regional Aquaculture Association • United Catcher Boats • United Salmon Association • United Southeast Alaska Gillnetters
Valdez Fisheries Development Association • Western Gulf of Alaska Fishermen