

LEG. FINANCE - BILLS 1981 - 1982 1738

SB 866 cont. - SB 876

1738

Table 4: ADF&G -- Summary of Authorized Positions -- F.Y. 1983 (a). Date: 4/19/82

Program and BRU	Authorized Positions		
	Full	Part	Temp
Commercial Fish			
Finsfish**	132	394	7
Shellfish**	32	40	0
Technical Services	2	0	0
Admin & Support	24	3	0
Special Projects**	6	13	4
sub-total	<u>196</u>	<u>450</u>	<u>11</u>
Sport Fish			
Admin & Support	35	4	0
Finfish**	35	97	0
sub-total	<u>70</u>	<u>101</u>	<u>0</u>
F.R.E.D.			
Supplemental Production**	100	152	55
Admin & Support	35	5	0
Technical Services	18	3	0
Finfish**	1	4	0
sub-total	<u>154</u>	<u>164</u>	<u>55</u>
Vessels			
sub-total	24	1	0
Limited Entry			
sub-total	36	6	0
Game			
Game**	92	28	0
Land & Water Management**	6	1	0
Administration	22	0	0
Special Projects**	4	0	0
sub-total	<u>124</u>	<u>29</u>	<u>0</u>
Admin & Support			
sub-total	63	6	2
Boards			
sub-total	11	6	0
Subsistence			
Administration	12	6	0
Socio-economic**	18	6	4
sub-total	<u>40</u>	<u>12</u>	<u>4</u>
Habitat			
Administration	9	0	0
Land & Water Management**	31	0	0
Special Projects**	64	5	0

Table 4 Cont.

<u>Program</u>	<u>Authorized Positions</u>		
	<u>Full</u>		<u>Part</u>
sub-total	104	5	0
Department			
Total	822	780	72
Total Contract (b)	283	363	34

(a) Source: ADF&G Operating Budget Workbooks, F.Y. 83.

(b) "Total Contract" figures assume that 50% (one-half) of the positions in each BRU with asterisks ** are contracted out. These BRU's represent the research service sections of ADF&G. Also assumed, that all positions in the vessels BRU are contracted through charter operations.

COMMITTEE REPORT
SENATE

5/30/82

FURTHER: Finance

Date: 4-14-82

Mr. President: HEALTH, EDUCATION & SOCIAL SERVICES
The Committee on SOCIAL SERVICES has had SB 868

establishing a Committee on Employment and Productivity as part of the University of Alaska

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
- and recommends _____ new title
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]
[Signature]
[Signature]

[Signature]
 CHAIRMAN

COMMITTEE REPORT
SENATE

3/18/82

FURTHER: Health, Education & Social Services and Finance

Date: 3-25-82

Mr. President:

The Committee on STATE AFFAIRS has had SB 868 establishing a Committee on Employment and Productivity as part of the University of Alaska

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 908 (S.A.) same title
 new title
- and recommends it may do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Brad Bradley

W. Fischer

James J. Stinson

MEMBERS HAVING
OTHER RECOMMENDATIONS:

NO REC.

W. Fischer

CHAIRMAN

Original sponsor: State Affairs Committee

Offered: 3/30/82
Referred: Health,
Education & Social
Services and Finance

Funding Information

General Fund	\$300,000
Other Funds	-0-
	<u>\$300,000</u>

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 868 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the University
7 of Alaska for the Committee on Employment and Produc-
8 tivity; and providing for an effective date."

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

10 * Section 1. The sum of \$300,000 is appropriated from the general fund to
11 the University of Alaska for the Committee on Employment and Productivity
12 within the Institute of Social and Economic Research to match contributions
13 received by the University of Alaska from private individuals and businesses
14 for the committee to be allocated as follows:

15 (1) an amount not to exceed \$200,000 for the committee's first
16 year of operation, if the university subscribes to spend an amount equal to
17 the state allocation for the activities of the committee;

18 (2) an amount not to exceed \$100,000 for the committee's second
19 year of operation, if the university subscribes to spend an amount equal to
20 the state allocation for the activities of the committee.

21 * Sec. 2. The unexpended and unobligated portion of the appropriation
22 made by this Act lapses into the general fund June 30, 1984.

23 * Sec. 3. This Act takes effect on the date of adoption of a resolution
24 by the legislature relating to establishment of a committee on employment and
25 productivity as part of the University of Alaska.
26
27
28
29

Introduced: 3/18/82
Referred: State Affairs, Health
Education & Social Services and
Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 868

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a Committee on Employment and
7 Productivity as part of the University of Alaska and
8 providing for conditional funding; and providing for an
9 effective date."

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

11 * Section 1. AS 14.40 is amended by adding a new section to read:

12 Sec. 14.40.112. ESTABLISHMENT OF COMMITTEE ON EMPLOYMENT AND
13 PRODUCTIVITY. (a) The University of Alaska shall establish a Committee
14 on Employment and Productivity within the Institute of Social and Eco-
15 nomic Research. The committee consists of seven members appointed by
16 the president of the University of Alaska, including

17 (1) two members representing governmental and quasi-govern-
18 mental interests, including Native corporations;

19 (2) three members representing business and industry;

20 (3) two members who are university faculty members, one of
21 whom shall be a member of the faculty of the Institute of Social and
22 Economic Research.

23 (b) A member of the Committee on Employment and Productivity
24 serves a term of two years. The member from the Institute of Social and
25 Economic Research is chairman of the committee.

26 (c) The Committee on Employment and Productivity shall, in coopera-
27 tion with private employers in the state, conduct research and develop-
28 ment activities for the following purposes:

29 (1) to ensure that all residents of the state are able to

COMMITTEE COPY

1 benefit from economic growth in the state through suitable employment
2 opportunities;

3 (2) to encourage the growth of business and industry in the
4 state through the provision of a reliable and productive state work
5 force.

6 * Sec. 2. The state may grant aid to the Committee on Employment and
7 Productivity established in sec. 1 of this Act for the first year of opera-
8 tion in an amount equal to the amount the committee subscribes to spend for
9 its activities from contributions received by it from private individuals and
10 businesses. The amount of the matching state aid allocation for the first
11 year may not exceed \$200,000.

12 * Sec. 3. The state may grant aid to the Committee on Employment and
13 Productivity established in sec. 1 of this Act for the second year of opera-
14 tion in an amount equal to the amount the committee subscribes to spend for
15 its activities from contributions received by it from private individuals and
16 businesses. The amount of the matching state aid allocation for the second
17 year may not exceed \$100,000.

18 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND... Session

SENATE BILL..... NO. ...868.

By THE STATE AFFAIRS COMMITTEE

HISTORY IN THE SENATE

1982

3 18 Read first time and referred to Committee on St. Affairs, HESS and Finance
 2 30 Reported back with *St. Aff.* recommendation that *replace w/CS, new title, 3 dopans*
 4 15 *1 ms rec to HESS. HESS - 3 dopans - to FIN*

Read second time and

Read third time and

PASS Effective Date
 Yeas Yeas
 Nays Nays
 Absent Absent
 Excused Excused

Reconsideration

PASS Effective Date
 Yeas Yeas
 Nays Nays
 Ab Absent
 Excused Excused

Reported correctly engrossed
 Signed by President
 Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
 Yeas Yeas
 Nays Nays
 Absent Absent
 Excused Excused

Reconsideration

PASS Effective Date
 Yeas Yeas
 Nays Nays
 Absent Absent
 Excused Excused

Reported correctly engrossed
 Signed by Speaker
 Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

"An Act establishing a Committee on Employment and Productivity as part of the University of Alaska and providing for conditional funding; and providing for an effective date."

Introduced in the Senate 3/18/82

Introduced: 3/18/82
Referred: State Affairs, Health,
Education & Social Services and
Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 868

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

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11 * Section 1. AS 14.40 is amended by adding a new section to read:

12 Sec. 14.40.112. ESTABLISHMENT OF COMMITTEE ON EMPLOYMENT AND
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14 on Employment and Productivity within the Institute of Social and Eco-
15 nomic Research. The committee consists of seven members appointed by
16 the president of the University of Alaska, including

17 (1) two members representing governmental and quasi-govern-
18 mental interests, including Native corporations;

19 (2) three members representing business and industry;

20 (3) two members who are university faculty members, one of
21 whom shall be a member of the faculty of the Institute of Social and
22 Economic Research.

23 (b) A member of the Committee on Employment and Productivity
24 serves a term of two years. The member from the Institute of Social and
25 Economic Research is chairman of the committee.

26 (c) The Committee on Employment and Productivity shall, in coopera-
27 tion with private employers in the state, conduct research and develop-
28 ment activities for the following purposes:

29 (1) to ensure that all residents of the state are able to

1 benefit from economic growth in the state through suitable employment
2 opportunities;

3 (2) to encourage the growth of business and industry in the
4 state through the provision of a reliable and productive state work
5 force.

6 * Sec. 2. The state may grant aid to the Committee on Employment and
7 Productivity established in sec. 1 of this Act for the first year of opera-
8 tion in an amount equal to the amount the committee subscribes to spend for
9 its activities from contributions received by it from private individuals and
10 businesses. The amount of the matching state aid allocation for the first
11 year may not exceed \$200,000.

12 * Sec. 3. The state may grant aid to the Committee on Employment and
13 Productivity established in sec. 1 of this Act for the second year of opera-
14 tion in an amount equal to the amount the committee subscribes to spend for
15 its activities from contributions received by it from private individuals and
16 businesses. The amount of the matching state aid allocation for the second
17 year may not exceed \$100,000.

18 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

Original sponsor: State Affairs Committee

Offered: 3/30/82
Referred: Health,
Education & Social
Services and Finance

Funding Information

General Fund \$300,000
Other Funds -0-
\$300,000

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2

CS FOR SENATE BILL NO. 868 (State Affairs)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

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For an Act entitled: "An Act making a special appropriation to the University

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of Alaska for the Committee on Employment and Produc-

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

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year of operation, if the university subscribes to spend an amount equal to

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the state allocation for the activities of the committee.

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* Sec. 2. The unexpended and unobligated portion of the appropriation

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made by this Act lapses into the general fund June 30, 1984.

23

* Sec. 3. This Act takes effect on the date of adoption of a resolution

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by the legislature relating to establishment of a committee on employment and

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productivity as part of the University of Alaska.

26

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THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 872 the seafood processing industry
Title An Act relating to sanitation, sanitary practices, and quality assurance in
Requested by Rules Committee by Request of Governor Date March 23, 1982

II. FISCAL DETAIL

Agency Affected Department of Environmental Conservation
Program Category Affected Public Protection
BRU, Program, Or Subprogram(s) Affected Seafood & Animal Industries, Seafood Indu
(Note: If more than one budget component is affected, separate line-item
amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		42.8	57.1	61.0		
200 TRAVEL		61.2	35.5	35.5		
300 CONTRACTUAL		575.5	15.0	15.0		
400 COMMODITIES		6.0	3.0	3.0		
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		685.5	110.6	114.5		

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		685.5	110.6	114.5		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	14.2	16.0	16.0	16.0		
PART TIME	2.0					
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III) SB 872 provides authority for the Commissioner of Environmental Conservation to conduct research leading to improved techniques to improve sanitation practices and development of improved techniques in surveillance (including inspectional activities). Includes microbiological assessment for botulism and other organisms in seafood products and the research into new technological surveillance of can integrity for canned salmon.

Provides for upgrading two PPT (3 mo.) positions in the seafood component to PFT (PCN 18-7304 and PCN 18-7305), and 12.6 for '83 travel for the two positions, and also provides for five contract inspectors for '82 canned salmon season, averaging four months per inspector.

Requests 24.9 for additional travel of regular seafood inspection personnel for increased surveillance of program responsibilities in SB 872, and 23.7 for the contract inspectors for the '82 canned salmon season.

Full seafood inspection staffing request will be provided for the FY84 budget as provided for in SB 872.

IV. DATE April 19, 1982 PREPARED BY F.S. Honsinger, D.V.M.
AGENCY ADEC
Original: Legislative Finance PHONE 465-2628
cc: Budget and Management
Prime Sponsor (First Legislator Named)

HOUSE JOURNAL

HOUSE FINANCE COMMITTEE
LETTER OF INTENT
FOR
HOUSE CS FOR CS FOR SENATE BILL NO. 872 (Finance)

It is the intent of the House Finance Committee in passing out this bill that the inspection seal shall not be used by the Alaska Seafood Marketing Institute until authorized by the Commissioner of the Department of Environmental Conservation.

It is also the intent of the House Finance Committee that the Department of Environmental Conservation supply, on a regular basis, to the Alaska Seafood Marketing Institute a list of processors that have complied with the permitting and plan of operation provision of this Act.



Al Adams, Chairman
House Finance Committee

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 872 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health, sanitation, and sanitary
7 practices in the seafood processing industry and other
8 industries that produce food for human consumption; and
9 providing for an effective date."

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

11 * Section 1. AS 03.05.010(c) is amended to read:

12 (c) To carry out the requirements of [HIS FUNCTIONS UNDER] this
13 title, the commissioner of environmental conservation may issue orders,
14 regulations, permits, quarantines, and embargoes relating to

15 (1) examination and inspection of premises containing pro-
16 ducts, articles, and commodities carrying pests;

17 (2) establishment of quarantines for eradication of pests;

18 (3) establishment of standards and labeling requirements per-
19 taining to the sale of meat, fish, and poultry;

20 (4) tests and analyses which may be made and hearings which
21 may be held to determine whether the commissioner will issue a stop order
22 or quarantine;

23 (5) cooperation with federal and other state agencies;

24 (6) regulation of fur farming, except as specified in AS 16.-
25 05.340(b); for purposes of this paragraph, "fur farming" means the rais-
26 ing of animals in captivity for the purpose of marketing their fur, and
27 "domestic fur farm animal" means a fur animal born and raised in captiv-
28 ity;

29 (7) examination and inspection of meat, fish, and poultry ad-

1 vertised for sale or sold to the public;

2 (8) enforcement of quality assurance plans developed in coop-
3 eration with appropriate industry representatives.

4 * Sec. 2. AS 03.05 is amended by adding new sections to read:

5 Sec. 03.05.025. PERMITS AND PLANS OF OPERATION. (a) A person may
6 not operate a seafood processing establishment or seafood processing
7 vessel without a plan of operation approved in writing by the commis-
8 sioner of environmental conservation and without a permit issued by the
9 commissioner of environmental conservation that incorporates the plan of
10 operation. To be valid a plan of operation or a permit issued under
11 this section must be renewed annually.

12 (b) A plan of operation required by this section shall describe:

13 (1) the proposed water supply and water treatment to be used
14 for processing fish and fish products and for consumption by humans;

15 (2) the proposed means of waste treatment and disposal to be
16 used;

17 (3) the proposed seafood and seafood product handling, clean-
18 ing, canning, freezing, storage, and transportation systems to be used;

19 (4) the proposed means to be used to ensure cleanliness,
20 sanitation, wholesomeness, and prevention of contamination of the seafood
21 and seafood products;

22 (5) the proposed means of surveillance to be used to assure
23 product sanitation, integrity of the preservation process, and product
24 safety; and

25 (6) other information that the commissioner of environmental
26 conservation may require by regulation.

27 Sec. 03.05.026. PRODUCT QUALITY STANDARDS AND SEALS. (a) The
28 Alaska Seafood Marketing Institute (AS 16.51) shall design an "inspec-
29 tion" seal that may be used to signify that a seafood product has been

1 packed in compliance with the requirements of a permit issued under
2 AS 03.05.025.

3 (b) The Alaska Seafood Marketing Institute shall design a "premium
4 quality" seal that may be used to signify that a seafood product has met
5 the product specifications and standards under (d) of this section.

6 (c) The commissioner of environmental conservation shall authorize
7 the use of an "inspection" seal for display on seafood products processed
8 by a person who, at the time the products are processed, holds a permit
9 to operate issued under AS 03.05.025, and who complies with regulations
10 adopted under AS 03.05.025.

11 (d) The commissioner of environmental conservation, after consul-
12 tation with the Alaska Seafood Marketing Institute, shall develop product
13 specifications and standards for the use of the "premium quality" seal
14 on Alaska seafood products. The commissioner shall authorize a seafood
15 processor to display a "premium quality" seal on products that qualify
16 for the seal if the processor meets the requirements of regulations
17 adopted under this section and AS 03.05.025, and has been issued a
18 permit to operate under AS 03.05.025.

19 (e) It is unlawful for a person to display a seal under this
20 section without authorization from the commissioner of environmental
21 conservation.

22 * Sec. 3. AS 03.05 is amended by adding a new section to read:

23 Sec. 03.05.045. RESEARCH. The commissioner of environmental con-
24 servation may conduct studies, research, experiments, and demonstra-
25 tions, directly or through grants to or contracts with public or private
26 agencies, organizations, or individuals

27 (1) to improve sanitation practices in the processing of fish
28 and fisheries products; and

29 (2) to develop improved techniques for surveillance and in-

1 spection activities under this chapter.

2 * Sec. 4. AS 03.05.090 is amended to read:

3 Sec. 03.05.090. PENALTY FOR VIOLATION. A [ANY] person who vio-
4 lates this chapter or a [RULE,] regulation, order, or quarantine made
5 under authority of this chapter, or violates a provision of a permit
6 issued under this chapter, or sells seeds failing to meet the labeling
7 requirements, standards, and tests provided for by regulation of the
8 commissioner of natural resources or the commissioner of environmental
9 conservation is guilty of a class A misdemeanor [, UPON CONVICTION,
10 PUNISHABLE] for each offense [BY A FINE OF NOT MORE THAN \$1,000, OR BY
11 IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BY BOTH].

12 * Sec. 5. AS 16.51.10J is amended by adding a new paragraph to read:

13 (6) develop marketing programs based on the "inspection" and
14 "premium quality" seals designed under AS 03.05.026, and use the seals
15 in advertising and promotion efforts of the institute.

16 * Sec. 6. By January 30, 1983, the commissioner of environmental conserva-
17 tion shall submit to the legislature a proposal for implementing and financing
18 the "premium quality" seal program and for establishing an inspection program
19 to ensure that products using the "premium quality" seal meet the product
20 specifications and standards developed under AS 03.05.026.

21 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
22 070(c).

HOUSE JOURNAL

HOUSE FINANCE COMMITTEE
LETTER OF INTENT
FOR
HOUSE CS FOR CS FOR SENATE BILL NO. 872 (Finance)

It is the intent of the House Finance Committee in passing out this bill that the inspection seal shall not be used by the Alaska Seafood Marketing Institute until authorized by the Commissioner of the Department of Environmental Conservation.

It is also the intent of the House Finance Committee that the Department of Environmental Conservation supply, on a regular basis, to the Alaska Seafood Marketing Institute a list of processors that have complied with the permitting and plan of operation provision of this Act.



Al Adams, Chairman
House Finance Committee

LETTER OF INTENT

CSSB 872(Res)

It is the intent of the Senate Resources Committee in passing out this bill that the inspection seal shall not be used by the Alaska Seafood Marketing Institute until authorized by the Commissioner of the Department of Environmental Conservation.

It is also the intent of the Senate Resources Committee that the Department of Environmental Conservation supply, on a regular basis, to the Alaska Seafood Marketing Institute a list of processors that have complied with the permitting and plan of operation provision of this Act.

** Adopted as Senate Letter of Intent - 4/27/82 **

Original sponsor: Rules/Governor

Offered: 4/26/82
Referred: Rules

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 872 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health, sanitation, and sanitary
7 practices in the seafood processing industry and other
8 industries that produce food for human consumption; and
9 providing for an effective date."

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

11 * Section 1. AS 03.05.010(c) is amended to read:

12 (c) To carry out the requirements of [HIS FUNCTIONS UNDER] this
13 title, the commissioner of environmental conservation may issue orders,
14 regulations, permits, quarantines, and embargoes relating to

15 (1) examination and inspection of premises containing pro-
16 ducts, articles, and commodities carrying pests;

17 (2) establishment of quarantines for eradication of pests;

18 (3) establishment of standards and labeling requirements per-
19 taining to the sale of meat, fish, and poultry;

20 (4) tests and analyses which may be made and hearings which
21 may be held to determine whether the commissioner will issue a stop order
22 or quarantine;

23 (5) cooperation with federal and other state agencies;

24 (6) regulation of fur farming, except as specified in AS 16.-
25 05.340(b); for purposes of this paragraph, "fur farming" means the rais-
26 ing of animals in captivity for the purpose of marketing their fur, and
27 "domestic fur farm animal" means a fur animal born and raised in captiv-
28 ity;

29 (7) examination and inspection of meat, fish, and poultry ad-

1 vertised for sale or sold to the public;

2 (8) enforcement of quality assurance plans developed in coop-
3 eration with appropriate industry representatives.

4 * Sec. 2. AS 03.05 is amended by adding new sections to read:

5 Sec. 03.05.025. PERMITS AND PLANS OF OPERATION. (a) A person may
6 not operate a seafood processing establishment or seafood processing
7 vessel without a plan of operation approved in writing by the commis-
8 sioner of environmental conservation and without a permit issued by the
9 commissioner of environmental conservation that incorporates the plan of
10 operation.

11 (b) A plan of operation required by this section shall describe:

12 (1) the water supply and water treatment proposed to be used
13 for processing fish and fish products and for consumption by humans;

14 (2) the means of waste treatment and disposal;

15 (3) the seafood and seafood product handling, cleaning, can-
16 ning, freezing, storage, and transportation systems proposed to be used;

17 (4) the proposed means to ensure cleanliness, sanitation,
18 wholesomeness, and prevention of contamination of the seafood and sea-
19 food products;

20 (5) proposed means of surveillance to assure product sanita-
21 tion, integrity of the preservation process, and product safety; and

22 (6) other information that the commissioner of environmental
23 conservation may require by regulation.

24 Sec. 03.05.026. PRODUCT QUALITY STANDARDS AND SEALS. (a) The
25 Alaska Seafood Marketing Institute (AS 16.51) shall design an "inspec-
26 tion" seal that may be used to signify that a seafood product has been
27 packed in compliance with the requirements of a permit issued under
28 AS 03.05.025.

29 (b) The Alaska Seafood Marketing Institute shall design a "premium

1 quality" seal that may be used to signify that a seafood product has met
2 the product specifications and standards under (d) of this section.

3 (c) A seafood processor may display an "inspection" seal on
4 products only if the processor holds a permit to operate issued under
5 AS 03.05.025 and complies with regulations adopted under that section at
6 the time the products are processed.

7 (d) The commissioner of environmental conservation, after consul-
8 tation with the Alaska Seafood Marketing Institute, shall develop product
9 specifications and standards for the use of the "premium quality" seal
10 on Alaska seafood products. A seafood processor may display a "premium
11 quality" seal on products that qualify for the seal, only if the pro-
12 cessor meets the requirements of regulations adopted under this section
13 and AS 03.05.025, and has been issued a permit to operate under AS 03.-
14 05.025.

15 * Sec. 3. AS 03.05 is amended by adding a new section to read:

16 Sec. 03.05.045. RESEARCH. The commissioner of environmental con-
17 servation may conduct studies, research, experiments, and demonstra-
18 tions, directly or through grants to or contracts with public or private
19 agencies, organizations, or individuals

20 (1) to improve sanitation practices in the processing of fish
21 and fisheries products; and

22 (2) to develop improved techniques for surveillance and in-
23 spection activities under this chapter.

24 * Sec. 4. AS 03.05.090 is amended to read:

25 Sec. 03.05.090. PENALTY FOR VIOLATION. A [ANY] person who vio-
26 lates this chapter or a [RULE,] regulation, order, or quarantine made
27 under authority of this chapter, or violates a provision of a permit
28 issued under this chapter, or sells seeds failing to meet the labeling
29 requirements, standards, and tests provided for by regulation of the

1 commissioner of natural resources or the commissioner of environmental
2 conservation is guilty of a class A misdemeanor [, UPON CONVICTION,
3 PUNISHABLE] for each offense [BY A FINE OF NOT MORE THAN \$1,000, OR BY
4 IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BY BOTH].

5 * Sec. 5. AS 16.51.100 is amended by adding a new paragraph to read:

6 (6) develop marketing programs based on the "inspection" and
7 "premium quality" seals designed under AS 03.05.026, and use the seals
8 in advertising and promotion efforts of the institute.

9 * Sec. 6. By January 30, 1983, the commissioner of environmental conserva-
10 tion shall submit to the legislature a proposal for implementing and financing
11 the "premium quality" seal program and for establishing an inspection program
12 to ensure that products using the "premium quality" seal meet the product
13 specifications and standards developed under AS 03.05.026.

14 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
15 070(c).

JAY S. HAMMOND
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 23, 1982

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. President:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill relating to sanitation, sanitary practices and quality assurance in the seafood processing industry.

The recent events focusing on the integrity of canning processes in the seafood processing industry have highlighted the need for a coordinated industry/state effort to make certain that only fishery products of high quality reach the consumer. This effort must include quality both before and after processing. The bill I am submitting provides for an industry operations plan requiring approval by the commissioner of environmental conservation that seeks to protect the public's health and to reassure the public that the seafood they are purchasing has been properly processed and is of high quality.

In addition, the bill provides authority for the commissioner of environmental conservation to conduct research leading to improved sanitation practices and development of improved techniques in surveillance (including inspection) activities.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay S. Hammond". The signature is stylized with large loops and a long horizontal stroke extending to the right.

Jay S. Hammond
Governor

** Adopted as Senate Letter of Intent - 4/27/82 **

Original sponsor: Rules/Governor

Offered: 4/26/82
Referred: Rules

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 872 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health, sanitation, and sanitary
7 practices in the seafood processing industry and other
8 industries that produce food for human consumption; and
9 providing for an effective date."

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

11 * Section 1. AS 03.05.010(c) is amended to read:

12 (c) To carry out the requirements of [HIS FUNCTIONS UNDER] this
13 title, the commissioner of environmental conservation may issue orders,
14 regulations, permits, quarantines, and embargoes relating to

15 (1) examination and inspection of premises containing pro-
16 ducts, articles, and commodities carrying pests;

17 (2) establishment of quarantines for eradication of pests;

18 (3) establishment of standards and labeling requirements per-
19 taining to the sale of meat, fish, and poultry;

20 (4) tests and analyses which may be made and hearings which
21 may be held to determine whether the commissioner will issue a stop order
22 or quarantine;

23 (5) cooperation with federal and other state agencies;

24 (6) regulation of fur farming, except as specified in AS 16.-
25 05.340(b); for purposes of this paragraph, "fur farming" means the rais-
26 ing of animals in captivity for the purpose of marketing their fur, and
27 "domestic fur farm animal" means a fur animal born and raised in captiv-
28 ity;

29 (7) examination and inspection of meat, fish, and poultry ad-

1 vertised for sale or sold to the public;

2 (8) enforcement of quality assurance plans developed in coop-
3 eration with appropriate industry representatives.

4 * Sec. 2. AS 03.05 is amended by adding new sections to read:

5 Sec. 03.05.025. PERMITS AND PLANS OF OPERATION. (a) A person may
6 not operate a seafood processing establishment or seafood processing
7 vessel without a plan of operation approved in writing by the commis-
8 sioner of environmental conservation and without a permit issued by the
9 commissioner of environmental conservation that incorporates the plan of
10 operation.

11 (b) A plan of operation required by this section shall describe:

12 (1) the water supply and water treatment proposed to be used
13 for processing fish and fish products and for consumption by humans;

14 (2) the means of waste treatment and disposal;

15 (3) the seafood and seafood product handling, cleaning, can-
16 ning, freezing, storage, and transportation systems proposed to be used;

17 (4) the proposed means to ensure cleanliness, sanitation,
18 wholesomeness, and prevention of contamination of the seafood and sea-
19 food products;

20 (5) proposed means of surveillance to assure product sanita-
21 tion, integrity of the preservation process, and product safety; and

22 (6) other information that the commissioner of environmental
23 conservation may require by regulation.

24 Sec. 03.05.026. PRODUCT QUALITY STANDARDS AND SEALS. (a) The
25 Alaska Seafood Marketing Institute (AS 16.51) shall design an "inspec-
26 tion" seal that may be used to signify that a seafood product has been
27 packed in compliance with the requirements of a permit issued under
28 AS 03.05.025.

29 (b) The Alaska Seafood Marketing Institute shall design a "premium

1 quality" seal that may be used to signify that a seafood product has met
2 the product specifications and standards under (d) of this section.

3 (c) A seafood processor may display an "inspection" seal on
4 products only if the processor holds a permit to operate issued under
5 AS 03.05.025 and complies with regulations adopted under that section at
6 the time the products are processed.

7 (d) The commissioner of environmental conservation, after consul-
8 tation with the Alaska Seafood Marketing Institute, shall develop product
9 specifications and standards for the use of the "premium quality" seal
10 on Alaska seafood products. A seafood processor may display a "premium
11 quality" seal on products that qualify for the seal, only if the pro-
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13 and AS 03.05.025, and has been issued a permit to operate under AS 03.-
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18 tions, directly or through grants to or contracts with public or private
19 agencies, organizations, or individuals

20 (1) to improve sanitation practices in the processing of fish
21 and fisheries products; and

22 (2) to develop improved techniques for surveillance and in-
23 spection activities under this chapter.

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25 Sec. 03.05.090. PENALTY FOR VIOLATION. A [ANY] person who vio-
26 lates this chapter or a [RULE,] regulation, order, or quarantine made
27 under authority of this chapter, or violates a provision of a permit
28 issued under this chapter, or sells seeds failing to meet the labeling
29 requirements, standards, and tests provided for by regulation of the

1 commissioner of natural resources or the commissioner of environmental
2 conservation is guilty of a class A misdemeanor [, UPCN CONVICTION,
3 PUNISHABLE] for each offense [BY A FINE OF NOT MORE THAN \$1,000, OR BY
4 IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BY BOTH].

5 * Sec. 5. AS 16.51.100 is amended by adding a new paragraph to read:

6 (6) develop marketing programs based on the "inspection" and
7 "premium quality" seals designed under AS 03.05.026, and use the seals
8 in advertising and promotion efforts of the institute.

9 * Sec. 6. By January 30, 1983, the commissioner of environmental conserva-
10 tion shall submit to the legislature a proposal for implementing and financing
11 the "premium quality" seal program and for establishing an inspection program
12 to ensure that products using the "premium quality" seal meet the product
13 specifications and standards developed under AS 03.05.026.

14 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
15 070(c).

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 872 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health, sanitation, and sanitary
7 practices in the seafood processing industry and other
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15 (1) examination and inspection of premises containing pro-
16 ducts, articles, and commodities carrying pests;

17 (2) establishment of quarantines for eradication of pests;

18 (3) establishment of standards and labeling requirements per-
19 taining to the sale of meat, fish, and poultry;

20 (4) tests and analyses which may be made and hearings which
21 may be held to determine whether the commissioner will issue a stop order
22 or quarantine;

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26 ing of animals in captivity for the purpose of marketing their fur, and
27 "domestic fur farm animal" means a fur animal born and raised in captiv-
28 ity;

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1 vertised for sale or sold to the public;

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3 eration with appropriate industry representatives.

4 * Sec. 2. AS 03.05 is amended by adding new sections to read:

5 Sec. 03.05.025. PERMITS AND PLANS OF OPERATION. (a) A person may
6 not operate a seafood processing establishment or seafood processing
7 vessel without a plan of operation approved in writing by the commis-
8 sioner of environmental conservation and without a permit issued by the
9 commissioner of environmental conservation that incorporates the plan of
10 operation. To be valid a plan of operation or a permit issued under
11 this section must be renewed annually.

12 (b) A plan of operation required by this section shall describe:

13 (1) the proposed water supply and water treatment to be used
14 for processing fish and fish products and for consumption by humans;

15 (2) the proposed means of waste treatment and disposal to be
16 used;

17 (3) the proposed seafood and seafood product handling, clean-
18 ing, canning, freezing, storage, and transportation systems to be used;

19 (4) the proposed means to be used to ensure cleanliness,
20 sanitation, wholesomeness, and prevention of contamination of the seafood
21 and seafood products;

22 (5) the proposed means of surveillance to be used to assure
23 product sanitation, integrity of the preservation process, and product
24 safety; and

25 (6) other information that the commissioner of environmental
26 conservation may require by regulation.

27 Sec. 03.05.026. PRODUCT QUALITY STANDARDS AND SEALS. (a) The
28 Alaska Seafood Marketing Institute (AS 16.51) shall design an "inspec-
29 tion" seal that may be used to signify that a seafood product has been

1 packed in compliance with the requirements of a permit issued under
2 AS 03.05.025.

3 (b) The Alaska Seafood Marketing Institute shall design a "premium
4 quality" seal that may be used to signify that a seafood product has met
5 the product specifications and standards under (d) of this section.

6 (c) The commissioner of environmental conservation shall authorize
7 the use of an "inspection" seal for display on seafood products processed
8 by a person who, at the time the products are processed, holds a permit
9 to operate issued under AS 03.05.025, and who complies with regulations
10 adopted under AS 03.05.025.

11 (d) The commissioner of environmental conservation, after consul-
12 tation with the Alaska Seafood Marketing Institute, shall develop product
13 specifications and standards for the use of the "premium quality" seal
14 on Alaska seafood products. The commissioner shall authorize a seafood
15 processor to display a "premium quality" seal on products that qualify
16 for the seal if the processor meets the requirements of regulations
17 adopted under this section and AS 03.05.025, and has been issued a
18 permit to operate under AS 03.05.025.

19 (e) It is unlawful for a person to display a seal under this
20 section without authorization from the commissioner of environmental
21 conservation.

22 * Sec. 3. AS 03.05 is amended by adding a new section to read:

23 Sec. 03.05.045. RESEARCH. The commissioner of environmental con-
24 servation may conduct studies, research, experiments, and demonstra-
25 tions, directly or through grants to or contracts with public or private
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7 requirements, standards, and tests provided for by regulation of the
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17 tion shall submit to the legislature a proposal for implementing and financin
18 the "premium quality" seal program and for establishing an inspection program
19 to ensure that products using the "premium quality" seal meet the product
20 specifications and standards developed under AS 03.05.026.

21 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
22 070(c).



Alaska State Legislature

SENATE Resources Committee

POUCH V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
1907) 465-3835

Official Business

BETTYE FAHRENKAMP, Chairman
VIC FISCHER, Vice-Chairman
BRAD BRADLEY
DICK ELIASON
DON GILMAN
BOB MULCAHY
ARLISS STURGULEWSKI

MEMBERS PRESENT

Senator Fahrenkamp
Senator Fischer
Senator Bradley
Senator Eliason
Senator Gilman
Senator Mulcahy
Senator Sturgulewski

April 21, 1982
4:05 p.m.

Beltz Room
Room 211 - Capitol

Hearing:

SB 872 An Act relating to sanitation, sanitary practices, quality assurance, and marketing of Alaska seafood products.

Lieutenant Governor Terry Miller spoke in support of CSSB 872, calling it a necessary response to the current crisis plaguing the salmon industry. Involved are a state-sponsored mandatory inspection program, and an industry-based voluntary program with incentives. Miller concluded by stating that Governor Hammond supports the philosophical thrust behind CSSB 872.

Ernie Mueller, Commissioner, Department of Environmental Conservation, stated that the current role of the Department is to assure that all seafood is processed in accordance with safety and sanitation regulations, rather than assuring product quality. Mueller suggested the bill be changed to clarify the relationship between DEC and the Alaska Seafood Marketing Institute, and a new section be added mandating that the Department report back to the legislature next year with recommendations on how it will carry out the program in CSSB 872. He stated that the current fiscal note upgrades two part time employees to full time. In regard to regulations, he explained that the Department would prefer that each plant submit a plan to DEC on how it will operate, and inspections will be to assure conformance with each individual plant's plan.

Dr. Fred Hensinger, Director, Seafood and Animal Industry Division, Department of Environmental Conservation, described the difficulty the Department has in finding qualified inspectors.

The meeting was adjourned at 5:00 p.m. until 8:15 a.m. the following day.



Alaska State Legislature

SENATE Resources Committee

POUCH V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Official Business

BETTYE FAHRENKAMP, Chairman
VIC FISCHER, Vice-Chairman
BRAD BRADLEY
DICK ELIASON
DON GILMAN
BOB MULCAHY
ARLISS STURGULEWSKI

MEMBERS PRESENT

Senator Fahrenkamp
Senator Fischer
Senator Bradley
Senator Eliason
Senator Gilman
Senator Mulcahy
Senator Sturgulewski

April 22, 1982
8:30 a.m.

Beltz Room
Capitol - Room 211

Hearing:

SB 372 An Act relating to sanitation, sanitary practices, quality assurance, and marketing of Alaska seafood products.

Rodger Painter, Executive Director, United Fishermen of Alaska, explained that the U.S. Food and Drug Administration is reviewing its current program of inspection of canned salmon, and is intending to increase surveillance and require additional procedures. He stated that the Alaska Seafood Marketing Institute is working on a model fish hold inspection program. He urged that the State step in only if there is not substantial participation, rather than giving DEC broad inspection powers now. Painter concluded by emphasizing the difference between product safety and product quality, and suggested that SB 872 be amended to instruct the Department of Environmental Conservation to come back to the legislature with a plan on how to implement the quality assurance program.

Rick Lauber, Pacific Seafood Processors, stated that the processors want to do everything possible to make sure no further crises occur, and would like the emphasis of FDA and DEC to be placed on product safety. Lauber urged that ASMI be allowed to continue developing quality control guidelines, and that the State step in only if the processors do not participate voluntarily.

Senator Fahrenkamp expressed concern over the completeness of the fiscal note, stating she wants to make sure DEC has the personnel and the funds necessary to implement the program.

At 9:50 a.m. the meeting was recessed until after session.

The meeting resumed at 12:15 p.m.

Eric Eckholm, Executive Director, Alaska Seafood Marketing Institute, said he was not at liberty to make an official statement on SB 872, as his Board of Directors had not met to discuss the bill, but he believes the majority of the industry supports the bill. He stressed the importance of using in-plant and industry personnel in the inspections. Eckholm stated the basic inspection seal is needed right away to assure confidence in the consumer, but ASMI would like to do a market test on the quality seal this fall to determine its affect on marketability.

Dr. Fred Honsinger, Director, Seafood and Animal Industry Division, Department of Environmental Conservation, presented a new fiscal note allowing for more employees. He stated that an ongoing training program would need to be instituted, and that FDA and the National Marine Fisheries Service are willing to help in this regard. Because of time constraints, contract employees will be most feasible for this season.

The meeting was adjourned at 1:05 p.m.



Alaska State Legislature

SENATE Resources Committee

Official Business

BETTYE FAHRENKAMP, Chairman
VIC FISCHER, Vice-Chairman
BRAD BRADLEY
DICK ELIASON
DON GILMAN
BOB MULCAHY
ARLISS STURGULEWSKI

MEMBERS PRESENT

Senator Fahrenkamp
Senator Fischer
Senator Eliason
Senator Gilman
Senator Sturgulewski

POUCH V
STATE CAPITOL
UNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

April 23, 1982
1:40 p.m.

Belz Room
Capitol - Room 211

Hearings:

SB 835 An Act establishing a National Petroleum Reserve, Alaska, trust fund account and providing for uses of the money placed in the account; and providing for an effective date.

SB 872 Relating to sanitation, sanitary practices, and quality assurance in the seafood processing industry.

CSHB 47 An Act relating to the prohibition against waste of the meat of big game animals and wild fowl.

SB 872

Dr. Fred Honsinger, Director, Seafood and Animal Industry Division, Department of Environmental Conservation, suggested that page 3, line 7 of the Committee Substitute be changed from "in conjunction" to "after consultation".

Senator Gilman moved the amendment to page 3, line 7. He then moved the Committee Substitute and asked unanimous consent. Gilman moved the Letter of Intent and asked unanimous consent.

SB 835

Tom Koester, Attorney General's Office, stated that SB 835 raises some legal questions. It violates the constitutional prohibitions of a dedicated fund, and the enactment of local or special legislation. In addition, it makes an appropriation in an enactment bill, and the wording "minimum of 50%" takes the power of appropriation away from the legislature. Koester concluded by stating that he would provide the Committee with written testimony outlining the legal questions raised by the bill. (See attached.)

Senate Resources Committee

April 23, 1982

Page 2

Tom Smythe, Consultant, North Slope Borough, provided background on the National Petroleum Reserve, Alaska. He supports SB 335, stating that the funds are needed to continue a program of service in the field and alleviate impacts on the community.

Robert J. DuPere, Consultant, North Slope Borough, explained that the constraint is on the operating budget. Funds are needed for sanitary and solid waste facilities: Search and Rescue: mitigation of environmental impacts: airstrips, roads, and other lines of communication. DuPere then suggested overcoming the constitutional problems outlined by Tom Koester through wording changes that would allow the legislature to make yearly appropriations to impacted communities.

Senator Gilman expressed concern over how impacts will be measured, and how eligibility for funds will be ascertained.

Senator Fischer raised questions about how the 50% that doesn't go to the North Slope Borough will be spent. Also, he suggested that appropriations to the North Slope Borough be subject to legislative review periodically, or that a letter of intent be sent with the bill.

Senator Fahrenkamp directed Koester, DuPere, and the Resources Committee Staff to work together after the meeting to find an agreeable solution to the issues raised.

HB 47

Senator Sturgulewski moved CSHB 47 (Jud)(am) with individual recommendations.

The meeting was adjourned at 3:05 p.m.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

Received
4/22/82
4:30 p.m.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 872 the seafood processing industry
Title An Act relating to sanitation, sanitary practices, and quality assurance in
Requested by Rules Committee by Request of Governor Date March 23, 1982

II. FISCAL DETAIL

Agency Affected Department of Environmental Conservation
Program Category Affected Public Protection
BRU, Program, Or Subprogram(s) Affected Seafood & Animal Industries, Seafood Indust
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		42.8	57.1	61.0		
200 TRAVEL		51.2	35.5	25.5		
300 CONTRACTUAL		575.5	15.0	15.0		
400 COMMODITIES		5.0	3.0	3.0		
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		685.5	110.6	114.5		

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		685.5	110.6	114.5		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	14.2	16.0	16.0	16.0		
PART TIME	2.0					
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III) SB 872 provides authority for the Commissioner of Environmental Conservation to conduct research leading to improved techniques to improve sanitation practices and development of improved techniques in surveillance (including inspectional activities). Includes microbiological assessment for botulism and other organisms in seafood products and the research into new technological surveillance of can integrity for canned salmon.

Provides for upgrading two PPT (3 mo.) positions in the seafood component to PFT (PCN 18-7304 and PCN 18-7305), and 12.5 for '83 travel for the two positions, and also provides for 1.0 contract inspectors for '82 canned salmon season, averaging four months per inspector.

Requests 24.9 for additional travel of regular seafood inspection personnel for increased surveillance of program responsibilities in SB 872, and 23.7 for the contract inspectors for the '82 canned salmon season.

Full seafood inspection staffing request will be provided for the FY84 budget as provided for in SB 872.

DATE April 19, 1982 PREPARED BY Honsinger, D.V.M.
AGENCY ADFC
Original: Legislative Finance PHONE 465-2629
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

Adopted

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

JAY S. HAMMOND
GOVERNOR

NEWS RELEASE



FOR INFORMATION CONTACT:
Chuck Kleeschulte
Press Secretary
Office of the Governor
Pouch A, Juneau, Alaska 99811

Bus. Phone: (907) 465-3500
Res. Phone: (907) 586-1069

HAMMOND SUPPORTS MILLER'S PROPOSAL FOR SALMON QUALITY PROGRAM
4-19-82
#51

FOR IMMEDIATE RELEASE

JUNEAU--Alaska Governor Jay Hammond this morning expressed strong support for proposals unveiled Friday by Lieutenant Governor Terry Miller including one that a "two-tiered" salmon safety-quality inspection system be established to assure the quality of Alaska seafood products.

Hammond today said he advocated most of the proposals unveiled by Miller before the Republican State Convention in Sitka. They were highlighted by a proposal that all in-state canneries use an extra inspection system which could guarantee the integrity of salmon cans.

Miller also elaborated on several of Hammond's March 12th proposals that the state make a special appropriation to the Alaska Seafood Marketing Institute (ASMI) to help the institute assess the amount of damage done to the public's confidence in canned salmon and then to devise a marketing strategy to reverse sales slumps.

MORE

Such slumps have occurred following the death Feb. 6 of a 26-year-old Belgium man and the recent illness of a 68-year-old Connecticut woman from botulism, both incidents potentially caused by eating canned salmon packed at Alaska canneries.

Miller in his speech also supported an expanded state fish pack loan program to aid processors buy this summer's expected record salmon catch and backed an advanced quality inspection and rating system--concepts advocated earlier this spring by the governor and his Salmon Working Group, a working group of Hammond's Cabinet and the seafood processing industry, fishermen, cannery worker representatives and the marketing institute.

Legislation to serve as a vehicle to bring about the quality inspection program, as well as the appropriation to ASMI, have already been introduced before lawmakers.

"Clearly Terry is correct. For the public to have any substantial confidence in the quality of our canned half-pound salmon after the publicity these two incidents have fostered the industry should plan on requiring substantially upgraded inspection of all of the 1982 pack through methods such as the double dudding and electronic weighing processes proposed for inspection of the 1980 and 1981 packs which have been recalled voluntarily by the industry and the Food and Drug Administration.

"It is absolutely vital that we take substantive measures to assure the public of the quality of our fish products and to guarantee that a similar incident does not occur again. These means of testing all cans for imperfections seem a reasonable, major sign of our commitment to quality and the public's safety," Hammond said.

MORE

Hammond said that by "double dudding," or the process of checking the curves of the cans' ends to guarantee there is a vacuum inside the cans, and then electronically weighing them to make sure that the cans did not have a hole which then resealed, the causes for the recent botulism toxin incident can almost assuredly be eliminated.

Hammond said canneries can install the added inspection devices, to team with the ongoing industry inspection effort, at reasonable costs. More importantly, Hammond said such tests may be required by foreign countries, such as Great Britian, as the minimal condition needed to permit the renewal of export sales this summer. Four European countries banned Alaska canned salmon in late February--the state and Food and Drug Administration seeking to have the ban lifted.

Miller in his Friday speech said dudding could cost the industry as little as 10 cents per 48-can case.

Hammond today joined Miller in again urging legislative leaders to move legislation providing for a marketing study and sales promotional effort to be financed jointly by the state and industry, spearheaded by ASMI.

The governor also urged lawmakers to continue their review of other potential efforts to aid the industry, such as expanding the fish pack loan program introduced by the Hammond-Miller administration two years ago, as they work on finalizing a quality control-inspection bill. Currently, a joint legislative committee is handling all facets of the salmon issue.

MORE

"While it is still too early to tell the full impact of the most recent botulism incident, which may or may not be related to salmon, it is certain, given the national media attention the Connecticut case drew over the weekend, that the impact could be negative. With a record run of salmon just over two months away, it is vital that we move now," Hammond said.

"We have to implement the best program we can afford to save, not just our processing industry, but our entire fishing industry and the towns that depend upon it, from economic ruin this summer and in the years ahead.

"We have no choice," Hammond said, "but to assume that this situation will have a dramatic impact on the state's largest private employer and our third leading industry. We have no choice but to take decisive action despite falling revenues. Otherwise, it could well be too late," Hammond said.

TESTIMONY ON SALMON SAFETY AND QUALITY ASSURANCE
BEFORE THE
SENATE RESOURCES COMMITTEE

BY
LT. GOVERNOR TERRY MILLER

April 21, 1982

I appreciate the opportunity to appear before this committee to talk for a few moments about the need for a safety and quality program for Alaska's sea food products. The legislation before the committee provides for basic safety and establishes the framework for improving quality of Alaska seafood products by establishing a two-tier quality assurance program.

The first tier would warrant Alaska's salmon as safe and edible as a result of state-sponsored inspection. Within one year, we can have a State of Alaska seal on the labels of canned salmon that ensures that the product has been inspected for safety and quality.

Such a safety warranty program would at once accomplish two purposes, first, it would advise the consumer that the fish has been inspected to help ensure it is fit for human consumption; it would reassure those who have read or heard worldwide media announcements of the botulism death and sickness and the canned salmon recall.

Second, it would enhance marketing. Alaska is salable. Our tourism promotions have proven that the allure and excitement of our state appeals to a national and international market. A prominent seal indicating that the salmon has been caught in Alaska waters can enhance the image of the product. This would also allow future advertising and promotion efforts to be done generically by advising the consumer to look for the seal of integrity. Alaska salmon can be as appealing as Maine lobster, Florida oranges, or Washington apples.

The first-tier program would be mandatory. As a major world salmon producer, Alaska must put the interests of consumers first, we must try to ensure that consumers will be protected. This mandatory first-tier inspection is nothing but basic public protection; a traditional government function. It is not massive market inference and will not require an army of state employees to administer. To the contrary, the Department of Environmental Conservation, ASMI, and industry can jointly design a system which minimizes state intervention and optimizes industry benefit.

Through the use of "dudding" machines, cans can be electronically checked for their convexity which helps assure the integrity of the can and avoids botulism. Some responsible salmon canners already do this. "Dudding" adds only 10¢ to the cost of a case of salmon, with 48 cans to the case. Dudding can be done at high speed as the cans are sent in for labels. Indeed, it should be done in conjunction with electronic weighing, to try to avoid further incidences of botulism. Any can that is dudded and electronically weighed would qualify for a state seal.

By emphasizing the "dudding" process I do not mean to preclude a continuing search for other means or methods that may be even more effective in preventing an unsafe product from reaching the market. The legislation before you does provide for a continuing effort on the part of the Department of Environmental Conservation to improve surveillance and inspection activities.

We also need a second-tier quality assurance program, one that is voluntary and involves the active participation of industry. In many foreign markets, Alaska salmon (both canned and frozen) has the reputation of not being a quality product. The designation "premium grade", or the equivalent, could be added to the seal to indicate to the consumer that not only is the product safe, but the quality is intact. This quality check can be accomplished through statistical checking of case batches through the laboratories of the National Food Processors Association or similar organizations. The National Food Processors Association already does sampling for the FDA.

Several quality assurance programs could be examined as possible models. I would favor the one resulting in the least state interference with normal market behavior. Again, this grading could be voluntary, but marketing generically through the use of the seal would encourage industry participation. The money that the state spends marketing canned salmon would be spent only to promote salmon bearing the Alaska mandatory safety and voluntary quality seal. We should not spend a dime trying to market salmon that will bomb in the market place.

I believe the voluntary approach as outlined in this legislation for the second tier system is feasible. It is my expectation that the Department of Environmental Conservation (DEC) and the Alaska Seafood Marketing Institute (ASMI) will implement this system first for canned salmon and that, over a period of time, quality standards will also be set for other means of preserving salmon and other seafoods. However, I think that quality is so important to the future of this industry that the legislature and the administration should monitor the

efforts of DEC and ASMI so that further steps can be taken if necessary to improve the reputation of Alaska seafood in the marketplace.

It should be made clear that DEC will be the lead agency in ensuring that the quality guidelines are set. I believe that language in the bill does make this clear but also provides for ASMI participation to the extent that their expertise in marketing and their understanding of the processing industry can be useful in setting realistic and reasonable standards.

So, I support the two-tiered quality assurance program as outlined in this bill. The first tier being mandatory and guaranteeing basic product safety and being implemented as quickly as possible. The second tier would address product taste, color, and general desirability; it would be based on voluntary industry participation with strong incentives for involvement and would be implemented in stages over a three-to-five year time frame.

This seal of safety and quality program can be modeled after an existing program. The federal tuna safety inspections helped that industry rebound and could well become our example.

Governor Hammond earlier this week endorsed the approach that is outlined in this bill. Fishermen and representatives of the processing industry have agreed that the directions set in this legislation can be accomplished and agree with the need for a codification of these goals. That, by the way, is a significant step. There is general recognition by those dependent upon the fishing industry that if we are to maximize market potentials and allow for future economic growth, these steps are necessary.

I don't want to belabor the importance of what you are now considering. There are many in the legislature who believe that aid to the industry in the wake of the market instability due to the botulism incidents is contingent upon safety and quality assurance. Frankly, I agree with them. I believe that this bill does provide these basic assurances and that this legislation should be the catalyst for marketing and pack loan assistance to an industry reeling from the death of a Belgian man and the illness of an American woman who possibly may have eaten a can of tainted salmon.

Today, now, the salmon industry is in mortal jeopardy. The crisis has reached such proportions that the state must take dramatic and immediate action to rescue this industry from what otherwise may become certain disaster. Make no mistake about it, the stakes are high if we fail. A collapse or crippling of this industry will leave few Alaskans untouched.

Let's review what this industry means to our state. Fishermen in Alaska waters last year earned about \$600 million and the wholesale value of the fish pack is double that. The fishing industry is the state's largest private employer with a peak of about 55,000 jobs each summer, and the industry is the second-largest revenue generator for the state behind petroleum. Employment in the processing industry has grown by 43% in the past eight years. The support industries in the service sector, transportation fields and other businesses, ranging from hardware to electronics, also benefit substantially from the industry. It is time to also explode the myth that only the small coastal communities benefit from fishing. More commercial fishermen live in Anchorage than any other community and Anchorage employs more than 1,500 in the processing industry and salmon transportation sector.

While it may seem unreasonable that one, and possibly two, botulism-tainted cans out of the more than 210 million cans packed last year can threaten an industry that is so integral to the economic future of Alaska, it is unfortunately true. We are faced with the almost certain failure of some of the canneries in Alaska with consequent job losses, diminished earnings to the fishermen because of market instability, and falling state revenues generated by the industry. The processors, if they reopen, will be buying fish this year while they have yet to sell much of the fish from the 1980 and 1981 pack.

In 1963, the tuna industry suffered through a similar incident. Following the botulism related death of two Detroit women, 85,000 cans were recalled and the sales of tuna dropped nearly 50%. But it is hard to draw comparisons. In the tuna incident, only one cannery was involved--in this salmon incident, several canneries are involved and 50 million cans recalled. Also, tuna is a loss leader, traditionally sold in grocery store bins at a loss to attract customers while salmon is traditionally sold off the top shelf at a premium price.

Also in 1963, the tuna industry launched a \$10 million public relations effort to offset their botulism scare. That was in 1963 dollars. The tuna industry worked aggressively to recoup lost markets. If they hadn't, tuna canners and fishermen might not have survived. They also established a quality assurance program; one that is still in force today in modified form. Industry solicited FDA and National Marine Fisheries Service (NMFS) inspection, and cooperated in establishing safeguards to prevent a recurrence of these incidents.

It is time to stop arguing and lamenting about the setback; we must counterattack with a multi-faceted effort. It took 18 months to turn around the tuna industry in

1963-64. A sustained market slump for salmon beyond 18 months could doom the canned salmon industry in Alaska--processors, fishermen and all.

So, if safety and quality guidelines similar to what you are now considering pass, I strongly advocate these two actions: appropriation of money immediately to ASMI to stabilize and then expand the market for Alaska salmon, and adjustment of the fish pack loan program so that most processors can open this year. To be effective, these actions must be taken soon since the fishing season is nearly upon us and industry must know the extent of the state response so it can plan for the season.

Again, I appreciate the opportunity to testify before you this afternoon. I am gratified that this legislation is receiving consideration by this committee and I wish you success in your deliberations.



Official Business

Alaska State Legislature

House of Representatives

SB
872

Pouch V
State Capitol
Juneau, Alaska 99811

Minutes of the Joint House and Senate Committee
Meeting on Salmon Quality Control
March 23, 1982 2:30 P.M.
House Finance Room

Rep. Rick Halford	Sen. Bettye Fahrenkamp
Rep. Haugen	Sen. Kerttula
Rep. Gardiner	Sen. Mulcahy
Rep. Sutcliffe	Sen. Eliason

The following members were in attendance from the House, Rep's. Halford, Haugen, Gardiner, and Sutcliffe. Present from the Senate were Sen's. Fahrenkamp, Mulcahy, and Eliason. Senator Kerttula was excused.

Rep. Halford opened the meeting and described the format of the meeting. An agenda was passed out and the following order of testimony was taken.

Kenneth Hansen, District Director, U.S. Food and Drug Administration
Commissioner Ernst Mueller, Dept. of Environmental Conservation
Commissioner Ron Skoog, Department of Fish and Game
Ed Eboch, Deputy Commissioner, Commerce and Economic Development
Lris Cook, Division of Administrative Services, Dept. of Economic Dev.
Dick Reynolds, Office of Fisheries Development, Department of Commerce and Economic Development
John Peterson, Ocean Beauty
Bob Anderson, Chugach Fisheries
Bob Thorstenson, Icicle Seafoods
Frank Horseley, Evans Pacific
Forest Paulsen, CFAB
Eric Eckholm, Alaska Seafood Marketing Institute
Jodger Painter, United Fisherman of Alaska
Hank Ostrosky, Fisherman
Terry Rutford, Fisherman

Ken Hansen testified first and explained what the Food and Drug Administration was doing to help cope with the botulism scare. He felt that the incident where a Belgian man was killed from the botulism was not just related specifically to the Ketchikan plant that actually canned the salmon but that it was an industry wide problem that had to be solved. He stressed that salmon quality control should be instituted industry wide. He mentioned that an agreement had been made between the F.D.A. and the National Food Processors Association which was a voluntary program where industry was recalling their products and running them through a check weigher or dud detector. Ken Hansen showed

pictures of the indexed defected can. Rep. Haugen asked whether there was a way of checking the weight of the can. Hansen responded that if the check weigher came up with a light can it would be rejected. The loss of weight would indicate a leakage of product and possible contamination to the contents. Rep. Halford asked whether there was a reliability difference between the check weigher and the dud detector. Ken Hansen responded that there was a question of the dud detector's reliability, and an English test showed the dud detector to be less reliable than the check weigher.

Commissioner Mueller testified on the recommendations that were made from the Governor's Task Force. He said there are measures that the state might adopt to mitigate impacts of the Alaska canned salmon emergency. The proposal was passed out to all committee members. He also discussed SB 872, which was introduced in the Senate Resources Committee. The bill establishes more stringent controls on sanitary practices, and quality assurance in the seafood processing industry. Mueller also suggested using HB 699, introduced by Rep. Sutcliffe, as a vehicle for the finance guarantee pack loan program that the legislature will be adopting. He ended his testimony by stating that the Governor had not planned on introducing a Pack Loan Guarantee bill at this time.

Commissioner Skoog, Dept. of Fish and Game, also testified on letting foreign processors into the State of Alaska. He said that Clem Tillion is negotiating with foreign processors about coming to Alaska, and he didn't feel those foreign processors would be in direct competition with Alaska processors.

Ed Eboch, Lois Cook and Dick Reynolds testified on the Dept. of Commerce and Economic Development's position on the recent crisis. Lois Cook said there was a \$75,000 appropriation remaining from the overseas Copenhagen office and that this money could be used to help the recent embargo of all American canned salmon in Europe. Ed Eboch discussed the ongoing \$200,000 contract they have with a consulting firm regarding salmon market projections. The results of that report will be ready April 1, 1982. Sen. Fahrenkamp asked Ed Eboch about the contract and getting more specifics on it. He responded he would get that information at her convenience. She responded, "How about tomorrow?"

John Peterson, Bob Anderson, and Bob Thorstenson testified on the industry's position on the recent crisis. Almost one third of the total salmon market is in canned salmon according to Peterson and that means there has to be improvement in the fresh frozen market to pick up the slack for a loss in the canned salmon sales. Peterson said that the situation had hit certain processors much harder than others. He presented the industry's plan of what had to be done. This was passed out to all Committee members. In the plan there were six important categories that he explained. They were: more research for finding defective cans, a possible ASMI Salmon Recovery Program, a delay of the 1982 Salmon Pack Tax, a recall assistance program costing 13.75 million dollars, a loan program costing 319 million dollars and an ASMI Quality Assurance Program. Peterson explained that recalling the salmon and

taking it off the grocery shelves was very costly. The grocery store owners would essentially have to be paid for the removal of his stock by the processing industry.

There were questions from the committee members to Mr. Peterson. Rep. Haugen asked if the European embargo was all inclusive. He said yes all American canned salmon had been taken off the market. Senator Mulcahy asked what the market would be this year considering that we had \$2.3 million extra cases of salmon left over from the 1981 pack. Peterson responded that he concurred with Commissioner Skoog and that there would be a significant surplus of canned pink salmon but very little effect on red salmon. Rep. Halford said that this session seems to be a session of moving targets. First with state revenues and now with canned salmon. He said we should freeze that moving target now. Sen. Eliason wanted to know what the reaction of foreign processors was. He said it was negative and he didn't favor foreign processors coming in. Terry Gardiner put forth a written plan to the Committee called the Canned Salmon Stabilization Fund Purchase Program.

Forest Paulsen testified for CFAB and explained what their cooperative could do to help solve the problem. Paulsen emphasized that CFAB wanted the commercial banks to participate in the loan program that he proposed. Rep. Halford asked Paulsen as a responsible financial officer of a lending institution how could the state be best protected or would they be better protected holding the Salmon Pack as collateral or actually holding the paper on the fishermen and processors. He responded it would be much better to own the actual Salmon Pack Inventory as collateral versus holding more outstanding loans on the fishermen and processors who would have a lower net worth. Rep. Sutcliffe asked what would happen if the state actually did purchase a portion or all of the salmon pack? He responded that the inventory would be purchased, and then the processor could pay back the banks and CFAB back for loan commitments. They wouldn't default. Presently CFAB has 26% of all outstanding loans in the State for fishermen and processors.

Roger Painter, explained the position of the United Fishermen of Alaska and indicated that the bottom line needed for the industry recovery was 100 million dollars. He also endorsed Alaska Seafood Marketing Institute's plan called Alaska Salmon 1982 Recovery Program. He said that 93% of all pink salmon goes into a canned product form and that's your problem area. The fresh and frozen markets have great potential. He also is in favor of getting the foreign processor into Alaska.

Eric Eckholm testified on the ASMI plan that would cost the State 10 million dollars to implement. It essentially calls for a marketing effort aimed at the consumer to restore their confidence in buying salmon. It includes research, reaching the U. S. consumer through the media, hitting the retail supermarkets, and a European promotion.

Ron Laflame and Frank Horseley spoke on a proposed action plan to improve public relations. They felt a consumer awareness campaign was necessary. They suggested a seven day vacation to an Alaskan fishing resort for a winner of their sweepstake program. They said it would be a national marketing campaign including all of the continental United State. They also suggested that they would work with other companies like Blue Diamond Almonds, Sunkist lemons, California avocados, and Iceburg lettuce to push the sales of canned salmon. They felt this type of a joint sales and marketing campaign would be very effective.

Public testimony included Hank Ostrosky and Terry Rutland. Hank spoke on the international cartel manipulation by countries like Japan and Great Britain who are putting a price squeeze on Alaska canned salmon. He went on to say that the Alaska Fisherman was caught between a battle of giants. Terry testified that the fisherman needed the Alaska salmon plan and that ASMI had one of the best plans to restore confidence to the consumer. He thought that this was a real opportunity to improve the marketing of fresh frozen salmon. Right now Alaska fresh frozen salmon is 40% of the total market. It could account for a lot more.

There were no questions from Committee members. Hearing none, Rep. Halford concluded testimony and adjourned the meeting at 6:15 p.m.

RECOMMENDATIONS ON MEASURES THE STATE MIGHT ADOPT
TO MITIGATE IMPACTS OF THE ALASKA CANNED SALMON EMERGENCY

Prepared By
Governor's Working Group
on the Canned Salmon Emergency
March 8, 1982

The Alaska fishing industry faces substantial costs and loss of revenues as a result of the recent death in Belgium of a man who contracted botulism upon consuming salmon from a 7-3/4 oz can processed in the Ketchikan NEFCO-Fidalgo plant in July 1980. Because the can was found to have apparently been contaminated by introduction of botulina spores through a hole which was caused by the processing equipment in Ketchikan, that plant's entire 1980 and 1981 7-3/4 oz packs were recalled in the United States and many other countries. Additionally, all Alaska canned salmon in several European countries was embargoed. At present, the industry is temporarily withdrawing all 7-3/4 oz cans which were processed through the same type of canning equipment and which were not also examined for defects by electronic means. These cans will be subsequently tested and those without defects returned to the market. Depending upon the results of this testing, there may be further recalls of individual processing plants production.

Regardless of the eventual outcome of the present situation, the Alaska salmon canning industry will suffer significant financial loss from two sources--(a) the direct cost of compliance with the recall, the temporary withdrawal and examination of cans and bringing their production runs into compliance, and (b) lost revenues from the likely lowering of consumer demand for canned salmon and a subsequent retail price drop. Traditionally, this time of year is one in which the industry has the positive cash flow needed to finance the summer's pack. This flow is now reversed for many processors because they must pay for the return of the suspect cans, their examination, and ultimate return to the market place.

Governor Hammond established an informal working group to address potential impacts of this situation on the Alaska seafood industry and the State in general, and also to formulate and examine strategies to assist the industry in overcoming the potential loss. The working group members are:

Commissioner Ernie Mueller, Chairman
Commissioner Ron Skoog
Commissioner Charles Webber
Roger Painter, Executive Director, United Fishermen of Alaska
x Eric Eckholm, Executive Director, Alaska Seafood
Marketing Institute

Rick Lauber, Representative, Pacific Seafood Processors
Association

Mike Whitehead, Special Assistant to Governor Hammond

Larry Cotter, Business Manager, International Longshoreman's
& Warehousemen's Union

It must be understood that at this point in time, the exact consequences of this incident cannot be predicted. The number of actual recalls, the number of cans involved, and the cost to the industry will not be known for several months. To some extent, there will be a cause and effect relationship between these factors. The intent of the industry in preparing for the 1982 salmon harvest will not be able to be determined with any degree of accuracy until early May at the earliest. An individual firm's reaction will be dependent upon its own management decisions, economic situation, and how directly it is affected. However, as a practical matter, we can assume that the loss to the industry will be great, and that the loss will be translated into a loss to fishermen, cannery workers, communities, small businesses and the many, many others whose life-style and livelihood depend, at least in part, on Alaska's seafood industry. Thus, any strategy which is developed by the State must attack the situation in a direct and expeditious manner, and also provide means, over the long term, to prevent recurrence of this incident.

After review of the material available to it, the working group has made the following observations and recommendations:

MARKETING

I. The State is conducting a comprehensive analysis of the 1982 Alaska seafood market. This project will be able to estimate the market impacts of the canned salmon incident, and the contractor for this ongoing project has been requested to redirect the study where necessary:

- Lead agency: Commerce and Economic Development
- Additional funds needed: None
- Preliminary report: April 1
- Final report: May 15
- Further work needed: None

II. Detailed analysis of the market implications will be needed, and detailed market demand statistics and price information will be essential for at least the next two years. The Alaska Seafood Marketing Institute is negotiating a contract to provide these services:

- ° Lead agency: ASMI
- ° Additional funds needed: \$100,000 (estimate)
- ° Contract negotiated: March 30
- ° Reports prepared: To be determined
- ° Further work needed: Secure appropriation

III. A substantial effort in advertising and marketing will be required to reverse any erosion in sales of canned salmon and other fisheries products that will result from reduced consumer confidence. ASMI is developing a detailed proposal based on the work of the Tuna Institute after a tuna-related botulism incident occurred in the early 1960s. No funding exists for such a project, however, HB 453, now in the House Rules Committee would, if amended, be able to provide funding to the Alaska Seafood Marketing Institute for this special project.

- ° Lead agency: ASMI
- ° Additional funds needed: To be determined
- ° Proposal available: March 15
- ° Further work needed: Legislature needs to amend and pass House Bill 453

IV. Opportunity exists for possible large volume institutional purchase of canned salmon by the U. S. Government for use in Defense Department, Bureau of Prisons, and other institutional feeding programs. The State may be able to encourage these purchases through the Alaska Congressional Delegation.

- ° Lead agency: ASMI
- ° Status: Ongoing

V. The European nation embargo on Alaska canned salmon and action by other nations must be removed before the industry can become viable. Now that the U. S. Food and Drug Administration has made its final position known, foreign nations should be encouraged to adopt it, rather than a more harsh alternative. The Alaska Congressional Delegation, the U. S. Department of Commerce, and the State Department all need to be contacted by the State.

- ° Lead agency: Governor's Office
- ° Further work to be done: Contact Congressional Delegation and U. S. Government agencies
- ° Time: As soon as possible

FINANCING

I. The State's current fish pack loan program could help assist the industry in meeting its financial needs for the 1982 harvest. Additionally, the program does hold a substantial amount in notes from the 1981 pack to processors who will suffer economic loss as a result of this incident. Funds in the fish pack loan fund will lapse at the end of June 1982, and no funds will be available for the 1982 pack unless the Legislature takes action. In addition, eligibility requirements for these loans must be amended by the Legislature so that loans can be extended to all those in need. Extending payment period of these loans beyond the current one year statutory limit is extremely important to improving the ability of this program to offer real help to the industry. More funds would be available if the current appropriation were restructured into a loan guarantee program which would leverage additional funds through the private financial market. HB 669, currently in the House Finance Committee, could be amended and passed to meet these needs. Specific statutory language will be available from the Pacific Seafood Processors Association late in the week of March 8.

- ° Lead agency: Commerce and Economic Development and PSPA
- ° Industry position available: March 10
- ° Further work needed: Amend and pass HB 669.

II. Present mechanisms exist to provide funds through State-sponsored programs to assist the industry in meeting this crisis. The Alaska Renewable Resources Corporation, the Commercial Fisheries and Agriculture Bank and the Alaska Industrial Development Authority need to be contacted to determine programs and resources available. The Department of Commerce and Economic Development has scheduled a meeting for Tuesday, March 9, among these programs.

- ° Lead agency: Commerce and Economic Development
- ° Date of Meeting: March 9
- ° Availability of recommendations: March 10

III. The Legislature may want to consider special forms of tax relief for those suffering loss as a result of this incident. The most appropriate tax vehicle may well be the Raw Fish Tax. Consideration could be made of forgiveness or deferral of part or all of the 1981 Raw Fish Tax payments of those who suffer loss, as well as suspension or deferral of the 1982 tax payments. Industry representatives will likely make such a proposal to the Legislature.

- ° Lead agency: Pacific Seafood Processors Association
- ° Proposal prepared: March 10
- ° Further action: Legislation submitted by appropriate Committee

QUALITY ASSURANCE AND PRODUCT SAFETY

I. Research needs to be performed to determine the extent of microbial contamination of cannery environs, possible points of contamination of canned salmon, improved means of preventing contamination, and means of rapidly and effectively detecting can integrity failure. The Pacific Seafood Processors Association is developing a detailed proposal in this area. If this program is supported, funds should be appropriated to the Department of Environmental Conservation, who would then contract with a qualified scientific research establishment.

- ° Lead agency: ADEC with PSDA
- ° Additional funds needed: \$500,000 (estimate)
- ° Proposal available: March 8
- ° Additional work needed: Seek legislative appropriation

II. The Alaska Seafood Marketing Institute has developed a draft model Seafood Quality Assurance Program as part of its mandated effort to improve quality control in the Seafood Processing Industry. This voluntary program will be undergoing wide review in the next few months, and will be in place on a test basis in the 1982 season. The plan would then be updated and made final for the 1982 season. This program would eventually cover all major Alaska seafood, not just canned salmon. ASMI is also looking into means to encourage or enforce voluntary compliance with these guidelines.

- ° Lead agency: ASMI
- ° Draft available: Now
- ° Preliminary implementation: 1982 season
- ° Final implementation: 1983 season

II. The State needs to expand its current program of surveillance over seafood processing in order to help ensure that incidents such as this one do not occur in the future, and to help assure the consumer that we have taken positive steps to increase the safety of the product. As far as the canned salmon industry goes, the currently developed Canned Salmon Control Plan system could be used as a vehicle for strengthening State requirements. If the State required that such a plan be prepared and approved before each processor begins his annual operations, the State could enforce use of the plan through its current inspection and enforcement program.

- ° Lead agency: ADEC
- ° Funds required: To be determined
- ° Further work to be done: Draft and introduce new legislation

1982 SEASON

I. The impact of the canned salmon/botulism incident will likely be felt the greatest in the 1982 fishing season. At this point, it is not possible to predict the impact on raw fish prices, cannery operating schedules, product marketing and pricing, and many other factors. It is important to analyze, on an ongoing basis, the capacity for processing fresh, frozen and canned salmon, the intent of the processing industry in using this capacity, actual plant utilization, and any shift from canned salmon to other forms. The Department of Fish and Game conducted an analysis of plant capacity in December 1981, this is not expected to change significantly.

Because of the competitive nature of some of this information, it is not likely that the State will be able to ascertain precisely what the processing industry will do during the 1982 season. Information available will probably be largely limited to monitoring ongoing operations and noting any changes from past practices. The ability of the State to respond to under-utilized fish processing capacity is limited. However, it may be possible to encourage use of foreign fish processing vessels, or air freighting raw fish to other processing areas. The most effective way to keep abreast of this evolving aspect is to rely on periodic reports of the Department of Fish and Game as the season progresses.

- ° Lead agency: ADW&G
- ° Progress reports: As needed

II. In the event that there is significant under-utilization of canning capacity, some fish processors may want to fly fish to freezer plants, or fly them fresh to market. Currently, there is no legal obstruction to air freighting fish directly from the point of catch to a plant or market outside of Alaska. Transporting fish by air intra-state does, however, fall under the jurisdiction of the Alaska Transportation Commission. In the past, the seafood industry has alleged that insufficient certificated carriers were available to transport the quantities of fish required, and the ATC was too inflexible to allow non-certificated carriers or to issue emergency certification that would assure transport of fish to available processors. At this point, it appears that the ATC has sufficient authority to provide sufficient carriers, and merely needs to be convinced of the need. This should be the responsibility of the processing industry in concert with appropriate air carriers. However, the working group should keep informed of developments so that it can take action necessary to assure that harvested fish are not delayed in transporting to available processing facilities.

- ° Lead agency: ATC
- ° Status: Ongoing

III. In the event that active capacity is not sufficient to process the 1982 harvest, it may be appropriate for foreign-owned processing vessels to provide the additional capacity needed. However, there are legal problems associated with the State controlling foreign processing vessel use in Alaska's waters. There is legislation pending before Congress that would allow a governor of the affected state to control foreign processor entry. It is suggested that the State take action necessary to encourage the passage of this legislation.

- ° Lead agency: Office of the Governor and
Department of Fish and Game
- ° Status: Ongoing



Alaska State Legislature

SENATE Resources Committee

Official Business

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JUNEAU, ALASKA 99811
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MEMORANDUM

TO: Billy G. Berrier, Director
Division of Legal Services, LAA

FROM: Bettye Fahrenkamp, Chairman *BF*
Senate Resources Committee

DATE: April 2, 1982

RE: SB 872

Page 2, lines 4 and 5 of SB 872 makes reference to Department of Environmental Conservation permits for seafood processing vessels. A question has arisen regarding possible conflicts in jurisdiction over the vessels between the Department and federal agencies, such as the Coast Guard.

Please respond so as to clarify this issue for the Committee.

If you have any questions, please contact Resa King, at 465-3834.

STATE OF ALASKA
THE LEGISLATURE

7

POUCH - STATE CAPITOL
JUNEAU ALASKA 99901
707-465-1800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 7, 1982

SUBJECT: Federal-state jurisdictional conflicts in
the regulation of seafood processing vessels.
(SB 872)

TO: Senator Bettye Fahrenkamp, Chairman
Senate Resources Committee

FROM: Edward H. Hein *E.H.H.*
Legislative Counsel

You have asked whether Sec. 2 of SB 872 presents a potential for conflicts with federal agencies, such as the Coast Guard, over the regulation of seafood processing vessels.

The general rule is that a state has authority to regulate matters affecting the health and safety of its citizens and to regulate the purity of food products produced in the state. The regulation may affect areas beyond the state's borders to the extent that the regulated activity affects or is connected to a legitimate state interest, such as health and safety. State regulation may be limited or pre-empted by federal regulation in areas of national concern that require uniformity across the country.

Section 2 of the bill appears to be aimed at protecting the health and safety of consumers of Alaska seafood products. The section bolsters the inspection and permit system that already exists under 11 AAC 37 by requiring processors to submit to the department an annual plan of operation.

Commissioner Mueller informs me that the department currently cooperates with the U.S. Public Health Service in Seattle and the King County (Washington) Health Department in providing for vessel sanitary inspections.

Under 46 U.S.C. §§367 and 404, vessels up to 5,000 gross tons "used in the processing or assembling of fishery pro-

Senator Bettye Fahrenkamp
Page 2
April 7, 1982

ducts in the fisheries of the States of Oregon, Washington, and Alaska" are exempt from Coast Guard inspections.

It appears, therefore, that Sec. 2 of SB 872 on its face does not present a conflict with federal law as it relates to processing vessels.

EHH:jdn

THELEITH LEGISLATURE

FISCAL NOTE

*For Thursday
a.m.*

I. REQUEST

Bill/Resolution No. SB 872 the seafood processing industry
 Title An Act relating to sanitation, sanitary practices, and quality assurance in
 Requested by Rules Committee by Request of Governor Date March 23, 1982

II. FISCAL DETAIL

Agency Affected Department of Environmental Conservation
 Program Category Affected Public Protection
 BRU, Program, Or Subprogram(s) Affected Seafood & Animal Industries Seafood Indu
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		42.8	57.1	57.1		
200 TRAVEL		25.5	25.5	25.5		
300 CONTRACTUAL		500.0				
400 COMMODITIES		3.0	3.0	3.0		
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		581.3	95.6	95.6		

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		581.3	95.6	95.6		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	14.0	15.0	15.0	16.0		
PART TIME	2.0					
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

SB 872 provides authority for the Commissioner of Environmental Conservation to conduct research leading to improved techniques to improve sanitation practices and development of improved techniques in surveillance (including inspectional activities). Includes microbiological assessment for botulism and other organisms in seafood products and the research into new technological surveillance of can integrity for canned salmon.

Provides for upgrading two FTE (3 mo.) positions in the seafood component to FTE (PCN 18-7304 and PCN 18-005), and 12.5 for '83 travel for the two positions.

Requests 12.9 for additional travel of seafood inspection personnel for increased surveillance of program responsibilities in SB 872.

IV. DATE April 19, 1982 PREPARED BY F.S. Honsinger, D.V.M.
 AGENCY ADFC
 Original: Legislative Finance FIDENE 188-0479
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Offered: 4/7/82
Referred: Judiciary and
Finance

Original sponsor: Resources Committee

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 875 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the transfer of the ownership and
7 management of University of Alaska trust land from the
8 Department of Natural Resources to the Board of Regents
9 of the University of Alaska; and providing for an
10 effective date."

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

12 * Section 1. PURPOSE. The purpose of this Act is to provide for the
13 settlement of certain claims and litigation and to transfer legal title and
14 management of university-grant lands from the Department of Natural Resources
15 to the Board of Regents of the University of Alaska.

16 * Sec. 2. Nothing in this Act precludes or prejudices negotiations between
17 the Municipality of Anchorage and the University of Alaska to settle Case
18 Number 3AN-79-2801 Civil, Third Judicial District, State of Alaska or pre-
19 judices or otherwise affects the pursuit or outcome of that litigation or
20 diminishes or affects the rights or interests of the University of Alaska or
21 the Municipality of Anchorage in that pending litigation.

22 * Sec. 3. CONVEYANCE. The commissioner of the Department of Natural
23 Resources is authorized and directed to convey to the Board of Regents of the
24 University of Alaska all right, title, and interest of the State of Alaska in
25 and to those university-grant lands identified in Appendices E and N in the
26 document entitled "Settlement Agreement Between the Department of Natural
27 Resources, the Department of Revenue, and the Department of Administration
28 and the University of Alaska and the Board of Regents, as Trustees for the
29 University of Alaska " which was submitted to the Alaska State Legislature on

1 March 26, 1982, the date of the introduction of this bill, the terms of which
2 are hereby ratified as to the duties and obligations of the State of Alaska
3 and the Board of Regents of the University of Alaska, but subject to the
4 appropriation of money and additional legislation to implement that agreement.

5 * Sec. 4. AS 14.40.170(a)(4) is amended to read:

6 (4) have the care, control and management of all the real and
7 personal property of the university, including the management of those
8 university-grant lands conveyed to the Board of Regents of the University
9 of Alaska pursuant to sec. 3 of Committee Substitute for Senate Bill
10 No. 875 (Resources)(Twelfth Legislature) in accordance with the purposes
11 provided for by the Act of March 4, 1915 (38 Stat. 1214), as amended, and
12 the Act of January 21, 1929 (45 Stat. 1091), as amended;

13 * Sec. 5. AS 14.40.170(a) is amended by adding a new paragraph to read:

14 (7) adopt reasonable rules providing for prudent trust manage-
15 ment, and providing for adequate public notice of all sales, leases,
16 exchanges or other dispositions of university-grant lands, or interests
17 therein.

18 * Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

SENATE RESOURCES COMMITTEE

LETTER OF INTENT

CSSB 875(Res)

It is the intention of the Resources Committee in passing out this bill that the University and the Municipality of Anchorage negotiate to settle their claims presented in litigation (3AN 79 2801 Civil), Third Judicial District. The Resources Committee intends that the two parties shall report to the legislature by the tenth day of the 1983 session on the results of their discussions.

Introduced: 3/26/82
Referred: Resources, Judiciary
and Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

SENATE BILL NO. 875

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the transfer of the ownership and
7 management of University of Alaska trust land from the
8 Department of Natural Resources to the Board of Regents
9 of the University of Alaska; and providing for an
10 effective date."

11

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

12

* Section 1. PURPOSE. The purpose of this Act is to provide for the
13 settlement of certain claims and litigation, and to transfer legal title and
14 management of University-grant lands from the Department of Natural Resources
15 to the University of Alaska Board of Regents.

16

* Sec. 2. CONVEYANCE. The Commissioner of the Department of Natural
17 Resources is authorized and directed to convey to the University of Alaska
18 Board of Regents all right, title, and interest of the State of Alaska in and
19 to those University-grant lands identified in Appendices E and N in the
20 document entitled "Settlement Agreement Between The Department of Natural
21 Resources, The Department of Revenue, And The Department of Administration
22 and The University Of Alaska and The Board of Regents, As Trustees For The
23 University of Alaska," which was submitted to the Alaska State Legislature on
24 the date of the introduction of this bill, the terms of which are hereby
25 ratified as to the duties and obligations of the State of Alaska and the
26 Board of Regents of the University of Alaska, but subject to the appropriation
27 of money and additional legislation to implement that agreement.

28

* Sec. 3. AS 14.40.170 is amended to read:

29

Sec. 14.40.170(a)(4). have the care, control and management of all

1 the real and personal property of the university, including the manage-
2 ment of those University-grant lands conveyed to the University of
3 Alaska Board of Regents pursuant to section 2 of this Act in accor-
4 dance with the purposes provided for by the Act of March 4, 1915
5 (38 Stat. 1214), as amended, and the Act of January 21, 1929 (45 Stat.
6 1091), as amended;

7 * Sec. 4. AS 14.40.170 is amended by adding a new subsection to read:

8 Sec. 14.40.170(a)(7). adopt reasonable rules providing for prudent
9 trust management, and providing for adequate public notice of all sales,
10 leases, exchanges or other dispositions of University-grant lands, or
11 interests therein.

12 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
13 070(c).

COMMITTEE REPORT
SENATE

FURTHER: "

Date: 12-1-82

Mr. President:

The Committee on FINANCE has had 20070

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back ^{individual} without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Introduced: 3/26/82
Referred: Resources,
Judiciary and Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 SENATE BILL NO. 876

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations and appropriation
7 transfers to the Department of Law for implementation
8 of a settlement agreement; and providing for an effective
9 date."

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

11 * Section 1. As of June 30, 1982, up to \$500,000 of the unexpended and
12 unobligated balances of the general fund appropriations made to the University
13 of Alaska in ch. 82, SLA 1981 for operating expenses for the fiscal year
14 ending June 30, 1982 that would otherwise lapse into the general fund are
15 transferred to the Department of Law for appraisals and other expenses necessary
16 to implement an agreement entitled: "Settlement Agreement Between the
17 Department of Natural Resources, the Department of Revenue, and the Department
18 of Administration and the University of Alaska and the Board of Regents,
19 as Trustees for the University of Alaska."

20 * Sec. 2. As of June 30, 1982, the amount needed to supplement the transfer
21 of appropriations in sec. 1 of this Act so as to provide a total of
22 \$500,000 is appropriated from the general fund to the Department of Law for
23 appraisals and other expenses necessary to implement an agreement entitled:
24 "Settlement Agreement Between the Department of Natural Resources, the Department
25 of Revenue, and the Department of Administration and the University of
26 Alaska and the Board of Regents, as Trustees for the University of Alaska."

27 * Sec. 3. This Act takes effect on the effective date of an Act entitled:
28 "An Act relating to the transfer of the ownership and management of University
29 of Alaska trust land from the Department of Natural Resources to the Board of

1 Regents of the University of Alaska; and providing for an effective date."

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COMMITTEE REPORT

HOUSE

FURTHER:

(7)

5/17/82

Date: 5-15-82

Mr. Speaker: (Res. & Jud. waived
return to Finance) 5/11/82

The Committee on Finance has had SB 876

"An Act making special appropriations and appropriation transfers to the Department of Law for implementation of a settlement agreement; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 876 (Finance) same title
 new title
- and recommends pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Original sponsor: Resources Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 876 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obli-
7 gation bonds in the amount of \$74,380,000 for the
8 purpose of paying the cost of capital improvements for
9 University of Alaska education facilities; and providing
10 for an effective date."

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

12 * Section 1. For the purpose of paying the cost of capital improvements
13 for University of Alaska education facilities, general obligation bonds of
14 the state in the principal amount of not more than \$74,380,000 shall be
15 issued and sold. The full faith, credit, and resources of the state are
16 pledged to the payment of the principal of and interest and redemption pre-
17 mium, if any, on these bonds. These bonds shall be issued under the provi-
18 sions of AS 37.15 as those provisions read at the time of issuance.

19 * Sec. 2. If the issuance of these bonds is authorized by the qualified
20 voters of the state, a special fund of the state to be known as the "1982
21 University of Alaska Education Facilities Construction Fund" shall be estab-
22 lished, to which shall be credited the proceeds of the sale of bonds described
23 in sec. 1 of this Act except for accrued interest and premiums.

24 * Sec. 3. (a) The sum of \$64,380,000 is appropriated from the "1982
25 University of Alaska Education Facilities Construction Fund" to the University
26 of Alaska in the amounts and for the projects listed in this subsection:

Project	Location	Amount
(1) Student housing complex construction	Juneau	\$11,100,000

1	(2) Student housing complex		
2	construction	Anchorage	11,100,000
3	(3) Student housing complex		
4	construction - Phase I	Fairbanks	5,000,000
5	(4) Classroom/laboratory/office		
6	building construction	Anchorage	17,800,000
7	(5) Classroom/laboratory building		
8	construction	Fairbanks	15,200,000
9	(6) Kuskokwim Community College student		
10	housing	Bethel	1,920,000
11	(7) Rural Education Learning Center	Galena	1,380,000
12	(8) Kenai Peninsula Community College		
13	student housing engineering and		
14	architectural design	Kenai	580,000
15	(9) Kodiak Community College physical		
16	education facility engineering and		
17	architectural design	Kodiak	300,000

18 (b) The appropriations for projects made in (a) of this section may be
 19 reappropriated among the projects by law.

20 * Sec. 4. The sum of \$5,000,000 is appropriated from the "1982 University
 21 of Alaska Education Facilities Construction Fund" to the University of Alaska
 22 to be allocated in accordance with the following projects and estimates,
 23 subject to reallocation between projects in accordance with AS 37.07.080(e).

24	Project	Amount
25	(1) Building repairs and renovations -	
26	University of Alaska, Fairbanks	\$3,200,000
27	(2) Building repairs and renovations -	
28	University of Alaska, Anchorage	700,000
29	(3) Building repairs and renovations -	

1 University of Alaska, Juneau 350,000

2 (4) Building repairs and renovations -
3 community colleges, rural education and
4 cooperative extension 750,000

5 * Sec. 5. The sum of \$5,000,000 is appropriated from the "1982 University
6 of Alaska Education Facilities Construction Fund" to the University of Alaska
7 to be allocated in accordance with the following projects and estimates,
8 subject to reallocation between projects in accordance with AS 37.07.080(e):

9 Project	Amount
10 (1) University of Alaska computer network	\$3,000,000
11 (2) Acquisition of instructional equipment 12 and library books - University of 13 Alaska, Fairbanks	500,000
14 (3) Acquisition of instructional equipment 15 and library books - University of 16 Alaska, Anchorage	400,000
17 (4) Acquisition of instructional equipment 18 and library books - University of 19 Alaska, Juneau	100,000
20 (5) Acquisition of instructional equipment 21 and library books - community colleges, 22 rural education and cooperative extension	1,000,000

23 * Sec. 6. If the issuance of these bonds is authorized by the qualified
24 voters of the state, the amount of \$260,330, or as much of that amount as is
25 found necessary, is appropriated from the general fund of the state to the
26 state bond committee to carry out the provisions of this Act and to pay
27 expenses incident to the sale and issuance of the bonds authorized in this
28 Act. The amounts expended from the appropriation authorized by this section
29 shall be reimbursed to the general fund from the proceeds of the sale of the

1 bonds authorized by this Act.

2 * Sec. 7. The amount withdrawn from the public facility planning fund for
3 the purpose of advance planning for the improvements financed under this Act
4 shall be reimbursed from the proceeds of the sale of bonds authorized by this
5 Act.

6 * Sec. 8. The question whether the bonds authorized by this Act are to be
7 issued shall be submitted to the qualified voters of the state at the next
8 general election and shall read substantially as follows:

9 Proposition

10 State General Obligation University of Alaska Education
11 Facilities Construction Bonds \$74,380,000
12 Shall the State of Alaska issue its general obligation
13 bonds in the principal amount of not more than \$74,380,000
14 for the purpose of paying the cost of capital improvements
15 for the University of Alaska education facilities?

16 Bonds Yes []

17 Bonds No []

18 * Sec. 9. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

Introduced: 3/26/82
Referred: Resources,
Judiciary and Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 SENATE BILL NO. 876

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations and appropriation
7 transfers to the Department of Law for implementation
8 of a settlement agreement; and providing for an effective
9 date."

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

11 * Section 1. As of June 30, 1982, up to \$500,000 of the unexpended and
12 unobligated balances of the general fund appropriations made to the University
13 of Alaska in ch. 82, SLA 1981 for operating expenses for the fiscal year
14 ending June 30, 1982 that would otherwise lapse into the general fund are
15 transferred to the Department of Law for appraisals and other expenses necessary
16 to implement an agreement entitled: "Settlement Agreement Between the
17 Department of Natural Resources, the Department of Revenue, and the Department
18 of Administration and the University of Alaska and the Board of Regents,
19 as Trustees for the University of Alaska."

20 * Sec. 2. As of June 30, 1982, the amount needed to supplement the transfer
21 of appropriations in sec. 1 of this Act so as to provide a total of
22 \$500,000 is appropriated from the general fund to the Department of Law for
23 appraisals and other expenses necessary to implement an agreement entitled:
24 "Settlement Agreement Between the Department of Natural Resources, the Department
25 of Revenue, and the Department of Administration and the University of
26 Alaska and the Board of Regents, as Trustees for the University of Alaska."

27 * Sec. 3. This Act takes effect on the effective date of an Act entitled:
28 "An Act relating to the transfer of the ownership and management of University
29 of Alaska trust land from the Department of Natural Resources to the Board of

1 Regent: of the University of Alaska; and providing for an effective date."

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