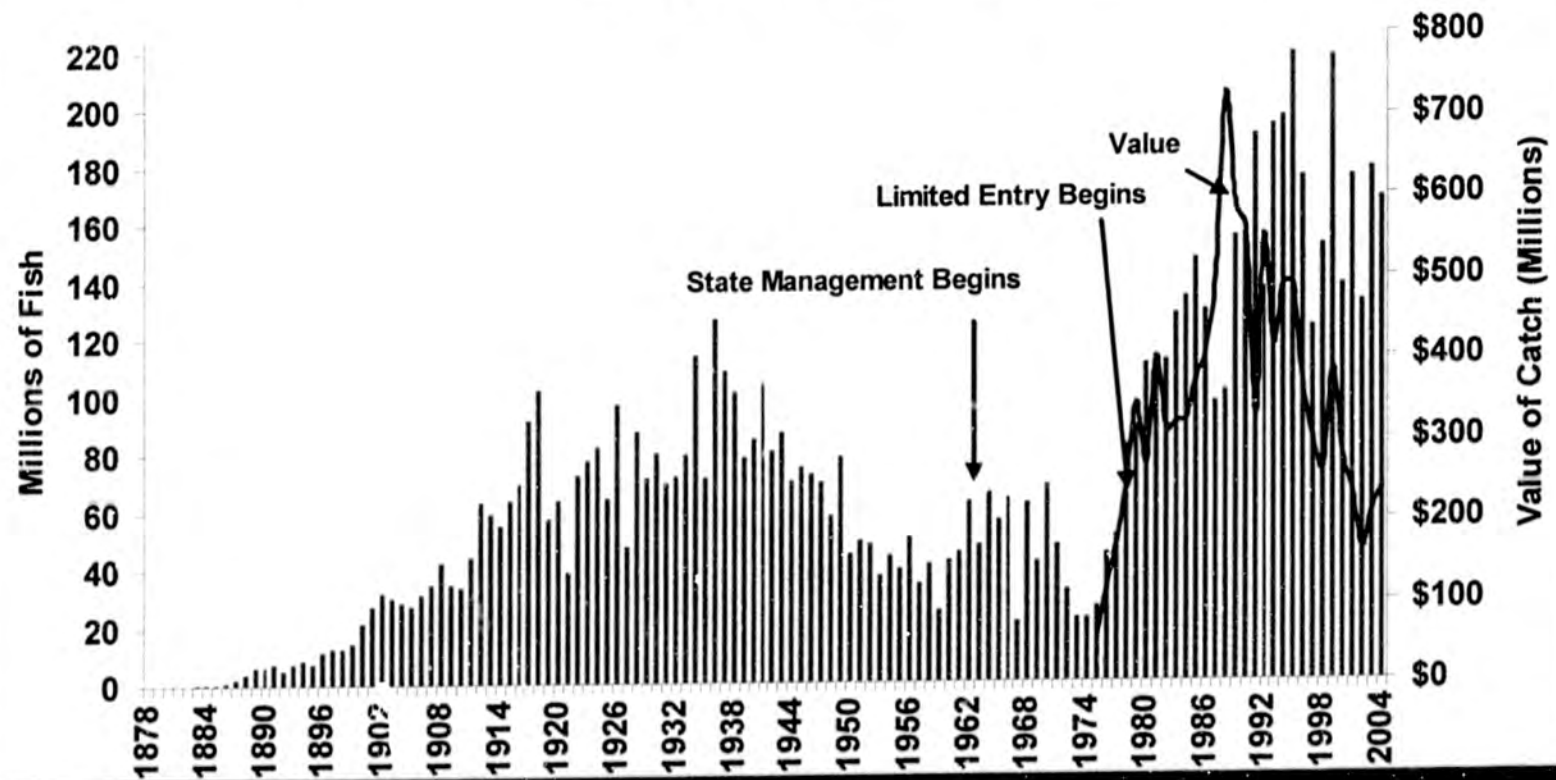


ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672

3046 SCOMM 138: HOUSE SPECIAL COMMITTEE ON FISHERIES 2005-2006

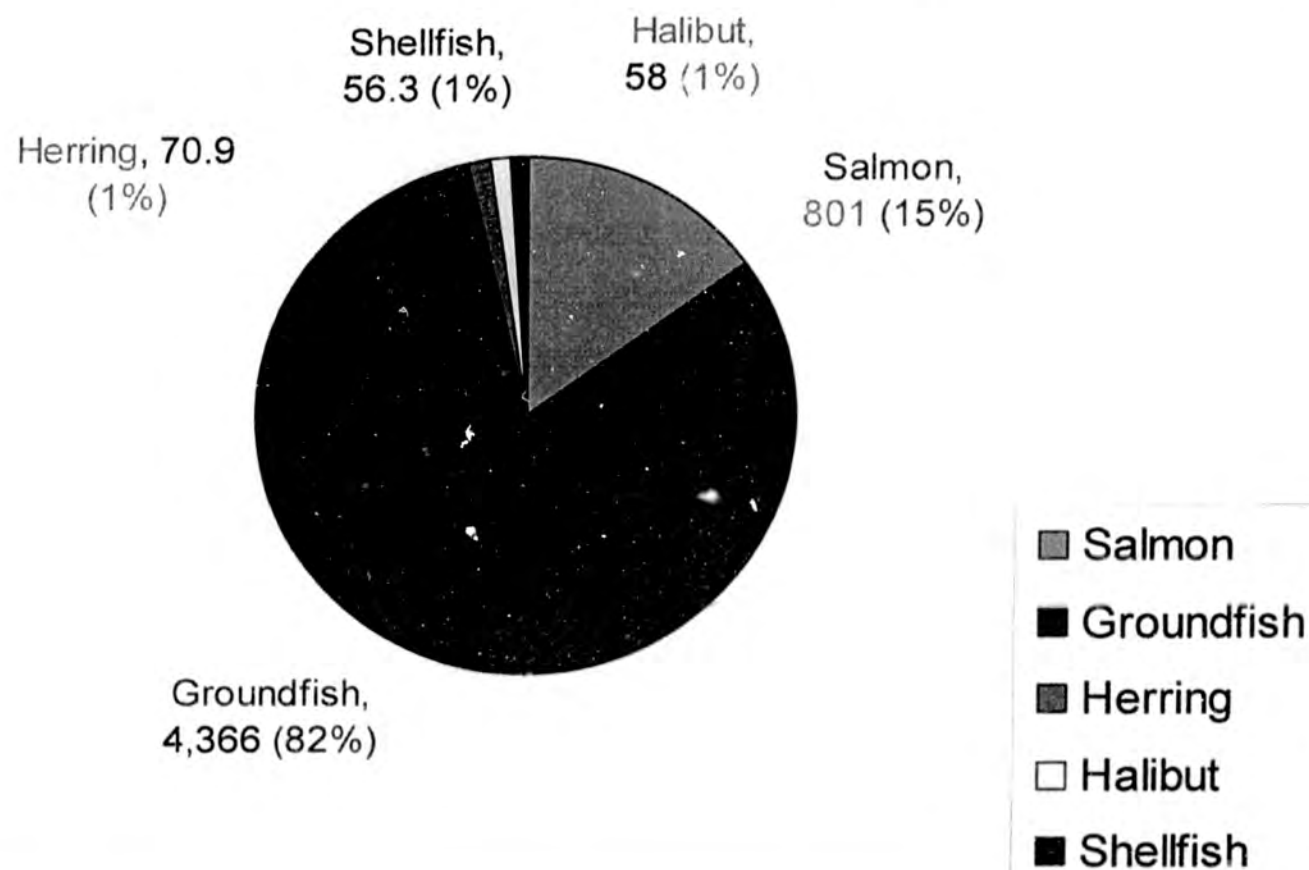
Statewide Fisheries

Alaska Commercial Salmon Catches & Exvessel Value 1878-2004
(All species combined)



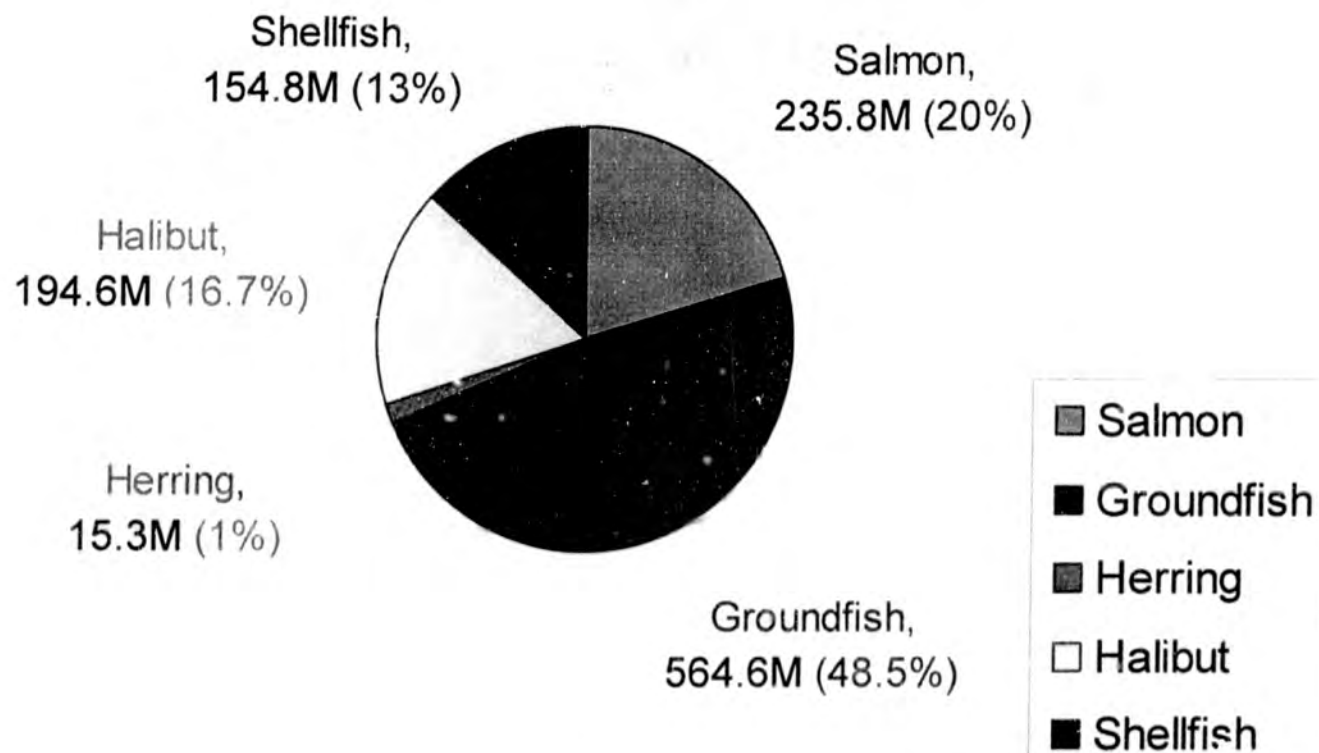
Statewide Fisheries

2004 Alaska Commercial Fisheries Harvest
(millions of pounds & percentage of total)



Statewide Fisheries

2004 Alaska Commercial Fisheries Exvessel Values
(M=millions of dollars & percentage of total)



**Alaska Department of Fish and Game
Division of Commercial Fisheries**

Doug Mecum, Director

Online: www.cf.adfg.state.ak.us

Information: cf_info@fishgame.state.ak.us

SCOMM

138:4

ALASKA STATE LEGISLATURE

Chair
STATE AFFAIRS

Member
RESOURCES

Member
HEALTH, EDUCATION AND SOCIAL SERVICES

Member
WAYS AND MEANS



Session:
State Capitol Building
Juneau, Alaska 99801
Phone 907-465-2689
Fax 907-465-3472
1-800-665-2689

Rep.Paul.Seaton@legis.state.ak.us

Interim:
345 W. Sterling Highway
Suite 102B
Homer, Alaska 99603
Phone 907-235-2921
Fax 907-235-4008

REPRESENTATIVE PAUL SEATON
House District 35

MEMORANDUM

From: Representative Paul Seaton
To: House Fisheries Co-Chair Representative Bill Thomas
House Fisheries Co-Chair Representative Gabrielle LeDoux
Date: 3/30/2006
Re: HB 25 Bill Hearing Request

I would like to respectfully request that HB 25 be scheduled in House Fisheries at your earliest possible convenience. The most recent version of HB 25 adds revenue from the Fisheries Resource Landing Tax to the fish tax revenue sharing program administered by the Department of Commerce, Community and Economic Development.

Please find the following attachments:

1. HB 25 Work Draft Version P
2. Sponsor Statement
3. Proposed Landing Tax Revenue Sharing Spreadsheet

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REPRESENTATIVE PAUL SEATON
House District 35

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Sponsor Statement

HB 25 (version P)

HB 25 version P increases the amount distributed to each municipality under the fish tax revenue sharing program administered by the Department of Commerce, Community and Economic Development (DCCED).

HB 25 version P seeks to change the distribution of the Fisheries Resource Landing tax. This tax is paid on the value of fish that are processed outside of state waters and/or outside of any municipality and first landed in an Alaskan port for shipment. HB 25 version P seeks to treat these funds the same as the Fisheries Business Tax paid on fish that are landed in a port for shipment outside of Alaska without being processed in any Alaska municipality: 50% to the General Fund and 50% to the DCCED fish tax revenue sharing program to be distributed to all municipalities impacted by fishing.

HB 25 version P recognizes that the impacts to a municipality incurred in the landing of a pre-processed product are no different than those incurred in the landing of a product that is gutted and gilled at sea and trucked or flown out of state to be processed and packaged. The taxes generated by such activities should be treated the same.

By including funds from the Fisheries Resource Landing tax into the DCCED revenue sharing fund, every coastal municipality that is currently eligible for revenue sharing under the DCCED program would see an increase in DCCED funding. The proportional benefit would be the same as under the current DCCED formula based on the relative amount of fishery product processed within the recognized fishery management areas. As some municipalities would see an increase in over \$100,000 per year in revenue sharing funds, HB 25 version P clearly bolsters the existing revenue sharing program, and promotes healthy fishing communities.



24-LS0169VP
Bullock
3/22/06

CS FOR HOUSE BILL NO. 25()

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES SEATON, Wilson

A BILL**FOR AN ACT ENTITLED**

1 "An Act relating to the sharing of fishery resource landing tax revenue with
2 municipalities; and providing for an effective date."

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

4 * **Section 1.** AS 43.77.050(b) is amended to read:

5 (b) The tax collected under this chapter shall be paid into a separate account in
6 the general fund. The annual balance in the account may be appropriated by the
7 legislature for revenue sharing under AS 43.77.060. [THE AMOUNT OF ALL TAX
8 CREDITS APPROVED BY THE COMMISSIONER UNDER AS 43.77.040(b)
9 SHALL BE DEDUCTED FROM AMOUNTS PAID TO MUNICIPALITIES UNDER
10 AS 43.77.060(a) - (c).]

11 * **Sec. 2.** AS 43.77.060(d) is amended to read:

12 (d) To the extent that appropriations are available for the purpose, and
13 notwithstanding the requirement of AS 37.07.080(e) that approval of the office of
14 management and budget is required, an amount equal to 50 percent of the tax revenue

1 that is collected under this chapter [AND IS NOT SUBJECT TO DIVISION WITH A
2 MUNICIPALITY UNDER (a) - (c) OF THIS SECTION] shall be transmitted each
3 fiscal year, without the approval of the office of management and budget, by the
4 department to the Department of Commerce, Community, and Economic
5 Development for disbursal to eligible municipalities under AS 29.60.450.

6 * **Sec. 3.** AS 43.77.060(a), 43.77.060(b), and 43.77.060(c) are repealed.

7 * **Sec. 4.** This Act takes effect July 1, 2006.

Proposed Landing Tax Revenue Sharing

Municipality	FY 06 DCCED Shared Fisheries Business Tax Payments	2005 Landing Tax Revenue Distributed Per DCCED Formula	Total Payment	FY 05 Shared Landing Tax
Adak	\$120,472.13	\$293,238.34	\$413,710.47	\$52,464.00
Akiak	\$294.59	\$717.06	\$1,011.66	\$0.00
Akhiok	\$13,633.05	\$33,183.88	\$46,816.93	\$0.00
Akutan	\$171,467.93	\$417,366.01	\$588,833.94	\$15,415.00
Aleknagik	\$4,824.56	\$11,743.34	\$16,567.90	\$0.00
Aleutians East Borough	\$125,477.41	\$305,421.58	\$430,898.99	\$28,721.00
Anchorage	\$24,294.38	\$59,134.38	\$83,428.76	\$0.00
Angoon	\$2,725.81	\$6,634.83	\$9,360.64	\$0.00
Atka	\$122,142.93	\$297,305.20	\$419,448.14	\$8,522.00
Bethel	\$1,715.96	\$4,176.78	\$5,892.73	\$0.00
Brevig Mission	\$211.59	\$515.03	\$726.62	\$0.00
Bristol Bay Borough	\$11,987.57	\$29,178.66	\$41,166.23	\$0.00
Chefornak	\$313.13	\$762.18	\$1,075.31	\$0.00
Chignik	\$1,115.51	\$2,715.24	\$3,830.75	\$0.00
Clark's Point	\$3,542.24	\$8,622.08	\$12,164.32	\$0.00
Coffman Cove	\$7,049.41	\$17,158.80	\$24,208.22	\$0.00
Cold Bay	\$10,498.16	\$25,553.31	\$36,051.47	\$0.00
Cordova	\$25,460.48	\$61,972.75	\$87,433.22	\$0.00
Craig	\$6,884.99	\$16,758.60	\$23,643.59	\$0.00
Dillingham	\$22,817.85	\$55,540.39	\$78,358.24	\$0.00
Eek	\$275.28	\$670.06	\$945.35	\$0.00
Egegik	\$3,656.59	\$8,900.41	\$12,556.99	\$0.00
Ekwok	\$4,073.14	\$9,914.32	\$13,987.46	\$0.00
Elim	\$211.37	\$514.49	\$725.87	\$0.00
False Pass	\$9,500.26	\$23,124.36	\$32,624.62	\$0.00
Gambell	\$283.94	\$691.12	\$975.06	\$0.00
Golovin	\$176.63	\$429.93	\$606.55	\$0.00

Proposed Landing Tax Revenue Sharing

Goodnews Bay	\$260.87	\$634.97	\$895.84	\$0.00
Gustavus	\$2,721.93	\$6,625.39	\$9,347.32	\$0.00
Haines Boro	\$3,581.21	\$8,716.94	\$12,298.15	\$6,506.00
Homer	\$3,693.10	\$8,989.29	\$12,682.39	\$0.00
Hoonah	\$2,900.38	\$7,059.75	\$9,960.13	\$0.00
Hydaburg	\$5,165.89	\$12,574.16	\$17,740.04	\$0.00
Juneau	\$17,508.63	\$42,617.33	\$60,125.95	\$0.00
Kachemak	\$3,325.46	\$8,094.41	\$11,419.87	\$0.00
Kake	\$8,717.38	\$21,218.77	\$29,936.16	\$0.00
Kasaan	\$4,527.30	\$11,019.79	\$15,547.08	\$0.00
Kenai	\$3,804.90	\$9,261.42	\$13,066.32	\$0.00
Kenai Peninsula Borough	\$7,148.37	\$17,399.68	\$24,548.05	\$6,506.00
Ketchikan	\$21,389.14	\$52,062.79	\$73,451.92	\$0.00
Ketchikan Gateway Borou	\$15,328.07	\$37,309.68	\$52,637.75	\$0.00
King Cove	\$33,930.25	\$82,588.82	\$116,519.08	\$0.00
Klawock	\$6,268.50	\$15,258.01	\$21,526.51	\$0.00
Kodiak	\$56,687.73	\$137,982.25	\$194,669.98	\$818.00
Kodiak Island Borough	\$60,986.37	\$148,445.47	\$209,431.84	\$1,783.00
Koyuk	\$217.97	\$530.55	\$748.52	\$0.00
Kupreanof	\$6,572.36	\$15,997.62	\$22,569.98	\$0.00
Kwethluk	\$379.04	\$922.60	\$1,301.64	\$0.00
Lake & Peninsula Boroug	\$24,553.15	\$59,764.24	\$84,317.39	\$0.00
Larsen Bay	\$14,213.48	\$34,596.69	\$48,810.17	\$0.00
Manokotak	\$6,605.10	\$16,077.32	\$22,682.42	\$0.00
Mekoryuk	\$251.08	\$611.16	\$862.24	\$0.00
Napakiak	\$292.79	\$712.68	\$1,005.47	\$0.00
Napaskiak	\$312.36	\$760.30	\$1,072.66	\$0.00
New Stuyahok	\$6,931.81	\$16,872.54	\$23,804.35	\$0.00
Newhalen	\$4,530.52	\$11,027.64	\$15,558.16	\$0.00
Nightmute	\$259.84	\$632.46	\$892.30	\$0.00

Proposed Landing Tax Revenue Sharing

Nome	\$905.15	\$2,203.19	\$3,108.34	\$0.00
Nondalton	\$4,710.21	\$11,465.01	\$16,175.22	\$0.00
Nunapitchuk	\$335.78	\$817.33	\$1,153.11	\$0.00
Old Harbor	\$14,119.13	\$34,367.04	\$48,486.17	\$0.00
Ouzinkie	\$14,260.89	\$34,712.09	\$48,972.98	\$0.00
Pelican	\$6,846.92	\$16,665.93	\$23,512.85	\$296.00
Petersburg	\$17,160.20	\$41,769.24	\$58,929.45	\$490.00
Pilot Point	\$3,648.42	\$8,880.53	\$12,528.95	\$0.00
Platinum	\$210.15	\$511.52	\$721.67	\$0.00
Port Alexander	\$6,678.75	\$16,256.59	\$22,935.34	\$0.00
Port Heiden	\$10,535.12	\$25,643.28	\$36,178.39	\$0.00
Port Lions	\$13,788.29	\$33,561.75	\$47,350.04	\$0.00
Quinhagak	\$357.67	\$870.59	\$1,228.26	\$0.00
Saint George	\$5,725.12	\$13,935.37	\$19,660.49	\$0.00
Saint Michael	\$231.38	\$563.20	\$794.58	\$0.00
Saint Paul	\$5,725.12	\$13,935.37	\$19,660.49	\$12,111.00
Sand Point	\$40,767.70	\$99,231.68	\$139,999.38	\$12,522.00
Savoonga	\$297.57	\$724.31	\$1,021.88	\$0.00
Saxman	\$5,258.69	\$12,800.05	\$18,058.75	\$0.00
Seldovia	\$3,309.41	\$8,055.35	\$11,364.76	\$0.00
Seward	\$3,481.76	\$8,474.88	\$11,956.64	\$5,742.00
Shaktoolik	\$187.40	\$456.15	\$643.55	\$0.00
Sitka	\$36,661.06	\$89,235.81	\$125,896.87	\$517.00
Skagway	\$2,914.44	\$7,093.98	\$10,008.42	\$0.00
Soldotna	\$3,574.64	\$8,700.95	\$12,275.59	\$0.00
Stebbins	\$270.30	\$657.94	\$928.24	\$0.00
Teller	\$194.44	\$473.28	\$667.72	\$0.00
Tenekee Springs	\$2,543.48	\$6,191.02	\$8,734.50	\$0.00
Thorne Bay	\$5,492.91	\$13,370.17	\$18,863.08	\$0.00
Togiak	\$9,610.79	\$23,393.39	\$33,004.18	\$0.00

Proposed Landing Tax Revenue Sharing

Toksook Bay	\$344.54	\$838.63	\$1,183.17	\$0.00
Unalakleet	\$301.53	\$733.94	\$1,035.47	\$0.00
Unalaska	\$432,621.64	\$1,053,034.02	\$1,485,655.67	\$3,476,272.00
Valdez	\$25,460.48	\$61,972.75	\$87,433.22	\$0.00
White Mountain	\$188.28	\$458.29	\$646.58	\$0.00
Whittier	\$25,460.48	\$61,972.75	\$87,433.22	\$0.00
Wrangell	\$13,384.96	\$32,580.01	\$45,964.97	\$0.00
Yakutat	\$1,711.68	\$4,166.36	\$5,878.03	\$2,135.00
Totals	\$1,737,448.34	\$4,229,081.58	\$5,966,529.92	\$3,624,314.00

FISHERY RESOURCE LANDING TAX

AS 43.77

Description

Alaska levies the fishery resource landing tax on processed fishery resources first landed in Alaska. Alaska bases the tax on the unprocessed value of the resource, which is determined by multiplying a statewide average price per pound (based on Alaska Department of Fish and Game data) by the unprocessed weight.

Alaska collects the fishery resource landing taxes primarily from factory trawlers and floating processors which process fishery resources outside of the state's 3-mile limit and bring their products into Alaska for transshipment.

Rate

Tax rates are based on whether the resource is classified as "established" or "developing" by the Alaska Department of Fish and Game and are as follows:

	<i>Rate</i>
Established	3%
Developing	1%

Returns

Taxpayers file returns and pay tax on a calendar year basis with a due date of March 31 of the following year. Taxpayers generally make quarterly estimated tax payments which are due on the last day of each calendar quarter.

The Division grants an automatic extension to file the landing return if it does not provide statewide average prices to taxpayers at least 30 days prior to the due date. If the extension applies, the due date is the last day of the month following the month in which the Division issues statewide average prices. The Division extended the due date for calendar year 2001 returns to June 30, 2002.

Exemptions

Unprocessed fishery resources landed in the state are exempt from the fishery resource landing tax, although they may be subject to the fisheries business tax.

Credits

Education - Taxpayers who make contributions for educational purposes to Alaska universities or colleges may take a tax credit for 50% of the first \$100,000 and 100% of the next \$100,000 of contributions. The maximum credit is \$150,000 for each tax year.

Scholarship Contributions - Taxpayers who make contributions to the A.W. "Winn" Brindle memorial scholarship account may take a tax credit for the amount of contributions not to exceed 5% of their tax liability.

CDQ - Taxpayers who harvest a fishery resource under a community development quota (CDQ) may claim a credit of up to 45.45% of fishery resource landing taxes for contributions to Alaska nonprofit corporations that are dedicated to fisheries industry-related expenditures.

Alaska Veterans' Memorial Endowment - This credit provides up to 50 percent for contributions of not more than \$100,000 and 75 percent of the next \$100,000 in contributions made to the Veterans' Memorial Endowment Fund. These credits cannot exceed 50 percent of a taxpayer's tax liability. When combined with credits for contributions to qualifying educational institutions, credits may not exceed \$150,000.

Other Taxes - Taxes paid to another jurisdiction on fishery resources may be claimed as a credit against the fishery resource landing tax. The credit, equal to the amount of taxes paid in the other jurisdiction, may not exceed the fishery resource landing tax.

Disposition of Revenue

The Division deposits all revenue from the fishery resource landing tax into the General Fund. The legislature may appropriate revenue from the tax for revenue sharing as follows.

Landings Inside Municipality

For taxes sourced from landings within a municipality, the Division shares 50% of taxes (3% portion) with the respective municipalities in which landings occurred. If a municipality is within a borough, the Division divides

FISHERY RESOURCE LANDING TAX

the 50% shared amount between the municipality and borough.

Landings Outside Municipality

For taxes sourced from landings outside a municipality (unorganized borough), 50% of the taxes are shared through an allocation program administered by the Alaska Department of Community and Regional Affairs.

History

The legislature enacted the fishery resource landing tax in 1993. The tax became effective January 1, 1994. Department of Revenue adopted regulations regarding administration of the tax that took effect April 20, 1994.

1994 – The American Factory Trawler Association (AFTA) filed litigation challenging the constitutionality of the landing tax.

1995 – The Alaska Supreme Court rejected AFTA's request based on AFTA's failure to exhaust administrative remedies with the Department of Revenue.

1996 – The landing tax was restructured to mirror the structure of the fisheries business tax program. The legislature revised the tax rate to 3% for established species and 1% for developing species. The .3% portion of the previous 3.3% tax rate was broken out and incorporated into seafood marketing assessment statutes. Also in 1996, the legislature amended the landing tax statutes to provide for tax credits for education and Winn Brindle scholarship contributions. All changes were retroactive to January 1, 1994, the inception date of the landing tax.

1997 – AFTA dismissed its challenge to the landing tax. In June 1997, the state issued a formal hearing decision upholding the constitutionality of the tax. Shared tax amounts from calendar year 1994 and 1995 returns, previously held in escrow by municipalities, were released to municipalities.

1999 – The American Fisheries Act (P.L. 105-277) required a fishery cooperative to execute a contract

with each cooperative member that obligated the member to make a payment to the state for pollock harvested in the Alaska pollock fishery that is not landed in Alaska. AS 43.77.015 required that those payments be treated as if they were landing taxes.

2001 – HB154 requires quarterly payment of estimated fishery resource landing taxes.

2002 – Alaska Veterans' Memorial Endowment, SB 267, provides credits of up to 50 percent for contributions of not more than \$100,000 and 75 percent of the next \$100,000 in contributions made to the Veterans' Memorial Endowment Fund. The tax credit provisions will sunset on July 1, 2003.

FY 2002 Statistics

Tax Collections	\$7,223,775
Number of Returns	105
Number of Taxpayers	68

Program Cost	\$51,877
Staffing (<i>full-time equivalent</i>)	.9

Table 6
Fishery Resource Landing Tax

	FY 2005	FY 2004	FY 2003	FY 2002	FY 2001	Total All Years
Municipality						
Sitka	\$517	\$477	\$2,883	\$3,005	\$800	\$7,682
Total Municipalities	517	477	2,883	3,005	800	7,682
Borough						
Aleutians East	28,721	14,992	21,072	11,696	17,142	93,623
Kenai Peninsula	6,506	6,101	16,883	23,509	22,861	75,860
Kodiak Island	1,783	395	36,788	37,162	5,219	81,347
Lake and Peninsula	0	0	0	1,019	0	1,019
Yakutat	2,135	1,980	0	9,612	0	13,727
Total Boroughs	39,145	23,468	74,743	82,998	45,222	265,576
City						
Adak	52,464	82,073	41,807	72,841	0	249,185
Akhiok	0	8	31	0	0	39
Akutan	15,415	11,814	18,900	11,206	15,983	73,318
Atka	8,522	63	0	2,706	8,989	20,280
Clark's Point	0	0	72	0	0	72
Cold Bay	0	224	816	0	0	1,040
Homer	0	226	0	0	4,765	4,991
Kodiak	818	387	0	15,987	3,260	20,452
Old Harbor	0	0	409	0	0	409
Pelican	296	751	483	26	176	1,732
Petersburg	490	0	0	0	0	490
Port Lions	0	0	0	320	0	320
Saint Paul	12,111	24,507	18,954	20,392	16,567	92,531
Sand Point	12,522	2,862	1,016	490	0	16,890
Seward	5,742	5,875	7,738	28,273	18,096	65,724
Unalaska	3,476,272	3,629,068	2,460,171	4,075,735	2,881,455	16,522,701
Total Cities	3,584,652	3,757,858	2,550,397	4,227,976	2,949,291	17,070,174
GRAND TOTAL	\$3,624,314	\$3,781,803	\$2,628,023	\$4,313,979	\$2,995,313	\$17,343,432
Number of Communities Subject to Sharing	15	17	15	16	12	22
Additional Sharing with DCED	\$604,767	\$576,433	\$321,440	\$256,648	\$246,740	\$2,006,028

**Landing Tax Payment Estimates With
Distribution Based on DCCED Shared Fisheries Business Tax Program Formula**

Municipality	<i>Act.</i> FY 06 DCCED Shared Fisheries Business Tax Payments	<i>Hypo</i> FY 06 Landing Tax Distributed Per DCCED Shared Fisheries Formula	<i>(Act.)</i> FY 06 Actual Dept of Revenue Landing Tax	<i>(Act)</i> FY 06 Actual DCCED Landing Tax	FY 06 Actual Total DOR/DCCED Landing Tax Payments
Adak	\$120,472.13	\$293,238.34	\$52,463.97	\$72,552.08	\$125,016.05
Akiak	\$294.59	\$717.06	\$0.00	\$0.00	\$0.00
Akhiok	\$13,633.05	\$33,183.88	\$0.00	\$24.19	\$24.19
Akutan	\$171,467.93	\$417,366.01	\$15,414.99	\$103,263.34	\$118,678.33
Aleknagik	\$4,824.56	\$11,743.34	\$0.00	\$25.32	\$25.32
Aleutians East Borough	\$125,477.41	\$305,421.58	\$28,720.56	\$70,934.34	\$99,654.90
Anchorage	\$24,294.38	\$59,134.38	\$0.00	\$792.57	\$792.57
Angoon	\$2,725.81	\$6,634.83	\$0.00	\$0.00	\$0.00
Atka	\$122,142.93	\$297,305.20	\$8,522.36	\$73,558.29	\$82,080.65
Bethel	\$1,715.96	\$4,176.78	\$0.00	\$0.00	\$0.00
Brevig Mission	\$211.59	\$515.03	\$0.00	\$0.00	\$0.00
Bristol Bay Borough	\$11,987.57	\$29,178.66	\$0.00	\$62.92	\$62.92
Chefornak	\$313.13	\$762.18	\$0.00	\$0.00	\$0.00
Chignik	\$1,115.51	\$2,715.24	\$0.00	\$0.00	\$0.00
Clark's Point	\$3,542.24	\$8,622.08	\$0.00	\$18.59	\$18.59
Coffman Cove	\$7,049.41	\$17,158.80	\$0.00	\$14.89	\$14.89
Cold Bay	\$10,498.16	\$25,553.31	\$0.00	\$1,468.08	\$1,468.08
Cordova	\$25,460.48	\$61,972.75	\$0.00	\$0.00	\$0.00
Craig	\$6,884.99	\$16,758.60	\$0.00	\$0.00	\$0.00
Dillingham	\$22,817.85	\$55,540.39	\$0.00	\$119.76	\$119.76
Eek	\$275.28	\$670.06	\$0.00	\$0.00	\$0.00
Egegik	\$3,656.59	\$8,900.41	\$0.00	\$19.19	\$19.19
Ekwok	\$4,073.14	\$9,914.32	\$0.00	\$21.38	\$21.38
Elim	\$211.37	\$514.49	\$0.00	\$0.00	\$0.00
False Pass	\$9,500.26	\$23,124.36	\$0.00	\$1,328.53	\$1,328.53
Gambell	\$283.94	\$691.12	\$0.00	\$0.00	\$0.00
Golovin	\$176.63	\$429.93	\$0.00	\$0.00	\$0.00
Goodnews Bay	\$260.87	\$634.97	\$0.00	\$0.00	\$0.00
Gustavus	\$2,721.93	\$6,625.39	\$0.00	\$0.00	\$0.00
Haines Boro	\$3,581.21	\$8,716.94	\$0.00	\$0.00	\$0.00
Homer	\$3,693.10	\$8,989.29	\$0.00	\$120.48	\$120.48
Hoonah	\$2,900.38	\$7,059.75	\$0.00	\$0.00	\$0.00
Hydaburg	\$5,165.89	\$12,574.16	\$0.00	\$0.00	\$0.00
Juneau	\$17,508.63	\$42,617.33	\$0.00	\$0.00	\$0.00
Kachemak	\$3,325.46	\$8,094.41	\$0.00	\$108.49	\$108.49
Kake	\$8,717.38	\$21,218.77	\$0.00	\$18.42	\$18.42
Kasaan	\$4,527.30	\$11,019.79	\$0.00	\$0.00	\$0.00
Kenai	\$3,804.90	\$9,261.42	\$0.00	\$124.13	\$124.13
Kenai Peninsula Borough	\$7,148.37	\$17,399.68	\$6,506.17	\$233.21	\$6,739.38
Ketchikan	\$21,389.14	\$52,062.79	\$0.00	\$0.00	\$0.00
Ketchikan Gateway Borou	\$15,328.07	\$37,309.68	\$0.00	\$0.00	\$0.00
King Cove	\$33,930.25	\$82,588.82	\$0.00	\$4,744.85	\$4,744.85
Klawock	\$6,268.50	\$15,258.01	\$0.00	\$0.00	\$0.00
Kodiak	\$56,687.73	\$137,982.25	\$818.40	\$100.59	\$918.99
Kodiak Island Borough	\$60,986.37	\$148,445.47	\$1,782.78	\$108.21	\$1,890.99
Koyuk	\$217.97	\$530.55	\$0.00	\$0.00	\$0.00
Kupreanof	\$6,572.36	\$15,997.62	\$0.00	\$13.89	\$13.89
Kwethluk	\$379.04	\$922.60	\$0.00	\$0.00	\$0.00
Lake & Peninsula Borough	\$24,553.15	\$59,764.24	\$0.00	\$1,586.48	\$1,586.48
Larsen Bay	\$14,213.48	\$34,596.69	\$0.00	\$25.22	\$25.22
Manokotak	\$6,605.10	\$16,077.32	\$0.00	\$34.67	\$34.67
Mekoryuk	\$251.08	\$611.16	\$0.00	\$0.00	\$0.00
Napakiak	\$292.79	\$712.68	\$0.00	\$0.00	\$0.00
Napaskiak	\$312.36	\$760.30	\$0.00	\$0.00	\$0.00
New Stuyahok	\$6,931.81	\$16,872.54	\$0.00	\$36.38	\$36.38
Newhalen	\$4,530.52	\$11,027.64	\$0.00	\$23.78	\$23.78
Nightmute	\$259.84	\$632.46	\$0.00	\$0.00	\$0.00

**Landing Tax Payment Estimates With
Distribution Based on DCCED Shared Fisheries Business Tax Program Formula**

Nome	\$905.15	\$2,203.19	\$0.00	\$0.00	\$0.00
Nondalton	\$4,710.21	\$11,465.01	\$0.00	\$24.72	\$24.72
Nunapitchuk	\$335.78	\$817.33	\$0.00	\$0.00	\$0.00
Old Harbor	\$14,119.13	\$34,367.04	\$0.00	\$25.05	\$25.05
Ouzinkie	\$14,260.89	\$34,712.09	\$0.00	\$25.30	\$25.30
Pelican	\$6,846.92	\$16,665.93	\$295.79	\$14.47	\$310.26
Petersburg	\$17,160.20	\$41,769.24	\$489.66	\$36.25	\$525.91
Pilot Point	\$3,648.42	\$8,880.53	\$0.00	\$19.15	\$19.15
Platinum	\$210.15	\$511.52	\$0.00	\$0.00	\$0.00
Port Alexander	\$6,678.75	\$16,256.59	\$0.00	\$14.11	\$14.11
Port Heiden	\$10,535.12	\$25,643.28	\$0.00	\$1,473.25	\$1,473.25
Port Lions	\$13,788.29	\$33,561.75	\$0.00	\$24.47	\$24.47
Quinhagak	\$357.67	\$870.59	\$0.00	\$0.00	\$0.00
Saint George	\$5,725.12	\$13,935.37	\$0.00	\$2,294.47	\$2,294.47
Saint Michael	\$231.38	\$563.20	\$0.00	\$0.00	\$0.00
Saint Paul	\$5,725.12	\$13,935.37	\$12,111.30	\$2,294.47	\$14,405.77
Sand Point	\$40,767.70	\$99,231.68	\$12,522.03	\$5,701.01	\$18,223.04
Savoonga	\$297.57	\$724.31	\$0.00	\$0.00	\$0.00
Saxman	\$5,258.69	\$12,800.05	\$0.00	\$0.00	\$0.00
Seldovia	\$3,309.41	\$8,055.35	\$0.00	\$107.96	\$107.96
Seward	\$3,481.76	\$8,474.88	\$5,742.26	\$113.59	\$5,855.85
Shaktoolik	\$187.40	\$456.15	\$0.00	\$0.00	\$0.00
Sitka	\$36,661.06	\$89,235.81	\$517.33	\$77.45	\$594.75
Skagway	\$2,914.44	\$7,093.98	\$0.00	\$0.00	\$0.00
Soldotna	\$3,574.64	\$8,700.95	\$0.00	\$116.62	\$116.62
Stebbins	\$270.30	\$657.94	\$0.00	\$0.00	\$0.00
Teller	\$194.44	\$473.28	\$0.00	\$0.00	\$0.00
Tenekee Springs	\$2,543.48	\$6,191.02	\$0.00	\$0.00	\$0.00
Thorne Bay	\$5,492.91	\$13,370.17	\$0.00	\$0.00	\$0.00
Togiak	\$9,610.79	\$23,393.39	\$0.00	\$50.44	\$50.44
Toksook Bay	\$344.54	\$838.63	\$0.00	\$0.00	\$0.00
Unalakleet	\$301.53	\$733.94	\$0.00	\$0.00	\$0.00
Unalaska	\$432,621.64	\$1,053,034.02	\$3,476,271.30	\$260,538.26	\$3,736,809.56
Valdez	\$25,460.48	\$61,972.75	\$0.00	\$0.00	\$0.00
White Mountain	\$188.28	\$458.29	\$0.00	\$0.00	\$0.00
Whittier	\$25,460.48	\$61,972.75	\$0.00	\$0.00	\$0.00
Wrangell	\$13,384.96	\$32,580.01	\$0.00	\$28.28	\$28.28
Yakutat	\$1,711.68	\$4,166.36	\$2,135.33	\$305.75	\$2,441.08
Totals	\$1,737,448.34	\$4,229,081.58	\$3,624,314.23	\$604,767.34	\$4,229,081.57

SCOMM

138:5

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: January 10, 2005

FURTHER REFERRALS: Resources
Finance

Date of Committee Action: _____

The HOUSE SPECIAL COMMITTEE ON FISHERIES considered:

HB 26

HOUSE BILL NO. 26

SHORT-TERM COM FISHING CREWMEMBER LICENSE

"An Act relating to short-term commercial fishing crewmember licenses; and providing for an effective date."

Recommends it be replaced with [] HCS or [] CS for _____ (_____)
For Senate Bills with new title: [] Technical Title [] New Title: HCR _____ [] Same Title [] New Title

[] attach amendments

☐ add new referral to _____ Committee

[] Letter of Intent _____ Committee

*List of
Abbrev
for
Depts.:*
ADM
CED
COR
CRT
EED
DEC
DFG
GOV
HSS
LEG
LAW
LWF
MVA
DNR
DPS
REV
DOT
UA

[illegible][illegible]

Signing with recommendations		Printed Last Name	DP	DNP	NR	AM
Peggy Wilson A. Chens Mark Wilson		Wilson ELKINS Salmar	X ✓		X	
Chair: Rhonda L. Day		LeDoux	X			
Chair: [Signature]		Thorne	X			

Alaska State Legislature
Representative Carl E. Moses
House District 37



MEMORANDUM

DATE: February 1, 2005

TO: Rep. Gabrielle LeDoux, Co-Chair
House Fisheries Committee

FROM: Rep. Carl E. Moses 
House District 37

SUBJ: Request for Hearing – HB 26 (Short-Term Commercial Fishing
Crewmember License)

I respectfully request a committee hearing on HB26, the measure to establish a Short-Term Commercial Fishing Crewmember License. It is in the best interest of the State of Alaska to maximize options available to fishermen to help them earn a living. One option is to allow the purchase of short-term commercial fishing crewmember licenses.

HB 26 would allow visitors an affordable way to engage in the commercial fishing industry by actually participating in the fishery as a crewmember. In turn, it could help fishermen earn extra money by charging those visitors a fee for the experience, similar to what many "extreme adventure" tour operators already practice.

Tourists can currently go out on a commercial boat but cannot have any form of active participation without buying a full-year crewmember license.

HB 26 would give each permit holder the option of at least exploring whether they would want to try taking visitors out to supplement the income from their commercial fishing operation.

I am attaching a copy of the bill and the sponsor statement. Thank you for your consideration.

SESSION

State Capitol Building
Juneau, AK 99801-1182
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Toll-Free: (800) 898-4451
Fax: (907) 465-3445

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Fax: (907) 269-0274

Alaska State Legislature
Representative Carl E. Moses
House District 37



MEMORANDUM

DATE: February 1, 2005

TO: Rep. Gabrielle LeDoux, Co-Chair
House Fisheries Committee

FROM: Rep. Carl E. Moses *CEM*
House District 37

SUBJ: Request for Teleconference – HB26 – Short-Term Commercial
Crewmember Licenses

I request the committee meeting on HB26 be teleconferenced to Kenai and Dillingham. I would like to have the teleconference open to other interested LIO's and would also like to reserve the chance to add an offnet after finding out the hearing date.

Thank you for your consideration.

SESSION

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Representative Carl E. Moses, House District 37
(907) 465-4451 – Adam Berg, Staff

SPONSOR STATEMENT / SECTIONAL ANALYSIS

HB26 – Short-Term Commercial Fishing Crewmember Licenses

The economic health of certain communities in Western Alaska has been jeopardized by unprecedented low salmon returns and / or prices. It is in the best interest of the State of Alaska and these communities to maximize options available for commercial fishermen to earn a living. One option available is to allow the purchase of short-term commercial fishing crewmember licenses. This would allow visitors an affordable way to engage in a sort of extreme tourism adventure by actually participating in the fishery as a crewmember.

Currently, tourists can go out with a commercial boat but cannot have any form of active participation without buying a full year crewmember license.

BILL SECTIONS 1-2: Change the term from a "crewmember fishing license" to an "annual crewmember fishing license". (Note: The reason for the term change applies to Bill Section 4.)

BILL SECTION 3: Allows residents and non-residents to purchase a one-day commercial fishing crewmember license for \$30 or a three-day license for \$50. (Note: Work Draft 24-LS0181VG also assures a short-term crewmember license holder cannot fish with rod and reel while on a commercial fishing vessel.)

BILL SECTION 4: Assures that a short-term license holder is not considered a fisherman eligible for the Commercial Fishing Revolving Loan Fund.

BILL SECTION 5: Allows the Department of Fish & Game to add and collect an additional administrative fee of \$3 on licenses issued in 2005.

BILL SECTION 6: Makes the effective date July 1, 2005.

24-LS0181\G
Utermohle
2/4/05

CS FOR HOUSE BILL NO. 26()

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE MOSES BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to short-term commercial fishing crewmember licenses; and providing
2 for an effective date."

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

4 * **Section 1.** AS 16.05.480(g) is amended to read:

5 (g) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR
6 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident engaged in
7 commercial fishing who is 11 years of age or older and who does not hold an entry
8 permit or an interim-use permit shall pay a [AN ANNUAL] fee of \$60 for an annual
9 crewmember fishing license. A [. FOR A CREWMEMBER FISHING LICENSE
10 ISSUED FOR CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident
11 engaged in commercial fishing who is less than 11 years of age and who does not hold
12 an entry permit or an interim-use permit shall pay an annual fee of \$5.

13 * **Sec. 2.** AS 16.05.480(h) is amended to read:

14 (h) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR

1 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] nonresident engaged in
2 commercial fishing who is 11 years of age or older and who does not hold an entry
3 permit or an interim-use permit shall pay a [AN ANNUAL] base fee of \$60 for an
4 annual crewmember fishing license, plus an amount, established by the department
5 by regulation, that is as close as is practicable to the maximum allowed by law. A
6 [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR CALENDAR YEAR
7 2002 AND FOLLOWING YEARS, A] nonresident engaged in commercial fishing
8 who is less than 11 years of age and who does not hold an entry permit or an interim-
9 use permit shall pay an annual base fee of \$5 plus an amount, established by the
10 department by regulation, that is as close as is practicable to the maximum allowed by
11 law.

12 * Sec. 3. AS 16.05.480 is amended by adding a new subsection to read:

13 (j) Notwithstanding (g) and (h) of this section, a resident or nonresident
14 engaged in commercial fishing who does not hold an entry permit or an interim-use
15 permit may obtain a one-day crewmember fishing license or a three-day crewmember
16 fishing license under this subsection. During the period for which the license is valid,
17 a person who holds a one-day crewmember fishing license or a three-day crewmember
18 fishing license may not engage in fishing with a rod and reel while present on a
19 commercial fishing vessel. The fee for

20 (1) a one-day crewmember fishing license is \$30; or

21 (2) a three-day crewmember fishing license is \$50.

22 * Sec. 4. AS 16.10.310(a) is amended to read:

23 (a) The department may

24 (1) make loans

25 (A) to individual commercial fishermen who have been state
26 residents for a continuous period of two years immediately preceding the date
27 of application for a loan under AS 16.10.300 - 16.10.370, who have had an
28 annual [A] crewmember or commercial fishing license under AS 16.05.480 or
29 a permit under AS 16.43 for the year immediately preceding the date of
30 application and any other two of the past five years, and who actively
31 participated in the fishery during those periods

1 (i) for the purchase of entry permits; or
2 (ii) to upgrade existing vessels and gear for the purpose
3 of improving the quality of Alaska seafood products;

4 (B) to an individual for the repair, restoration, or upgrading of
5 existing vessels and gear, for the purchase of entry permits and gear, and for
6 the construction and purchase of vessels, if the individual has been a state
7 resident for a continuous period of two years immediately preceding the date
8 of application for a loan under AS 16.10.300 - 16.10.370, and either

9 (i) because of lack of training or lack of employment
10 opportunities in the area of residence, does not have occupational
11 opportunities available other than commercial fishing; or

12 (ii) is economically dependent on commercial fishing
13 for a livelihood and for whom commercial fishing has been a traditional
14 way of life in Alaska;

15 (C) for the purchase of quota shares for fisheries in or off the
16 state by individual commercial fishermen who

17 (i) have been state residents for a continuous period of
18 two years immediately preceding the date of application for a loan
19 under AS 16.10.300 - 16.10.370;

20 (ii) for any two of the past five years, possessed an
21 annual [A] crewmember or commercial fishing license under
22 AS 16.05.480 or a permit under AS 16.43 and actively participated in a
23 fishery for which the license or permit was issued;

24 (iii) qualify as transferees for quota shares under
25 applicable law; and

26 (iv) are not eligible for financing from other recognized
27 commercial lending institutions to purchase quota shares;

28 (D) to an individual commercial fisherman to satisfy past due
29 federal tax obligations, if the fisherman has been a state resident for a
30 continuous period of two years immediately preceding the date of application
31 for the loan, has filed past and current federal tax returns with the federal

1 government, has executed an agreement with the federal government for
2 repayment of past due federal tax obligations, and either

3 (i) has had an annual [A] crewmember or commercial
4 fishing license under AS 16.05.480 or a permit under AS 16.43 for the
5 year immediately preceding the date of application and any other two
6 of the past five years, and has actively participated in the fishery during
7 those periods;

8 (ii) because of lack of training or lack of employment
9 opportunities in the area of residence, does not have occupational
10 opportunities available other than commercial fishing; or

11 (iii) is economically dependent on commercial fishing
12 for a livelihood and for whom commercial fishing has been a traditional
13 way of life in Alaska;

14 (E) for the purchase of fishing quota shares by a community
15 quota entity eligible under federal statute or regulation to purchase the fishing
16 quota shares if the community quota entity is not eligible or qualified for
17 financing from other recognized commercial lending institutions to purchase
18 the fishing quota shares;

19 (2) designate agents and delegate its powers to them as necessary;

20 (3) adopt regulations necessary to carry out the provisions of
21 AS 16.10.300 - 16.10.370, including regulations to establish reasonable fees for
22 services provided;

23 (4) establish amortization plans for repayment of loans, which may
24 include extensions for poor fishing seasons or for adverse market conditions for
25 Alaska products;

26 (5) enter into agreements with private lending institutions, other state
27 agencies, or agencies of the federal government to carry out the purposes of
28 AS 16.10.300 - 16.10.370;

29 (6) enter into agreements with other agencies or organizations to create
30 an outreach program to make loans under AS 16.10.300 - 16.10.370 in rural areas of
31 the state;

1 (7) allow an assumption of a loan if

2 (A) the applicant has been a state resident for a continuous
3 period of two years immediately preceding the date of the request for an
4 assumption; and

5 (B) approval of the assumption would be consistent with the
6 purposes of AS 16.10.300; an applicant for a loan assumption may not be
7 disqualified because the applicant does not meet the loan eligibility
8 requirements of (1) of this subsection;

9 (8) prequalify loan applicants for a limited entry permit loan or a quota
10 shares loan and charge a fee not to exceed \$200 for prequalification;

11 (9) charge and collect the fees established under this subsection;

12 (10) refinance a debt obligation incurred by a borrower or borrowers
13 under this section if the borrower or borrowers otherwise qualify for a loan under
14 AS 16.10.300 - 16.10.370;

15 (11) refinance debt obligations, not to exceed \$300,000, incurred by a
16 borrower or borrowers for the purchase of a commercial fishing vessel or gear if the
17 borrower or borrowers otherwise qualify for a loan under AS 16.10.300 - 16.10.370;
18 the department may collect a refinancing loan origination charge as provided by
19 regulation.

20 * **Sec. 5.** The uncoded law of the State of Alaska is amended by adding a new section to
21 read:

22 TEMPORARY SURCHARGE ON ISSUANCE OF SHORT-TERM COMMERCIAL
23 FISHING CREWMEMBER LICENSES. The Department of Fish and Game may collect an
24 additional administrative fee of \$3 for each one-day or three-day crewmember fishing license
25 issued under AS 16.05.480(j), added by sec. 3 of this Act, through December 31, 2005.

26 * **Sec. 6.** This Act takes effect July 1, 2005.

Representative Carl E. Moses, House District 37
(907) 465-4451 – Adam Berg, Staff

SPONSOR STATEMENT / SECTIONAL ANALYSIS

HB26 – Short-Term Commercial Fishing Crewmember Licenses

The economic health of certain communities in Western Alaska has been jeopardized by unprecedented low salmon returns and / or prices. It is in the best interest of the State of Alaska and these communities to maximize options available for commercial fishermen to earn a living. One option available is to allow the purchase of short-term commercial fishing crewmember licenses. This would allow visitors an affordable way to engage in a sort of extreme tourism adventure by actually participating in the fishery as a crewmember.

Currently, tourists can go out with a commercial boat but cannot have any form of active participation without buying a full year crewmember license.

BILL SECTIONS 1-2: Change the term from a "crewmember fishing license" to an "annual crewmember fishing license". (Note: The reason for the term change applies to Bill Section 4.)

BILL SECTION 3: Allows residents and non-residents to purchase a one-day commercial fishing crewmember license for \$30 or a three-day license for \$50.

BILL SECTION 4: Assures that a short-term license holder is not considered a fisherman eligible for the Commercial Fishing Revolving Loan Fund.

BILL SECTION 5: Allows the Department of Fish & Game to add and collect an additional administrative fee of \$3 on licenses issued in 2005.

BILL SECTION 6: Makes the effective date July 1, 2005.

24-LS0181VF

Utermohle

2/10/05

CS FOR HOUSE BILL NO. 26()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVE MOSES BY REQUEST

A BILL**FOR AN ACT ENTITLED**

1 "An Act relating to short-term commercial fishing crewmember licenses; and providing
2 for an effective date."

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

4 * Section 1. AS 16.05.480(g) is amended to read:

5 (g) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR
6 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident engaged in
7 commercial fishing who is 11 years of age or older and who does not hold an entry
8 permit or an interim-use permit shall pay a [AN ANNUAL] fee of \$60 for an annual
9 crewmember fishing license. A [. FOR A CREWMEMBER FISHING LICENSE
10 ISSUED FOR CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] resident
11 engaged in commercial fishing who is less than 11 years of age and who does not hold
12 an entry permit or an interim-use permit shall pay an annual fee of \$5.

13 * Sec. 2. AS 16.05.480(h) is amended to read:

14 (h) A [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR

1 CALENDAR YEAR 2002 AND FOLLOWING YEARS, A] nonresident engaged in
2 commercial fishing who is 11 years of age or older and who does not hold an entry
3 permit or an interim-use permit shall pay a [AN ANNUAL] base fee of \$60 for an
4 annual crewmember fishing license, plus an amount, established by the department
5 by regulation, that is as close as is practicable to the maximum allowed by law. A
6 [FOR A CREWMEMBER FISHING LICENSE ISSUED FOR CALENDAR YEAR
7 2002 AND FOLLOWING YEARS, A] nonresident engaged in commercial fishing
8 who is less than 11 years of age and who does not hold an entry permit or an interim-
9 use permit shall pay an annual base fee of \$5 plus an amount, established by the
10 department by regulation, that is as close as is practicable to the maximum allowed by
11 law.

12 * **Sec. 3.** AS 16.05.480 is amended by adding a new subsection to read:

13 (j) Notwithstanding (g) and (h) of this section, a resident or nonresident
14 engaged in commercial fishing who does not hold an entry permit or an interim-use
15 permit may obtain a seven-day crewmember fishing license under this subsection.
16 During the period for which the license is valid, a person who holds a seven-day
17 crewmember fishing license may not engage in fishing with a rod and reel while
18 present on a commercial fishing vessel. The fee for a seven-day crewmember fishing
19 license is \$30.

20 * **Sec. 4.** AS 16.10.310(a) is amended to read:

21 (a) The department may

22 (1) make loans

23 (A) to individual commercial fishermen who have been state
24 residents for a continuous period of two years immediately preceding the date
25 of application for a loan under AS 16.10.300 - 16.10.370, who have had an
26 annual [A] crewmember or commercial fishing license under AS 16.05.480 or
27 a permit under AS 16.43 for the year immediately preceding the date of
28 application and any other two of the past five years, and who actively
29 participated in the fishery during those periods

30 (i) for the purchase of entry permits; or

31 (ii) to upgrade existing vessels and gear for the purpose

1 of improving the quality of Alaska seafood products;

2 (B) to an individual for the repair, restoration, or upgrading of
3 existing vessels and gear, for the purchase of entry permits and gear, and for
4 the construction and purchase of vessels, if the individual has been a state
5 resident for a continuous period of two years immediately preceding the date
6 of application for a loan under AS 16.10.300 - 16.10.370, and either

7 (i) because of lack of training or lack of employment
8 opportunities in the area of residence, does not have occupational
9 opportunities available other than commercial fishing; or

10 (ii) is economically dependent on commercial fishing
11 for a livelihood and for whom commercial fishing has been a traditional
12 way of life in Alaska;

13 (C) for the purchase of quota shares for fisheries in or off the
14 state by individual commercial fishermen who

15 (i) have been state residents for a continuous period of
16 two years immediately preceding the date of application for a loan
17 under AS 16.10.300 - 16.10.370;

18 (ii) for any two of the past five years, possessed an
19 annual [A] crewmember or commercial fishing license under
20 AS 16.05.480 or a permit under AS 16.43 and actively participated in a
21 fishery for which the license or permit was issued;

22 (iii) qualify as transferees for quota shares under
23 applicable law; and

24 (iv) are not eligible for financing from other recognized
25 commercial lending institutions to purchase quota shares;

26 (D) to an individual commercial fisherman to satisfy past due
27 federal tax obligations, if the fisherman has been a state resident for a
28 continuous period of two years immediately preceding the date of application
29 for the loan, has filed past and current federal tax returns with the federal
30 government, has executed an agreement with the federal government for
31 repayment of past due federal tax obligations, and either

1 (i) has had an annual [A] crewmember or commercial
2 fishing license under AS 16.05.480 or a permit under AS 16.43 for the
3 year immediately preceding the date of application and any other two
4 of the past five years, and has actively participated in the fishery during
5 those periods;

6 (ii) because of lack of training or lack of employment
7 opportunities in the area of residence, does not have occupational
8 opportunities available other than commercial fishing; or

9 (iii) is economically dependent on commercial fishing
10 for a livelihood and for whom commercial fishing has been a traditional
11 way of life in Alaska;

12 (E) for the purchase of fishing quota shares by a community
13 quota entity eligible under federal statute or regulation to purchase the fishing
14 quota shares if the community quota entity is not eligible or qualified for
15 financing from other recognized commercial lending institutions to purchase
16 the fishing quota shares;

17 (2) designate agents and delegate its powers to them as necessary;

18 (3) adopt regulations necessary to carry out the provisions of
19 AS 16.10.300 - 16.10.370, including regulations to establish reasonable fees for
20 services provided;

21 (4) establish amortization plans for repayment of loans, which may
22 include extensions for poor fishing seasons or for adverse market conditions for
23 Alaska products;

24 (5) enter into agreements with private lending institutions, other state
25 agencies, or agencies of the federal government to carry out the purposes of
26 AS 16.10.300 - 16.10.370;

27 (6) enter into agreements with other agencies or organizations to create
28 an outreach program to make loans under AS 16.10.300 - 16.10.370 in rural areas of
29 the state;

30 (7) allow an assumption of a loan if

31 (A) the applicant has been a state resident for a continuous

1 period of two years immediately preceding the date of the request for an
2 assumption; and

3 (B) approval of the assumption would be consistent with the
4 purposes of AS 16.10.300; an applicant for a loan assumption may not be
5 disqualified because the applicant does not meet the loan eligibility
6 requirements of (1) of this subsection;

7 (8) prequalify loan applicants for a limited entry permit loan or a quota
8 shares loan and charge a fee not to exceed \$200 for prequalification;

9 (9) charge and collect the fees established under this subsection;

10 (10) refinance a debt obligation incurred by a borrower or borrowers
11 under this section if the borrower or borrowers otherwise qualify for a loan under
12 AS 16.10.300 - 16.10.370;

13 (11) refinance debt obligations, not to exceed \$300,000, incurred by a
14 borrower or borrowers for the purchase of a commercial fishing vessel or gear if the
15 borrower or borrowers otherwise qualify for a loan under AS 16.10.300 - 16.10.370;
16 the department may collect a refinancing loan origination charge as provided by
17 regulation.

18 * **Sec. 5.** The uncoded law of the State of Alaska is amended by adding a new section to
19 read:

20 **TEMPORARY SURCHARGE ON ISSUANCE OF SHORT-TERM COMMERCIAL**
21 **FISHING CREWMEMBER LICENSES.** The Department of Fish and Game may collect an
22 additional administrative fee of \$3 for each seven-day crewmember fishing license issued
23 under AS 16.05.480(j), added by sec. 3 of this Act, through December 31, 2005.

24 * **Sec. 6.** This Act takes effect July 1, 2005.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 26
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
Title Short-Term Commercial Fishing RDU Investments (122)
Crewmember License Component Investments
Sponsor Moses
Requester House Fisheries Component No. 383

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation provides for a new type of commercial fishing crewmember license that may be obtained for a one or three day time period. The bill will not impact the operations of the division.

Prepared by: Greg Winegar, Director Phone 907.465.2510
Division Investments Date/Time 2/7/05 4:54 PM
Approved by: Edgar Blatchford, Commissioner Date 2/7/2005
Agency Commerce, Community & Economic Development

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: **HB026- DOL/WD-FF-02-07-05**
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Department: **Labor and Workforce Development**
 Title: **Short-Term Com Fishing Crewmember License** RDU: **Workers' Compensation**
 Component: **Fishermen's Fund**
 Sponsor: **Representative Moses**
 Requester: **House FSH** Component Number: **343**

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	*	*	*	*	*	*
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1032)	1.5	1.5	1.5	1.5	1.5	1.5
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FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: None

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

According to information provided by the Department of Fish and Game, it is anticipated:

- 60 new licensees will purchase the one-day license.
- 40 new licensees will purchase the three-day license.
- 10% of revenue generated by those sales will remit to vendors' commissions.
- Under AS 23.35.060(a) the Fishermen's Fund will receive 39% of the gross revenue (\$1,482.00).

The revenues to the Fund generated by the new licenses (\$10.53/one-day and \$17.55/three-day) compare favorably to those from annual licenses (\$21.06) that expose the Fund to much longer periods of potential liability. However, licensees who are tourists or otherwise inexperienced in fisheries may be more likely to sustain an injury. *Consequently, the ultimate impact on the Fund's claim payment outlays is indeterminate.

Prepared by: **Paul F. Lisankle, Director** Phone: **465-6059**
 Division: **Workers' Compensation Division** Date/Time: **2/7/05 3:34 PM**
 Approved by: **Greg O'Claray, Commissioner** Date: **2/7/2005**
 Agency: **Department of Labor and Workforce Development**

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: H.B. 26
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
 Title Short-term Commercial Fishing RDU Administration and Support
Crewmember License Component Administrative Services
 Sponsor Representative Moses
 Requester House Fisheries Committee Component No. 479

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual	1.7	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.7	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1024)	1.9	1.9	1.9	1.9	1.9	1.9

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.7	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
1024 Fish and Game Fund						
TOTAL	1.7	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Assumptions:

- 100 new short-term licenses will be purchased.
- Per AS 23.35.060(a) Fishermen's Fund will receive 39% of the gross revenue. Fish and Game Fund will receive 61%.
- Given the mid-year effective date, the department must print 5,000 new licenses for distribution statewide. We estimate the printing costs for these new licenses to be a one-time cost of roughly \$1,700. In the following years, this new license option will be incorporated into our standard license, so there will be no additional cost for offering this option.

(Continued on page 2)

Prepared by: Tom Lawson Phone 465-5999
 Division: Administrative Services Date/Time 2/8/05 3:58 PM
 Approved by: Acting Commissioner Wayne Regelin Date 2/8/2005
 Agency: Department of Fish and Game

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. H.B. 26

ANALYSIS CONTINUATION

This bill gives the department the ability to charge a \$3 administrative fee per license that would be imposed through regulation. If such a fee were imposed, printing costs would decrease by \$300 (\$3 fee x 100 new licenses sold).

Type of License Sold	Number of Licenses Sold	Amount	Total Gross Revenue	Vendor Commission	Total Commission	Total Net Revenue
One - day	60	\$30	\$1,800.00	10%	\$180.00	\$1,620.00
Three - day	40	\$50	\$2,000.00	10%	\$200.00	\$1,800.00
			\$3,800.00		\$380.00	\$3,420.00
<u>Break-out of Funds:</u>						
Fishermen's Fund		39%	\$1,482.00			
Fish & Game Fund		61%	\$1,938.00			
Total			\$3,420.00			

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number:
Bill Version: CSH3026- DOLWD-FF-02-15-05
() Publish Date: _____

Revision Date/Time (Note if correction):
Title: Short-Term Com Fishing Crewmember License

Department: Labor & Workforce Development
RDU: Workers' Compensation
Component: Fishermen's Fund

Sponsor: Representative Moses
Requester: House FSH

Component Number: 343

Expenditures/Revenues

(Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	*	*	*	*	*	*
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1032)	1.1	1.1	1.1	1.1	1.1	1.1
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FUND SOURCE

(Thousands of Dollars)

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

Estimate of any current year (f , 2005) cost: None

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

According to information provided by the Department of Fish and Game, it is anticipated 100 new licenses will be purchased. Under AS 23.35.060(a) the Fishermen's Fund will receive 39% of the revenue (\$1,053.00).

The revenues to the Fund generated by the new licenses (\$30 for a seven day license) compare favorably to those from annual licenses (\$21.06) that expose the Fund to much longer periods of potential liability. However, licensees who are tourists or otherwise inexperienced in fisheries may be more likely to sustain an injury. *Consequently, the ultimate impact on the Fund's claim payment outlays is indeterminate.

Prepared by: Paul F. Lisankie, Director
Division: Workers' Compensation Division
Approved by: Greg O'Claray, Commissioner
Agency: Department of Labor and Workforce Development

Phone: 465-6059
Date/Time: 2/15/05 4:36 PM
Date: 2/15/2005

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB 26 (FSH)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
Title Short-term Commercial Fishing RDU Administration and Support
Crewmember License Component Administrative Services
Sponsor Representative Moses
Requester House Fisheries Committee Component No. 479

Expenditures/Revenues

(Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual	1.7	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.7	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1024)	1.5	1.5	1.5	1.5	1.5	1.5
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.7	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
1024 Fish and Game Fund						
TOTAL	1.7	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Assumptions:

1. 100 new short-term licenses will be purchased.
2. Per AS 23.35.060(a) Fishermen's Fund will receive 39% of the gross revenue. Fish and Game Fund will receive 61%.
3. Given the mid-year effective date, the department must print 5,000 new licenses for distribution statewide. We estimate the printing costs for these new licenses to be a one-time cost of roughly \$1,700. In the following years, this new license option will be incorporated into our standard license, so there will be no additional cost for offering this option.

(Continued on page 2)

Prepared by: Tom Lawson Phone 465-5999
Division: Administrative Services Date/Time 2/11/05 3:19 PM
Approved by: Acting Commissioner Wayne Regelin Date 2/11/2005
Agency: Department of Fish and Game

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. CSHB 26 (FSH)

ANALYSIS CONTINUATION

This bill gives the department the ability to charge a \$3 administrative fee per license that would be imposed through regulation. If such a fee were imposed, printing costs would decrease by \$300 (\$3 fee x 100 new licenses sold).

Type of License Sold	Number of Licenses Sold	Amount	Total Gross Revenue	Vendor Commission	Total Commission	Total Net Revenue
Seven-day	100	\$30	\$3,000.00	10%	\$300.00	\$2,700.00
			\$3,000.00		\$300.00	\$2,700.00
<u>Break-out of Funds:</u>						
Fishermen's Fund		39%	\$1,170.00			
Fish & Game Fund		61%	\$1,530.00			
		Total	\$2,700.00			

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: **CSHB026- DOLWD-FF-02-15-05**
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Department: **Labor & Workforce Development**
 Title: **Short-Term Com Fishing Crewmember License** RDU: **Workers' Compensation**
 Component: **Fishermen's Fund**
 Sponsor: **Representative Moses**
 Requester: **House FSH** Component Number: **343**

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	*	*	*	*	*	*
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1032)	1.1	1.1	1.1	1.1	1.1	1.1

FUND SOURCE

(Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: None

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

According to information provided by the Department of Fish and Game, it is anticipated 100 new licenses will be purchased. Under AS 23.35.060(a) the Fishermen's Fund will receive 39% of the revenue (\$1,053.00).

The revenues to the Fund generated by the new licenses (\$30 for a seven day license) compare favorably to those from annual licenses (\$21.06) that expose the Fund to much longer periods of potential liability. However, licensees who are tourists or otherwise inexperienced in fisheries may be more likely to sustain an injury. *Consequently, the ultimate impact on the Fund's claim payment outlays is indeterminate.

Prepared by: **Paul F. Lisankie, Director** Phone: **465-6059**
 Division: **Workers' Compensation Division** Date/Time: **2/15/05 4:36 PM**
 Approved by: **Greg O'Claray, Commissioner** Date: **2/15/2005**
 Agency: **Department of Labor and Workforce Development**

ANALYSIS CONTINUATION

This bill gives the department the ability to charge a \$3 administrative fee per license that would be imposed through regulation. If such a fee were imposed, printing costs would decrease by \$300 (\$3 fee x 100 new licenses sold).

Type of License Sold	Number of Licenses Sold	Amount	Total Gross Revenue	Vendor Commission	Total Commission	Total Net Revenue
One - day	60	\$30	\$1,800.00	10%	\$180.00	\$1,620.00
Three - day	40	\$50	\$2,000.00	10%	\$200.00	\$1,800.00
			\$3,800.00		\$380.00	\$3,420.00
<u>Break-out of Funds:</u>						
Fishermen's Fund		39%	\$1,482.00			
Fish & Game Fund		61%	\$1,938.00			
		Total	\$3,420.00			

SCOMM

138:6

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

GF-
Kim-
we should
schedule

MEMORANDUM

DATE: March 7, 2005
TO: Rep. Bill Thomas
Rep. Gabrielle LeDoux
FROM: Rep. Les Gara

A handwritten signature in dark ink, appearing to be "Les Gara", written over the "TO:" line.

RE: Hearing Request for HB-37, "Public Access to Fishing Streams"

I respectfully request that HB 37, an act relating to public access to fishing streams, be scheduled for hearing in the House Special Committee on Fisheries. Please feel free to contact me, or my aide Cindy Smith, with questions or thoughts at 465-2647.

Attached you will find a background packet for HB 37. This includes the original bill, a sponsor's statement, and backup materials.

Thank you for your consideration.

24-LS0284\I
Bullock
4/14/05

CS FOR HOUSE BILL NO. 37()

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVES GARA, Elkins

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to voluntary land trades and purchases to enhance public access to**
2 **fishing streams."**

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

4 *** Section 1.** The uncoded law of the State of Alaska is amended by adding a new section
5 to read:

6 **FINDINGS AND INTENT.** (a) The legislature finds that

7 (1) it is in the interest of private property owners to prevent the involuntary
8 taking of private property and to sell or trade property rights only when the sale or trade is
9 voluntary;

10 (2) the state has some of the most vibrant fishing streams in the world;

11 (3) the waters of the state are home to trophy salmon, trout, grayling, char, and
12 other fish, and Alaskans greatly value this resource for nutritional, cultural, recreational, and
13 other purposes;

14 (4) the state's streams are noted worldwide for the presence of wild trout, char,

1 and grayling that grow to sizes no longer achieved in many other areas of the world, and for
2 the return of wild salmon and other anadromous fish in their natural numbers;

3 (5) it is in the interest of Alaskans to protect access to important recreational
4 waters and to travel by water and land along these waters to fish, hike, boat, and camp;

5 (6) while the state has retained public access to and along important
6 recreational waters when land has been transferred under current law, land sales and disposals
7 under prior laws or by the federal government to private landowners resulted in hampered or
8 no legal public access to important fishing waters in the state;

9 (7) in many places in the world, important recreational and fishing waters
10 have been privatized; in those places, public access to fishing and recreational water is
11 prohibited, and persons are prohibited from traveling, stopping, or camping along stream
12 banks; in many other places, access is only permitted at high cost or by invitation; and

13 (8) it is in the interest of the state to try to negotiate land or easement
14 purchases or trades for property along important fishing and recreational waters before

15 (A) it becomes too expensive to accomplish the goal of preserving and
16 protecting public access to and along the state's important fishing waters; and

17 (B) the land has become developed and settled; if the state waits to
18 negotiate trades and purchases until after land has been developed, the state will have
19 to expend potentially excessive amounts of money to regain public access.

20 (b) It is the intent of the legislature

21 (1) that, in implementing this Act, the Department of Natural Resources and
22 the Department of Fish and Game may not be placed under strictures or be subject to appeal
23 rules that would add undue cost to this program;

24 (2) to protect the public's right to access the state's fishing streams; and

25 (3) to provide an efficient and effective way to regain public easements or
26 ownership of land along important fishing streams that might be lost due to future private
27 development.

28 * **Sec. 2.** AS 16.05 is amended by adding a new section to read:

29 **Sec. 16.05.096. Identification of privately held land along fishing**
30 **waterways.** (a) Before July 1 of each year, the commissioner shall submit to the
31 commissioner of natural resources a list of land along fishing waterways where access

1 to the waterways is impeded by private land ownership.

2 (b) When identifying land for the list in (a) of this section, the commissioner
3 shall solicit and review input from the public concerning land that may be included on
4 the list.

5 (c) Factors to be considered by the commissioner when identifying land to be
6 listed under (a) of this section include whether

7 (1) public access is needed to allow desirable access to and
8 recreational or subsistence use of the fishery resources present in the waterway;

9 (2) private land ownership prevents public access to a section of the
10 waterway that is highly desirable for its fishing or recreational attributes;

11 (3) public access to a section of the waterway would significantly
12 enhance the public's enjoyment of that waterway;

13 (4) the waterway contains wild sport fish or fish of a species, physical
14 size, and abundance that may support a commercial, personal use, or subsistence
15 fishery;

16 (5) the fish population on the waterway may support a catch and
17 release sport fishing or other sport, commercial, personal use, or subsistence fishery.

18 (d) In reviewing land for identification under (a) of this section, the
19 commissioner shall give priority to land leading to and along fishing waterways that

20 (1) is reasonably accessible by foot, including by backcountry hiking,
21 from the state's road system;

22 (2) is undeveloped and may be acquired by the state through purchase
23 or trade;

24 (3) has the greatest potential for public recreational or subsistence use
25 and enjoyment based on the size and abundance of fish, even if the location may be in
26 a remote part of the state.

27 (e) The decision by the commissioner to include or exclude land on the list in
28 (a) of this section is within the discretion of the commissioner and is not subject to
29 appeal. The commissioner shall, however, make the list proposed to be submitted to
30 the commissioner of natural resources publicly available before submission of the list
31 and may consider public comment before submission of the list.

(f) In this section, "fishing waterway" means a waterway that contains wild sport fish or fish of a species, physical size, and abundance that may support a commercial, personal use, or subsistence fishery.

* **Sec. 3.** AS 38.50 is amended by adding a new section to read:

Sec. 38.50.015. Access to fishing waterways. (a) After receiving from the commissioner of fish and game a list prepared under AS 16.05.096 that identifies land along fishing waterways where access to the waterways is impeded by private land ownership, the commissioner may proceed to acquire public access to waterways across those lands. The right of eminent domain may not be exercised to acquire land or interest in land under this section.

(b) Public access may be acquired by

(1) purchasing or leasing an easement for access across each parcel of land;

(2) trading state land for private land; or

(3) purchasing or leasing private land.

(c) Before February 1 of each year, the commissioner and the commissioner of fish and game shall submit a plan to acquire public access to fishing waterways through trade or purchase for the following fiscal year. The plan must include a minimum access to not less than a total of two meander miles along fishing waterways. Within 60 days after receiving a written request from a landowner requesting the removal of the landowner's land from the list to be acquired under the plan, the commissioner shall remove the landowner's land from the list, even if the removal leaves less than two meander miles along fishing waterways.

(d) In this section,

(1) "fishing waterway" has the meaning in AS 16.05.096;

(2) "meander mile" means a distance of one mile measured following the course of a waterway.

* **Sec. 4.** The uncoded law of the State of Alaska is amended by adding a new section to read:

LAND TO BE CONSIDERED FOR FIRST LIST. Notwithstanding the discretion of the commissioner of fish and game under AS 16.05.096 as enacted in sec. 2 of this Act, the

1 initial list to be submitted to the commissioner of natural resources before July 1 following the
2 effective date of this Act ^{must} ~~shall~~ include land

3 (1) adjacent to or near Montana Creek and Willow Creek above the Parks
4 Highway on waterways that are open to trout and grayling fishing;

5 (2) along Anchor River and Deep Creek on the Kenai Peninsula where the
6 waterways are open to steelhead, salmon, Dolly Varden, or trout fishing; and

7 (3) along the Salcha River located off the Richardson Highway where the river
8 is open to grayling fishing.

24-LS0544\Y
Utermohle
4/12/05

CS FOR HOUSE BILL NO. 218()

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION**

BY

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVE THOMAS

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to cost recovery fisheries for private nonprofit hatchery facilities."**

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

3 *** Section 1.** The uncoded law of the State of Alaska is amended by adding a new section
4 to read:

5 FINDINGS. The Alaska State Legislature finds that Alaska private nonprofit salmon
6 hatcheries should maximize the harvests of returning hatchery-produced salmon by
7 commercial salmon fishing permit holders. The legislature also finds that private nonprofit
8 hatcheries should minimize, to the greatest extent feasible, the direct sale of salmon harvested
9 in special harvest areas.

10 *** Sec. 2.** AS 16.10 is amended by adding a new section to read:

11 **Sec. 16.10.455. Cost recovery fisheries.** (a) A hatchery permit holder may
12 harvest salmon for a facility in a special harvest area through agents, contractees, or
13 employees of the permit holder as provided under regulations of the Board of Fisheries
14 or through the common property fishery under this section.

15 (b) A hatchery permit holder may elect to harvest surplus salmon produced at

1 a facility in a special harvest area established for that facility through the common
2 property fishery. The commissioner of fish and game, after reasonable consultation
3 with the hatchery permit holder, affected commercial fishermen, and other interested
4 or knowledgeable parties, shall adopt regulations governing the harvest of surplus
5 salmon in a special harvest area if the hatchery permit holder elects to harvest surplus
6 salmon produced at a facility through the common property fishery. The regulations
7 must specify the terms, conditions, and rules under which the common property
8 fishery in the special harvest area shall be conducted, including requirements for hold
9 inspections and reporting of harvests and sales of salmon taken in the special harvest
10 area. The board may adopt regulations, as the board considers appropriate, regarding
11 a fisheries management plan governing operations under this subsection in a special
12 harvest area, including allocation plans. Participation in the fishery must be open to
13 all interim-use permit and entry permit holders who hold permits to operate a type of
14 gear that may be used in the administrative area in which the special harvest area is
15 located if that type of gear is authorized by regulation to be used in the special harvest
16 area. An interim-use permit holder or an entry permit holder who takes salmon in a
17 common property fishery in a special harvest area may sell the salmon to any fish
18 buyer or processor who is licensed to do business in the state.

19 (c) As a condition of participation in a common property salmon fishery in a
20 special harvest area under this section, a fisherman who participates in the fishery is
21 subject to the payment of the assessment levied under (d) of this section. The
22 assessment is levied on the value of salmon that the fisherman takes in the special
23 harvest area and either sells to a buyer or exports from the state without being sold in
24 the state. If the buyer of the salmon is licensed under AS 43.75, the buyer shall collect
25 the assessment on salmon taken in a special harvest area at the time of purchase and
26 remit the assessment to the Department of Revenue in accordance with regulations
27 adopted by the Department of Revenue. If a fisherman does not sell salmon harvested
28 in a special harvest area to a buyer licensed under AS 43.75 or if a fisherman does not
29 sell salmon harvested in a special harvest area to a buyer before the salmon are
30 exported from the state, the fisherman shall remit the amount of the assessment to the
31 Department of Revenue in accordance with regulations adopted by the Department of

1 Revenue.

2 (d) The Department of Revenue shall annually set the rate of the assessment
3 levied on salmon taken in a special harvest area in consultation with the Department of
4 Fish and Game, the Department of Commerce, Community, and Economic
5 Development, the hatchery permit holder, and representatives of affected commercial *delete*
6 fishermen. The rate of the assessment shall take into account the operating, capital,
7 and maintenance costs of the hatchery permit holder for the facility for which the
8 special harvest area is established, reasonable overhead expenses, including debt
9 service on loans for the facility, ^{corporation} the estimated return and harvest of salmon in the
10 special harvest area, the projected price to be paid for salmon in the region, and the
11 amount by which the assessment collected in previous years under estimated or over
12 estimated the costs to the hatchery permit holder for the operation of the facility. The
13 total rate of the assessment may not exceed 40 percent of the value of the salmon.

14 (e) The Department of Revenue shall deposit the assessments collected under
15 this section in the general fund. The legislature may appropriate the funds collected
16 under this section to the hatchery permit holder who operates a facility in the special
17 harvest area in which the assessment was levied. A hatchery permit holder shall use
18 funds appropriated under this subsection for the purposes set out under
19 AS 16.10.450(a).

20 (f) A person who violates a regulation adopted by the Department of Fish and
21 Game or the Board of Fisheries under (b) of this section is guilty of a misdemeanor
22 under AS 16.05.723. A person who violates a regulation adopted by the Department
23 of Revenue under (c) of this section is guilty of a class A misdemeanor.

24 (g) In this section,

25 (1) "facility" means a hatchery or salmon rehabilitation project for
26 which a permit is issued under AS 16.10.400 - 16.10.470;

27 (2) "special harvest area" means a special harvest area established
28 under regulations of the Board of Fisheries in which a hatchery permit holder may
29 harvest salmon for the hatchery at times set by the board or the department;

30 (3) "value" has the meaning given in AS 43.75.290.

31 * Sec. 3. AS 43.76.035 is amended to read:

- 1 **Sec. 43.76.035. Exemption.** AS 43.76.001 - 43.76.040 do not apply to
2 salmon harvested under a special harvest area entry permit issued under AS 16.43.400
3 or in a common property fishery conducted in a special harvest area under
4 AS 16.10.455.

would like them to
reconsider
exemption

42111111

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

HB 37: State Land Trades/Purchases To Regain Fishing Stream Access From Willing Landowners

Alaska's rivers are a treasured resource for fishermen, boaters, hunters, hikers, and people of all walks of life. We need to protect the public's access to them. House Bill 37 aims to ensure future public access to Alaska's fishing streams by putting in place a mechanism for voluntary land exchanges (or purchases) between the State and private owners along important recreational rivers. The program would be facilitated by the Department of Natural Resources and would be completely voluntary. It would not take land away from citizens who don't want to trade for other public land.

There are currently large stretches of private land on streams such as the Anchor River, Deep Creek, Parks Highway Streams, the Salcha River and others throughout the state. Today the public uses these streams, and has access to them. Once they're developed, we'll never be able to afford to get them back. HB 37 requires the state to identify private lands along certain high value recreational waters for possible easement or land purchases or trades.

To avoid costly litigation, it requires the state to use its expertise within the Departments of Fish and Game and Natural Resources to identify the most desirable lands for purchase or trade, after public input. But the bill does not allow legal challenges of those determinations.

Other states have waited too long to take steps like the ones proposed by this bill. In Montana, for example, fishermen have to pay for public access to some rivers. One hundred eighty miles of the Missouri River have been lost to public access, and that state now budgets \$300,000 per year to buy back parcels of riverbank land.

HB 37 will help insure that unparalleled recreational opportunities in our vibrant river corridors remain accessible, for our own and for future generations. It provides that the state should keep a registry of lands for possible trade or purchase.

The bill does not mandate any funding for trades or purchases, and therefore will lapse, in effect, once the state determines there is no longer a need to trade for or purchase public access.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

HB 37: Sectional Analysis **State Land Trades/Purchases To Regain Fishing Stream Access From Willing Landowners**

The Bill's sections provide as follows:

Section 1: Findings.

Section 2. This section gives the Commissioner of DNR the authority to prioritize lands which provide important public fishing stream access after public comment and consultation with the Department of Fish and Game. To prevent unneeded expense, the Commissioner's determinations are not appealable. The Commissioner is given the leeway to make these decisions, and is allowed to make the decisions upon available agency knowledge and public comment without engaging in expensive study.

Section 3. The state is encouraged to develop a registry of lands that are important for public fishing access, and to try to arrange a trade with willing landowners for other state lands, purchase the land outright, or purchase easements on it. To encourage transactions that would benefit the public, the Commissioner may pay more than market value if needed to make a land trade or land or easement purchase.

Section 4. The Commissioner is encouraged to seek land purchases or exchanges on important fishing streams prior to private development on those streams, at which point such a transaction would become prohibitively expensive. Streams with undeveloped private lands that, if developed, would impede important public access, include the following prized trout/steelhead/salmon fisheries: Montana and Willow Creeks above the Parks Highway in Southcentral Alaska; the Anchor River and Deep Creek on the Kenai Peninsula; and the Salcha River south of North Pole. The Commissioner is encouraged to seek to obtain public access on these and other streams that provide important public fishing opportunities.

Rep. Les Gara

From: Brent Fenty [bfenty@earthlink.net]
Sent: Sunday, February 27, 2005 5:42 PM
To: Rep. Les Gara
Subject: HB 37

Rep. Gara-

I just want to say thanks for your introduction of HB 37. I was particularly pleased to see that Montana and Willow Creek were prioritized in the bill as I think development threats loom in the near future for these terrific fisheries. Thanks again.

Tight lines,
Brent

--

Brent Fenty
PO Box 142771
Anchorage, AK 99514

(907) 770-9967
bfenty@earthlink.net

B



MOLLY IVINS LETS LOOSE

Political columnist Molly Ivins will speak in Anchorage on July 21. Check out what she told the Daily News about both George Bushes, sodomy in Texas, tax cuts, her new book, and the Alaska-Texas rivalry: **Q&A in Opinion, Page J-3**

SECTION

ANCHORAGE DAILY NEWS • www.adn.com

★ SUNDAY, JULY 13, 2003

ALASKA

Prime fishing land might be sold off

■ **ANCHOR RIVER:** Sale of five-acre parcels could eliminate public access.

By JOEL GAY
Anchorage Daily News

The beaches, banks and wetlands along one of the Kenai Peninsula's most popular fishing streams are being subdivided into five-acre parcels that, if sold, could eliminate public access to the lower Anchor River.

The owners say they've tried for years to sell the land to the state but could never agree on a price. Now it's time to move on, they say, and the first

step is chopping their two large parcels into 20 smaller ones.

They hope to win preliminary approval of their subdivision plan Monday night from the Kenai Peninsula Borough. The lots could be on the market later this summer.

Supporters of a buyout still hope the land can be purchased and put into public ownership. The landowners say they're still willing to sell. But time is drawing short, said Lynn Whitmore, a longtime local angler who just recently learned about the proposed subdivision.

"I'm going to urge that they try to convert this to public land, by whatever

■ **THE KENAI PENINSULA BOROUGH PLAT COMMITTEE** will hold a public hearing on the proposed Anchor River subdivision at 5:30 p.m. Monday in the Borough Building in Soldotna. For more information, go to www.borough.kenai.ak.us/planningdept, then click on Plat Committee, then Agendas.

means necessary," he said. "I want the (borough) mayor or somebody to sit down with these two sides and resolve this."

Anchor Point pioneer Vern Mutch homesteaded the area decades ago, selecting land that ran from atop the bluffs to the Cook Inlet beach, with the

river running through it. His son Paul, a commercial fisherman who lives in Ugashik, now owns much of the land, including a 45-acre parcel just north of one of the river's most popular fishing spots, the Grass Hole.

The state Division of Parks owns the adjoining lot to the south, where it provides parking and a boat launch. But thousands of fishermen every year pass through the state land onto the Mutch property, where they camp on the gravel beach and tromp through wetlands to reach the river.

Many also walk or drive ATVs even farther north, toward the river mouth, where they trespass on a 12-acre par-

cel owned by Jim Jacobs.

The parks superintendent on the lower peninsula, Chris Degernes, said it's difficult to imagine the private land suddenly being posted with no-trespassing signs. "The public has used that property so many years — as if it were public — that it will be difficult to keep the public off," she said.

The Division of Parks and the Alaska Department of Fish and Game have wanted to buy the Anchor River lands for years, she said. It's rich territory. About 50,000 to 60,000 people visit every year, she said, mostly to fish. The

See Page B-6, LAND

Trees cut to reduce fire danger

■ **CLEARING:** Crews of firefighters at work in woods throughout city.

By TATABOLINE BRANT
Anchorage Daily News

Firefighters cut down several tall trees in Kincaid Park last week and chopped them into firewood-sized logs, and officials say the work is just one small part of an ongoing federally funded effort to reduce the chance of a bad wildfire in Alaska's largest city.

About a dozen brush piles lined Raspberry Road near Kin-

WEST COAST WEATHER



HUD funds for city in jeopardy

■ **GRANTS:** "It's at a critical stage," says Mayor Begich, who has stepped in.

By ROSEMARY SHINOHARA
Anchorage Daily News

The new mayor's transition report last week pointed to a crisis in public housing. The city is in danger of losing federal Housing and Urban Development grants next year if it doesn't spend \$2.6 million by Nov. 2.

LAND: Price undecided

Continued from B-1

season starts Memorial Day with king salmon, then continues through freezeup with runs of silver salmon, Dolly Varden and steelhead trout. Migrating birds stop by every spring and fall, and others spend the winter.

There is strong support for public ownership, Degernes said, but the stumbling block has always been the land appraisal.

"Land like that is difficult to appraise," she said. Comparable lands rarely sell, so there is little to base an estimate of land value on. And the land is impossible to develop because of its wetlands, the constantly changing river course and winter storm damage.

The Kenai Peninsula Borough appraises the Mutch property at \$16,500 and the Jacobs land at \$15,000. The owners believe the parcels are worth much more, as does the state, though neither side will reveal its offer. But they can't agree on a price, Degernes said.

"We can't just pay what the seller wants," she said. "It has to be based on fair market value, and that's been the stumbling block time and time again."

After negotiations with Fish and Game fell apart several years ago, The Nature Conservancy stepped in. The conservancy buys high-value land, often using a combination of government grants and private funds. It won a \$417,000 National Coastal Wetland Conservation grant to buy the Mutch and Jacobs properties, plus another large lot in the same area. A deal looked possible, according to both sides.

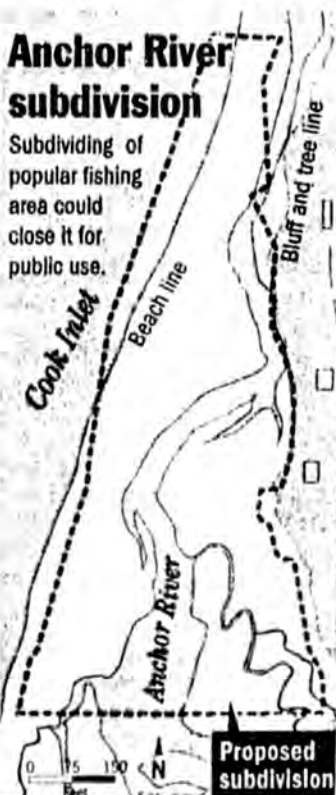
Then a new hurdle arose regarding the river bottom itself. Who owns it?

Surveyor Jerry Anderson, who represents the landowners, said previous court cases make it clear: "The water belongs to the state, but the land underneath (belongs) to the owner." By his reckoning, the two parcels add up to roughly 93 acres.

The Nature Conservancy isn't sure. It wants the issue cleared up to determine how much acreage really exists, said Kenny Powers, the group's director of land protection. "We're happy to pay them for all the

Anchor River subdivision

Subdividing of popular fishing area could close it for public use.



CHARLES ATKINS / Anchorage Daily News

turn the normally angler-friendly Anchor River into a comb fishery. More fishermen would likely cause more habitat damage on the grassy banks stream, he said.

The closure would also block access to the river mouth key fishing area. Many anglers start fishing at low tide, walk steadily upstream and follow the fish as the water rises. Except at low tides, they could reach the river mouth with trespassing.

He understands the owners' frustration, Whitmore said. Rowdy teens and adults party on the land every Memorial Day, and even law-abiding fishermen trespass regularly. Nevertheless, he added, "it'd be an absolute catastrophe to have it developed."

Even if the two sides can agree on a price, a potential hurdle remains. Can people

land they own. It's just a question of who owns the river bed," he said.

Powers said he thinks a deal is still possible. "The public values are there and the resources are there that deserve public protection, so we're continuing to be interested," he said. All that remains is to agree on a price. "That's the million-dollar question," he said.

The sellers are broadening the market, Anderson said. "If (the state) isn't going to put the money up, they're going to sell it somebody else."

The land is too wet for homes or cabins, Anderson said, but people will buy the five-acre lots if only to have a place to park their recreational vehicles.

Local fishermen would hate to see no-trespassing signs appear on the lower river, said Whitmore, who has fished there 30 years. The new subdivision could close off about a mile of riverbank.

"If you lose access to that portion of river, it means you compress those 1,000 fishermen into one-third less space," he said. "The people will still come, but they'll have much less space to fish," which could

Murkowski, who has voiced philosophical objection to the government's buying private land, would have to approve the use of state or federal funds. Last month, he killed one such land deal on Afognak Island while approving another for ski trail land near Homer.

Powers, of The Nature Conservancy, said he doubts the governor would veto a deal. "The state has been very supportive of this acquisition, as has community, because of the high value of the resources," he said. "I'd be surprised if Gov. Murkowski did not support this project."

■ Daily News reporter Joel Gay can be reached at jgay@adn.com or at 257-4310.

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Sec. ~~38.05.127~~. Access to navigable or public water.

(a) Before the sale, lease, grant, or other disposal of any interest in state land adjacent to a body of water or waterway, the commissioner shall,

(1) determine if the body of water or waterway is navigable water, public water, or neither;

(2) upon finding that the body of water or waterway is navigable or public water, provide for the specific easements or rights-of-way necessary to ensure free access to and along the body of water, unless the commissioner finds that regulating or limiting access is necessary for other beneficial uses or public purposes.

(b) The department shall adopt regulations implementing this section.

(c) Nothing in this section affects valid existing rights or limits in any way the constitutional right of the public to use and have free access to the navigable or public waters of the state.

(d) Upon application by a municipality or an affected owner of land, the department may vacate, release, modify, or relocate an easement and right-of-way for public access to or along navigable or public waters reserved by the department in a patent issued under AS 29.65 or former AS 29.18, if the commissioner determines the action is consistent with the public interest.

(e) The establishment of easements or rights-of-way for oil and gas, gas only, and mineral leases under (a) of this section need not be made until the leases are ready to be developed.

(f) Rights-of-way or easements to waterways established under (a)(2) of this section shall be established approximately once each mile unless the commissioner makes a written finding that regulating or limiting access is necessary for other beneficial uses or public purposes.

(g) The commissioner may exchange land under AS 38.50 to create access to public water of the state.



ALASKA FLYFISHERS

Winners of the 1994 McKenzie Cup



March 9, 2005

Dear Representative Gara:

Based on our collective individual and organizational experience, the Alaska Fly Fishers strongly support the objective of House Bill 37.

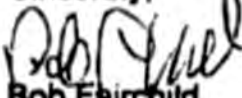
The Alaska Fly Fishers (AFF) was founded in 1973 at Anchorage with the objectives of "to preserve the sport of fly fishing, advance the principles of fair chase and fair catch, educate members and the public in the necessity of preserving our outdoor heritage, promote the ethical utilization of the resources of our woods and waters and to organize and unite the fly fishers of Alaska for mutual community benefit." AFF is one of the largest sport fishing organizations in Alaska. I feel we have consistently taken actions which support those objectives.

For nearly as long as AFF has existed, we have provided public education (at low or no cost), participated in conservations projects, and participated in organizations which contribute to Alaska's natural resources. Our public education includes annual seminars on fly fishing, fly tying, and donations of books to the public libraries. Conservation projects include an annual Kenai River Cleanup (for 11 consecutive years), bank stabilization of Campbell Creek, and bank stabilization at Jim's Landing on the Kenai River. The organizations our members have participated in include Fish & Game Advisory Committees and Regional Subsistence Advisory Councils.

An important element of maintaining our habitat and resources is public involvement and support. In order to do this, the public must have a vested interest. If they are denied access to these resources, we can't expect this broad support.

The AFF concludes that the objectives of HB 37 are mutually supportive of the objectives of AFF.

Sincerely,


Bob Fairchild
President

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: H.B. 37
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
Title An act relating to public access RDU Sport Fisheries
to fishing streams Component Sport Fisheries
Sponsor Representative Gara
Requester House Special Committee on Fisheries Component No. 464

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill requires the Alaska Department of Fish and Game (ADF&G) to annually compile a list of land along fishing waterways where access to the waterways is impeded by private land ownership. In compiling this list, ADF&G is required to take public input and consider a number of conditions outlined in this bill. Once completed, ADF&G will submit this list to the Commissioner of the Department of Natural Resources for consideration. ADF&G is able to comply with the provisions in this legislation without additional funding and/or staff.

Prepared by: Sarah Gilbertson Phone 465-6137
Division: Legislative Liaison Date/Time 1/28/05 8:35 a.m.
Approved by: Acting Commissioner Wayne Regelin Date 1/28/2005
Agency: Alaska Department of Fish & Game

Alaska Sportfishing Association

P. O. Box 243106

Anchorage, AK 99524

Representative Les Gara
State Capitol
Juneau, AK 99801

Re: HB37

Dear Representative Gara,

I have presented HB37 at the latest Board of Directors meeting and the latest public membership meeting of the Alaska Sportfishing Association. After thorough discussion at both venues, I am pleased to relate that we enthusiastically support this legislation.

The Alaska Sportfishing Association has prided itself in being an organization that works to promote access to areas where sport fishing can be done in concert with sustained yield of the fishery and proper environmental safeguards. One of our longstanding concerns has been the privatization of public lands which in turn reduces or eliminates public access to some of our prized sport fishing rivers and streams.

HB37 places into statute a process that mandates that the Commissioner of Fish and Game nominate privately owned lands that might be returned to public ownership. It also makes the Commissioner of Natural Resources responsible to effecting the acquisition of the lands nominated.

Much of our discussions were centered on the methods SB37 promotes to acquire the land. Our fiscally conservative members were pleased that the bill endorsed using public easements and land trades as well as outright purchase of the land. The members were excited that your initial nominations could have a significant positive impact on sport fishing access in South-central and Interior Alaska.

We appreciate your efforts in sponsoring HB37.

Phil Cutler, President
Alaska Sportfishing Association

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB037-DNR-Title-03-18-I
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
 Title Public Access to Fishing Streams RDU Resource Development
 Component Title Acquisition & Defense
 Sponsor Rep. Gara
 Requester (H) FSH Component No. 2459

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	40.2	40.2	40.2	40.2	40.2	40.2
Travel	2.0	2.0	2.0	2.0	2.0	2.0
Contractual	2.0	2.0	2.0	2.0	2.0	2.0
Supplies	1.0	1.0	1.0	1.0	1.0	1.0
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	45.2	45.2	45.2	45.2	45.2	45.2

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	45.2	45.2	45.2	45.2	45.2	45.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	45.2	45.2	45.2	45.2	45.2	45.2

Estimate of any current year (FY2005) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal: ☐

POSITIONS

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill requires DNR, working with the Alaska Department of Fish and Game (ADF&G), to identify private lands that the state should acquire to provide public access to and along popular fishing streams, and then directs DNR to pursue acquisition through purchase of easements, land exchanges, and or fee simple purchase.

Section 2 of the bill requires ADF&G to identify undeveloped land along popular fishing streams for possible acquisition. The bill identifies three areas where this process will look at first, but envisions an ongoing, statewide process. ADF&G then submits the list of parcels to DNR to acquire the land. This fiscal note does not include the actual cost to negotiate and appraise individual acquisitions, and does not include funding to pay the purchase price for acquisitions.

Prepared by: Bob Loeffler, Director Phone 269-8625
 Division Mining, Land & Water Date/Time 3/18/2005
 Approved by: Tom Irwin, Commissioner Date 3/18/2005
 Agency Natural Resources

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. HB037-DNR-Title-03

ANALYSIS CONTINUATION

This fiscal note assumes that ADF&G will provide DNR with a list of parcels, maps of the parcels, names and addresses of property owners, and other information about the parcels. ADF&G will submit a separate fiscal note for these costs.

Section 3 of the bill directs DNR to acquire the lands identified by ADF&G. This fiscal note only includes DNR's costs to conduct initial land title work, field inspections of parcels to be acquired, and preliminary discussions with the owners of parcels that the state desires to acquire.

After these preliminary discussions, DNR would then request appropriations from the legislature to fund work on each parcel or group of parcels, including costs for negotiation, appraisals, surveys, complete land title reviews, and purchase of the land. If the specific acquisitions are not funded, DNR would not be able to pursue the acquisitions further.

DNR's initial costs that are included in this Fiscal Note are:

PERSONAL SERVICES COST - \$40.2

Natural Resource Specialist (NRS) III and Land Appraiser II (range 18s) - total 2 months @ \$6.0/month = \$12.0 - to discuss acquisitions with property owners and estimate costs associated with individual parcel acquisitions.

Natural Resource Specialist (NRS) I (range 14) - 6 months @ \$4.7/month = \$28.2 - to conduct initial land title, preliminary valuation, and other research for all parcels.

TRAVEL, CONTRACTUAL, SUPPLIES - total \$5.0 - includes travel to sites (initial areas are all road accessible), research of municipal title records, office supplies, etc.

LONG TERM COSTS ASSOCIATED WITH ACTUAL ACQUISITIONS - Not Included in Fiscal Note.

This fiscal note does not include the cost associated with negotiating the land purchase or exchanges, land appraisals, preparing and recording title documents, any necessary survey costs, and other related costs. DNR's experience with recent land acquisitions indicates that one NRS III position can negotiate and coordinate about four acquisitions per year. Some support staff time is also needed for document preparation, record keeping, additional title research, etc. Based on this, the estimated cost for each purchase is \$40.0 (\$25.0 for personal services and \$15.0 for contractual services including appraisal and environmental audit). Land exchanges are significantly more labor intensive, based on recent experience the cost for land exchanges is \$50.0 to \$100.0 per parcel.

Actual acquisition costs will vary by area and size of parcels. DNR estimates that parcels that provide access to Montana and Willow Creeks along the Parks Highway will cost about \$7,500 per acre for 5-10 acre parcels (\$37.5 - \$75.0 per parcel). Recent ADF&G purchases of parcels for access along the Anchor River and Deep Creek on the Kenai Peninsula were higher, averaging about \$100.0 per parcel.

SCOMM

138:7



Representative Ralph Samuels

House District 29

HB 174 Sponsor Statement

"An Act relating to commercial fishing permit and vessel license fees; and providing for an effective date."

House Bill 174 would bring the state into compliance with recent rulings in the Carlson v. State of Alaska case by charging the nonresident fee differential on a "per person" rather than a "per permit" basis.

Nonresidents who qualify for a reduced permit fee by meeting low income standards will be charged the full allowable nonresident differential.

The bill would remove the arbitrary \$300 cap on the annual permit renewal fee. By statute, the base fee must "reasonably reflect the different rates of economic return for different fisheries." Currently fisheries with high economic returns pay disproportionately low permit fees because of the \$300 cap. Under HB 174, CFEC in concert with full public hearings would be able to assign fees tied to the true value of a fishery.

The existing 6 vessel length categories would be increased by \$15, \$30, \$45, \$60, \$75, and \$90 respectively.

This legislation would authorize CFEC to charge reasonable fees for initial issuance and replacement of the number plates issued to vessels for displaying the vessel's ADF&G number and annual vessel license renewal stickers.

Key Provisions of HB 174

RE: Commercial Fishing Permit and Vessel License Fees

- To comply with recent rulings in *Carlson v. State of Alaska*, clarify that the nonresident fee differential will be charged on a "per person" basis, rather than a "per permit" basis.

Nonresidents who renew more than one permit in a year have been paying an additional amount, above what a resident would pay, for each permit they renew. Under a recent ruling in *Carlson*, the state may only charge the nonresident differential (surcharge) to each nonresident one time per year, regardless of the number of permits they renew.

- Charge nonresidents who qualify for the reduced permit fee (by meeting low income standards) the full allowable nonresident differential.

Current law provides that residents and nonresidents who qualify for the reduced fee may pay one-half of the base fee for the fishery, and that nonresidents will also pay an additional amount equal to only one-half of the allowable nonresident differential.

- Remove the \$300 cap on the base fee CFEC may charge for annual renewal of permits.

While current law calls for annual base fees for permits to "reasonably reflect the different rates of economic return for different fisheries," the current \$300 cap places an artificial ceiling on the fee structure. This results in fisheries with a very high economic return being charged fees that are disproportionately low, relative to the fees charged to lower value fisheries. Removing the cap allows for a fairer fee structure that more fully complies with the mandate that fees reflect the value of respective fisheries.

- Slightly increase annual commercial fishing vessel license fees, beginning with 2006.

Fees are currently broken into 6 vessel size categories from smallest (vessels up to 24 feet) to largest (over 250 feet). The bill would maintain the 6 categories and simply increase the fee in the respective categories by \$15, 30, 45, 60, 75, and 90.

- Authorize CFEC to charge reasonable fees for initial issuance and replacement of the number plates issued to vessels for displaying the vessel's ADF&G number and annual vessel license renewal stickers.

24-LS0676F
Utermohle
3/29/05

CS FOR HOUSE BILL NO. 174(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVE SAMUELS

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to commercial fishing permit and vessel license fees; and providing for**
2 **an effective date."**

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

4 *** Section 1.** AS 16.05.520(a) is amended to read:

5 (a) The vessel license includes a permanent number plate. The number plate
6 shall be accompanied by a tab affixed to the number plate [IT] designating the year
7 to be fished. A number plate is not transferable, and the number plate [IT] shall be
8 considered a permanent fixture upon the vessel upon which the number plate [IT] is
9 originally placed. The number plate [IT] shall be securely fastened well forward on
10 the port side in plain sight. On a vessel with a superstructure the number plate shall
11 be fastened on the port side of the superstructure. A number plate remains the
12 property of the state. The Alaska Commercial Fisheries Entry Commission may
13 establish by regulation a reasonable fee for the initial issuance of a permanent
14 number plate. If a permanent number plate is accidentally defaced, mutilated,

1 destroyed, or lost, the person owning or operating the vessel shall immediately apply
2 for and may obtain a duplicate upon furnishing the Alaska Commercial Fisheries
3 Entry Commission with the pertinent facts and a payment of a reasonable fee
4 established by the commission by regulation that is not less than \$2.

5 * Sec. 2. AS 16.05.530 is repealed and reenacted to read:

6 **Sec. 16.05.530. Renewal of vessel license.** (a) Upon payment of the vessel
7 license fee and filing of the name and address of the owner of the vessel or the owner's
8 authorized agent, the name and number of the vessel, a description of the vessel, the
9 vessel license number, if any, the area to be fished, and other reasonable information
10 required by the Alaska Commercial Fisheries Entry Commission, the commission
11 shall issue a permanent number plate and a vessel license. If the vessel has a
12 permanent number plate, the commission shall issue a vessel license and tab
13 designating the year the license is valid. The tab shall be placed in the space provided
14 on the permanent number plate.

15 (b) For calendar year 2006 and following years, the annual fee for a vessel
16 license issued or renewed under this section is set according to the overall length, as
17 defined by the United States Coast Guard, of the vessel under the following schedule:

18	(1) 0 - 25 feet	\$24
19	(2) over 25 feet - 50 feet	60
20	(3) over 50 feet - 75 feet	120
21	(4) over 75 feet - 150 feet	300
22	(5) over 150 feet - 250 feet	600
23	(6) over 250 feet	900.

24 * Sec. 3. AS 16.43.160 is repealed and reenacted to read:

25 **Sec. 16.43.160. Fees.** (a) Except as specifically provided in this section, the
26 commission shall establish annual fees for the issuance and annual renewal of entry
27 permits or interim-use permits.

28 (b) The commission may charge interest at a rate not to exceed the legal rate
29 of interest established in AS 45.45.010 on fees more than 60 days overdue.

30 (c) For an entry permit or an interim-use permit issued or renewed for
31 calendar year 2006 and following years, the annual base fee for issuance or renewal of

an entry permit or an interim-use permit may not be less than \$30 or more than \$3,000. The annual base fee must reasonably reflect the different rates of economic return for different fisheries. In addition to the annual base fee established by the commission under this subsection, a nonresident shall pay an annual nonresident surcharge for the issuance or renewal of one or more entry permits or interim-use permits. The commission shall establish the annual nonresident surcharge by regulation at an amount that is as close as is practicable to the maximum allowed by law.

(d) For an entry permit or an interim-use permit issued or renewed for calendar year 2006 and following years, the holder of a permit whose household income, assets, and financial resources fall within the eligibility standards for the food stamp program under 7 U.S.C. 2011 - 2025, as amended, is subject to an annual base fee for the issuance or renewal of an entry permit or an interim-use permit that is equal to 50 percent of the annual base fee that the permit holder would otherwise pay under (c) of this section. In addition to the reduced annual base fee under this subsection, a nonresident who qualifies for a reduced fee under this subsection shall pay the annual nonresident surcharge established under (c) of this section.

* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to read:

VESSEL LICENSE FEES FOR CALENDAR YEAR 2005. (a) Notwithstanding the repeal and reenactment of AS 16.05.530, by sec. 2 of this Act, the annual license fee for a vessel license issued or renewed for calendar year 2005 is set according to the overall length, as defined by the United States Coast Guard, of the vessel under the following schedule:

(1) 0 - 25 feet	\$20
(2) over 25 feet - 50 feet	50
(3) over 50 feet - 75 feet	100
(4) over 75 feet - 150 feet	250
(5) over 150 feet - 250 feet	500
(6) over 250 feet	750.

(b) Notwithstanding the repeal and reenactment of AS 16.05.530, by sec. 2 of this Act, a vessel license issued or renewed for calendar year 2005 under the former provisions of

1 AS 16.05.530 before the effective date of sec. 2 of this Act is valid for the period for which
2 the license was issued or renewed.

3 * Sec. 5. The uncoded law of the State of Alaska is amended by adding a new section to
4 read:

5 FEES FOR ENTRY PERMITS AND INTERIM-USE PERMITS FOR CALENDAR
6 YEAR 2005. (a) Notwithstanding the repeal and reenactment of AS 16.43.160, by sec. 3 of
7 this Act, for an entry permit or an interim-use permit issued or renewed for calendar year
8 2005, on or after the effective date of sec. 3 of this Act, the annual base fee may not be less
9 than \$10 or more than \$300. The annual base fee must reasonably reflect the different rates of
10 economic return for different fisheries. In addition to the annual base fee established by the
11 Alaska Commercial Fisheries Entry Commission under this subsection, a nonresident shall
12 pay an annual nonresident surcharge for the issuance or renewal of one or more entry permits
13 or interim-use permits. The annual nonresident surcharge shall be established by the
14 commission by regulation at an amount that is as close as is practicable to the maximum
15 allowed by law.

16 (b) Notwithstanding the repeal and reenactment of AS 16.43.160, by sec. 3 of this
17 Act, for an entry permit or an interim-use permit issued or renewed for calendar year 2005,
18 the holder of a permit whose household income, assets, and financial resources fall within the
19 eligibility standards for the food stamp program under 7 U.S.C. 2011 - 2025, as amended, is
20 subject to a maximum annual base fee that is equal to 50 percent of the annual base fee that
21 the permit holder would otherwise pay under (a) of this section. In addition to the annual base
22 fee under this subsection, a nonresident who qualifies for a reduced fee under this subsection
23 shall pay an annual nonresident surcharge of \$57 for the issuance or renewal of one or more
24 entry permits or interim-use permits.

25 (c) Notwithstanding the repeal and reenactment of AS 16.43.160, by sec. 3 of this
26 Act, an entry permit or an interim-use permit issued or renewed for calendar year 2005 under
27 the former provisions of AS 16.43.160 before the effective date of sec. 3 of this Act is valid
28 for the period for which the entry permit or the interim-use permit was issued or renewed.

29 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

AMENDMENT

Offered in the House Special Committee on Fisheries

To: HB 174

By: Rep. Bill Thomas, Co-Chair

P. 2, Line 5: Delete Sec. 2

P. 3, Line 17: Delete Sec. 4

STATE OF ALASKA

COMMERCIAL FISHERIES ENTRY COMMISSION

FRANK H. MURKOWSKI, GOVERNOR

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March 21, 2005

The Honorable Ralph Samuels
Alaska State Representative

Dear Representative Samuels:

Passage of HB174 or its companion SB93 will provide the Commercial Fisheries Entry Commission (CFEC) with the means to continue to support commercial fisheries. CFEC is funded by revenue generated permit and license fees paid by the commercial fishing industry. CFEC fees have traditionally generated more revenue than its budget required and those revenues have been used to fund commercial fishing support projects in the Department of Fish and Game. Because of a number of factors, revenues in recent years have declined and there is a real threat in the near future revenues will not be sufficient to cover even CFEC's budgetary obligations.

Lifting the statutory cap on permit fees in HB174/SB93 will require that CFEC revise its annual permit fee schedule through the public hearing process. The public hearing process will provide the opportunity for CFEC and the fishing community to work together to develop a fee structure that reflects the statutory requirement that fees represent the economic return from the different fisheries and the reality that fees must be reasonable and not unduly burden the industry.

CFEC has already heard from fishermen and fishing associations on issues considered important in a new fee proposal which would be developed for public comment. The public hearing process could address, among others, such issues as: (1) a phase-in of fees over time that would provide the benefit of a planned approach; (2) adjustments in permit fees to recognize vessel size in order that reasonable fees are achieved; (3) adjustments in permit fees to reflect fishing capacity restrictions; (4) adjustments in fees where permit values may not be representative if no permit sales have occurred for some time; and other issues identified during the public hearing process.

CFEC will begin to develop a fee proposal and public hearing schedule based on comments received during the legislative hearings. In this way, a timely proposal would be submitted for public comment as soon as possible after passage of HB174/SB93. This will allow sufficient public hearing time for industry comments before calendar year 2006 fees are required to be adopted in the fall of 2005.

CFEC gives its assurance that upon passage of HB174/SB93 we will work with the commercial fishing community to develop a fair and reasonable permit renewal fee structure.

Sincerely,



Frank Homan, Commissioner