HB 332

<TARGET><BILL>HB 332</BILL><SUBJECT>HB 332</SUBJECT><COMM>HFSH27</COMM></TARGET>

CS FOR HOUSE BILL NO. 332(FSH)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

Offered:
Referred:

Sponsor(s): REPRESENTATIVES HERRON, Foster

A BILL

FOR AN ACT ENTITLED

"An Act establishing the Alaska Chinook research and restoration endowment fund and relating to grants from the fund."

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

*** Section 1.** AS 37.14 is amended by adding new sections to read:

Article 7A. Alaska Chinook Salmon Research and Restoration Endowment Fund.

Sec. 37.14.650. Fund established. (a) The Alaska Chinook salmon research and restoration endowment fund is established as a separate endowment trust fund of the state consisting of

(1) appropriations to the fund;

(2) donations to the fund; and

(3) income earned on investments of fund assets appropriated by the legislature to the fund.

(b) The commissioner of revenue shall manage the fund as an endowment, with the goal that the purchasing power of the fund will not diminish over time

without regard to additional contributions that may be made to the fund. The commissioner shall invest the assets of the fund in a manner likely to yield at least a five percent real rate of return over time. The commissioner may comingle the assets of the fund with other public funds for purposes of investment.

(c) In carrying out the investment duties for the fund, the commissioner of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall

(1) provide annual reports to the board on the condition and investment performance of the fund;

(2) maintain records for all donations to the fund; the records must reflect, for each donation, the amount of the donation, the date of the donation, and the donor's intent, if any, with respect to how the donation is to be used; and

(3) monitor use of money by the board.

(d) Nothing in this section creates a dedicated fund.

Sec. 37.14.655. Grant account established. The Alaska Chinook salmon research and restoration grant account is established as an account in the general fund.

Sec. 37.14.660. Appropriations to the grant account. (a) As soon as practicable after July 1 of each year, the commissioner of revenue shall identify as available for appropriation to the Alaska Chinook salmon research and restoration grant account, from which the board may award grants, and for other allowed expenses, the greater of

(1) five percent of the average of the market values of the fund on June 30 for the immediately preceding three fiscal years;

(2) one-half of the earnings of the fund as averaged annually over the immediately preceding three fiscal years; and

(3) if the principal of the fund is valued at over $50,000,000 based on the market value of the fund on June 30 for the immediately preceding fiscal year, the total earnings of the fund for that fiscal year.

(b) The legislature may appropriate funds to the grant account

(1) from

(A) the fund in the amount calculated under (a)(1) of this section; or

(B) the earnings of the fund under (a)(2) or (3) of this section; and

(2) from any other source.

Sec. 37.14.665. Use of the grant account. (a) Appropriations to the grant account established by AS 37.14.655 may be used for

(1) grants for research and restoration projects for Chinook salmon stocks located in the state, including block grants to Alaska organizations identifying and administering research and restoration projects for Chinook salmon stocks, if the project is consistent with a research and restoration plan adopted by the organization and the plan has been approved by the Department of Fish and Game;

(2) reimbursement of the Department of Revenue for the costs of establishing and managing the fund;

(3) reimbursement of the Department of Commerce, Community, and Economic Development for the costs of establishing, maintaining, and administering the board and the grant program;

(4) matching funds for private and federal grants; and

(5) solicitation of contributions for purposes consistent with establishment of the fund.

(b) The board may expend private donations for Chinook salmon research and restorations projects and other uses consistent with the purposes of the fund and in conformity with the donor's restrictions.

Sec. 37.14.670. Board established. The Alaska Chinook Salmon Research and Restoration Endowment Fund Board is established in the Department of Commerce, Community, and Economic Development.

Sec. 37.14.675. Board members. The board consists of the following members appointed by the governor:

(1) the commissioner of fish and game or the commissioner's designee; and

(2) six public members, one residing in each of the following regions who is engaged in subsistence, personal, commercial, or sport use of Chinook salmon stocks in the region:

(A) Southeast Alaska, consisting of all land and water between Palm Point near Katalla and Dixon Entrance that are Gulf of Alaska or mainland drainages; the Guyot Hills; islands in Stephens Passage and Lynn Canal; Coronation Island, Kuiu Island, Kupreanof Island, Mitkof Island, Zarembo Island, Kashevarof Island, Woronkofski Island, Etolin Island, Wrangell Island, Deer Island, Admiralty Island, Baranof Island, Chichagof Island, Yakobi Island, Inian Island, Lemesurier Island, Pleasant Island, Kanak Island, Wingham Island, and Kayak Island; and adjacent marine water and land within three miles of the coastline;

(B) Southcentral Alaska, consisting of all land and water in those drainages south and east of the Alaska Range that drain into the Gulf of Alaska, Cook Inlet, and Prince William Sound between Palm Point near Katalla and Cook Inlet; the drainage between Redoubt Creek and the northern boundary of Katmai National Preserve that flows into Shelikof Strait; the Chitina drainage east to the Canadian border; the drainages into the Delta River upstream from Falls Creek and Black Rapids Glacier; and adjacent marine water and land within three miles of the coastline;

(C) Southwest Alaska, consisting of all land and water between Kennedy Entrance and Cape Newenham that drain into Bristol Bay and the Bering Sea; the Alaska Peninsula; Hagemeister Island, Walrus Island, Kodiak Island, Barren Island, Pribilof Island, Unimak Island, and Aleutian Islands; and adjacent marine water and land within three miles of the coastline;

(D) Western Alaska, consisting of all land and water between Cape Newenham and the Pastolik River near Kotlik that drain into the Bering Sea from the Yukon River downstream from a straight line drawn between Lower Kalskag and Paimiut; the George River drainage; the Kuskokwim River drainage downstream from the George River drainage; the Hoholitna River drainage; and adjacent marine water and land within three miles of the coastline;

(E) Arctic Alaska, consisting of all land and water between the Pastolik River near Kotlik and Harrison Bay west of the Ilkillik River drainage

that drain into the Arctic Ocean, the Chukchi Sea, Kotzebue Sound, or Norton Sound; Saint Lawrence Island and adjacent islands; and the adjacent marine water and land within three miles of the coastline;

(F) Interior Alaska, consisting of all land and water of the Kuskokwim River drainage upstream from the George River drainage; all drainages into the east bank of the Robertson River; White River drainage to the Canadian border; Tozitna River drainage; Yukon River drainage upstream from the Tozitna River drainage; Hamlin Creek drainage; all drainages into the south bank of the Yukon River upstream from and including the Charley River drainage; the Ladue River drainage; Fortymile River drainage; Tanana River drainage north of the Alaska Range; and the Koyukuk River drainage.

Sec. 37.14.680. Duties of the board. (a) The Alaska Chinook Salmon Research and Restoration Endowment Fund Board shall administer the grant program.

(b) The board shall

(1) within 90 days after the appointment of the seventh board member, adopt bylaws governing the board's operation and identify an organization incorporated in Alaska to support the board in performing its duties;

(2) monitor approved projects for compliance with specific grant conditions;

(3) keep electronic recordings of each meeting of the board to be made available on request; and

(4) adopt regulations creating a process for soliciting, awarding, and monitoring research and restoration grants and ensuring peer review for grant projects; the board shall consider the process and structure of the North Pacific Research Board in adopting its regulations.

(c) On February 1 of each year following the calendar year grants are first awarded, the board shall prepare and submit a report to the governor and make the report available to the legislature. The report must include, for the last calendar year,

(1) the number of applicants and the number and type of grants awarded;

(2) the dollar amount of grants awarded;

(3) the research and restoration projects funded and the results of those projects;

(4) the expense to administer the fund, the grants, and the board; and

(5) private contributions, if any, to the fund and how those contributions were used.

Sec. 37.14.685. Review of grants. (a) When reviewing grant applications, the board shall give weight to the following factors:

(1) whether the Chinook salmon stocks targeted in the grant application provide a significant commercial, subsistence, sport, or personal use fishery for Alaska residents;

(2) the importance of the Chinook salmon stocks targeted in the grant application and the fisheries those stocks support, based on the dependence of Alaska residents on the stocks for nutritional, economic, social, and cultural well-being;

(3) whether the applicant has experience in administering research or restoration projects for Chinook salmon;

(4) recommendations of state agencies or organizations involved in Chinook salmon management in the state.

(b) The board shall give priority to grant applications for research or restoration projects targeting Chinook salmon stocks that, within the preceding 10 years,

(1) were listed by the Department of Fish and Game as stocks of concern;

(2) were the subject of a state or federal fisheries disaster declaration;

(3) were closed or significantly restricted for commercial, sport, or personal use, or restricted for subsistence uses; or

(4) declined significantly from historic yield levels.

Sec. 37.14.695. Definitions. In AS 37.14.650 - 37.14.695,

(1) "board" means the Alaska Chinook Salmon Research and Restoration Endowment Fund Board established under AS 37.14.670;

(2) "Chinook salmon" means Alaska king salmon of the genus Oncorhynchus, species tshawytscha;

(3) "fund" means the Alaska Chinook salmon research and restoration endowment fund established under AS 37.14.650;

(4) "grant account" means the Alaska Chinook salmon research and restoration grant account established under AS 37.14.655.

ALASKA STATE LEGISLATURE

Session:
State Capitol Building,
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way, Ste. 324
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146
Toll Free: (877) 465-3004

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

FAX COVERSHEET

To: **Leg. Legal**

Fax Number: **465-2029**

From: **Jane Pierson**

Date: **3/1/12** **Number of pages including cover: 1**

Re: Please go final on HB332 version 27-LS1395\M with the following two conceptual amendment

---

Tonight the House Fisheries Committee heard and passed from committee HB332 with two conceptual amendments as follows:

1. Page 6 Lines 15 & 19 after "research and" please add /or
2. Page 6 Line 12 delete "number" and insert "dependence"
   Page 6 Line 13 delete "dependent"

Please make these amendments and go final on the bill.

Thank you.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: www.akrepublicans.org/thompson/

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us

State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwin Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Nunapitchuk
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

HB 332 – ALASKA CHINOOK SALMON RESEARCH AND RESTORATION ENDOWMENT FUND

SPONSOR STATEMENT FOR WORK DRAFT 1395/M

HB 332 creates an Alaska Chinook salmon research and restoration fund in the Dept. of Revenue. Grants from the fund would be issued to qualifying organizations. A 7-member board, including the Commissioner of Fish & Game and 6 public members from across the state, would administer the grants.

The state fish of Alaska, Chinook salmon, is an important staple food for Native villages of Alaska and is an economically important species for a number of commercial fisheries and a prized sport fishery resource. Nowhere else are Chinook salmon stocks more valued and essential to the basic way of life than in Alaska.

Chinook salmon populations in Alaska have undergone significant shifts in abundance during the past 40 years, yet little is known about the factors influencing these shifts. Eight of the 14 currently listed "stocks of concern" are Chinook salmon stocks, as defined by the Alaska Board of Fisheries in 5AAC 39.222.

Recent declines of salmon abundance have caused severe hardship in some areas and anxiety for the fishery-dependent communities of Alaska. Limited commercial fishing on Chinook salmon has occurred in recent years and earnings have deteriorated sharply. Poor Chinook salmon returns can exacerbate allocative tension and conflict between fishery user groups competing for a fully allocated fishery resource.

Over the past twenty-five years, there has been considerable variability in Yukon Chinook salmon population dynamics. Available harvest data show a thirty-six year period of sustained abundance early on, with significant declines during the past fifteen years.

To understand the trends and causes of variation in abundance of Chinook salmon, information concerning population biology, freshwater ecology, marine ecology, and population dynamics are needed. Knowledge gaps remain across the State of Alaska indicating that a multi-disciplinary research effort is needed to investigate the role of physical habitat, climate-induced environmental variability, and biological response in Chinook salmon populations if we are to meet the needs of Alaskans that depend upon this resource.

This legislation would create a stable, long-term source of funding to support high quality interdisciplinary research such as the recent work of the Arctic-Yukon-Kuskokwim Sustainable Salmon Initiative (AYK SSI). Research results and information from the AYK SSI is being utilized in a wide variety of ways to support sustainable salmon management. From escapement goal analyses to gaining an improved understanding of the dynamics of marine ecosystems, the AYK SSI is helping to provide fisheries managers with better forecasts and improved responses to changing environmental conditions.

The Alaska Chinook Salmon Research and Restoration Endowment Fund stakeholder board would, along with the Alaska Department of Fish and Game, direct research monies to priority areas and topics based on an adopted Chinook Salmon Action Plan. These funds may also be used to leverage additional funding by providing necessary matching funds.

With this legislation, Alaska can increase its understanding of Chinook salmon and hopefully learn how to best target remediation efforts in order to begin restoring this vital resource.

27-LS1395\M
Kirsch
2/23/12

CS FOR HOUSE BILL NO. 332( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES HERRON, Foster

A BILL

FOR AN ACT ENTITLED

"An Act establishing the Alaska Chinook research and restoration endowment fund and relating to grants from the fund."

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

*** Section 1.** AS 37.14 is amended by adding new sections to read:

Article 7A. Alaska Chinook Salmon Research and Restoration Endowment Fund.

Sec. 37.14.650. Fund established. (a) The Alaska Chinook salmon research and restoration endowment fund is established as a separate endowment trust fund of the state consisting of

(1) appropriations to the fund;

(2) donations to the fund; and

(3) income earned on investments of fund assets appropriated by the legislature to the fund.

(b) The commissioner of revenue shall manage the fund as an endowment, with the goal that the purchasing power of the fund will not diminish over time

without regard to additional contributions that may be made to the fund. The commissioner shall invest the assets of the fund in a manner likely to yield at least a five percent real rate of return over time. The commissioner may comingle the assets of the fund with other public funds for purposes of investment.

(c) In carrying out the investment duties for the fund, the commissioner of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall

(1) provide annual reports to the board on the condition and investment performance of the fund;

(2) maintain records for all donations to the fund; the records must reflect, for each donation, the amount of the donation, the date of the donation, and the donor's intent, if any, with respect to how the donation is to be used; and

(3) monitor use of money by the board.

(d) Nothing in this section creates a dedicated fund.

Sec. 37.14.655. Grant account established. The Alaska Chinook salmon research and restoration grant account is established as an account in the general fund.

Sec. 37.14.660. Appropriations to the grant account. (a) As soon as practicable after July 1 of each year, the commissioner of revenue shall identify as available for appropriation to the Alaska Chinook salmon research and restoration grant account, from which the board may award grants, and for other allowed expenses, the greater of

(1) five percent of the average of the market values of the fund on June 30 for the immediately preceding three fiscal years;

(2) one-half of the earnings of the fund as averaged annually over the immediately preceding three fiscal years; and

(3) if the principal of the fund is valued at over $50,000,000 based on the market value of the fund on June 30 for the immediately preceding fiscal year, the total earnings of the fund for that fiscal year.

(b) The legislature may appropriate funds to the grant account

(1) from

(A) the fund in the amount calculated under (a)(1) of this section; or

(B) the earnings of the fund under (a)(2) or (3) of this section; and

(2) from any other source.

Sec. 37.14.665. Use of the grant account. (a) Appropriations to the grant account established by AS 37.14.655 may be used for

(1) grants for research and restoration projects for Chinook salmon stocks located in the state, including block grants to Alaska organizations identifying and administering research and restoration projects for Chinook salmon stocks, if the project is consistent with a research and restoration plan adopted by the organization and the plan has been approved by the Department of Fish and Game;

(2) reimbursement of the Department of Revenue for the costs of establishing and managing the fund;

(3) reimbursement of the Department of Commerce, Community, and Economic Development for the costs of establishing, maintaining, and administering the board and the grant program;

(4) matching funds for private and federal grants; and

(5) solicitation of contributions for purposes consistent with establishment of the fund.

(b) The board may expend private donations for Chinook salmon research and restorations projects and other uses consistent with the purposes of the fund and in conformity with the donor's restrictions.

Sec. 37.14.670. Board established. The Alaska Chinook Salmon Research and Restoration Endowment Fund Board is established in the Department of Commerce, Community, and Economic Development.

Sec. 37.14.675. Board members. The board consists of the following members appointed by the governor:

(1) the commissioner of fish and game or the commissioner's designee; and

(2) six public members, one residing in each of the following regions who is engaged in subsistence, personal, commercial, or sport use of Chinook salmon stocks in the region:

(A) Southeast Alaska, consisting of all land and water between Palm Point near Katalla and Dixon Entrance that are Gulf of Alaska or mainland drainages; the Guyot Hills; islands in Stephens Passage and Lynn Canal; Coronation Island, Kuiu Island, Kupreanof Island, Mitkof Island, Zarembo Island, Kashevarof Island, Woronkofski Island, Etolin Island, Wrangell Island, Deer Island, Admiralty Island, Baranof Island, Chichagof Island, Yakobi Island, Inian Island, Lemesurier Island, Pleasant Island, Kanak Island, Wingham Island, and Kayak Island; and adjacent marine water and land within three miles of the coastline;

(B) Southcentral Alaska, consisting of all land and water in those drainages south and east of the Alaska Range that drain into the Gulf of Alaska, Cook Inlet, and Prince William Sound between Palm Point near Katalla and Cook Inlet; the drainage between Redoubt Creek and the northern boundary of Katmai National Preserve that flows into Shelikof Strait; the Chitina drainage east to the Canadian border; the drainages into the Delta River upstream from Falls Creek and Black Rapids Glacier; and adjacent marine water and land within three miles of the coastline;

(C) Southwest Alaska, consisting of all land and water between Kennedy Entrance and Cape Newenham that drain into Bristol Bay and the Bering Sea; the Alaska Peninsula; Hagemeister Island, Walrus Island, Kodiak Island, Barren Island, Pribilof Island, Unimak Island, and Aleutian Islands; and adjacent marine water and land within three miles of the coastline;

(D) Western Alaska, consisting of all land and water between Cape Newenham and the Pastolik River near Kotlik that drain into the Bering Sea from the Yukon River downstream from a straight line drawn between Lower Kalskag and Paimiut; the George River drainage; the Kuskokwim River drainage downstream from the George River drainage; the Hoholitna River drainage; and adjacent marine water and land within three miles of the coastline;

(E) Arctic Alaska, consisting of all land and water between the Pastolik River near Kotlik and Harrison Bay west of the Ilkillik River drainage

that drain into the Arctic Ocean, the Chukchi Sea, Kotzebue Sound, or Norton Sound; Saint Lawrence Island and adjacent islands; and the adjacent marine water and land within three miles of the coastline;

(F) Interior Alaska, consisting of all land and water of the Kuskokwim River drainage upstream from the George River drainage; all drainages into the east bank of the Robertson River; White River drainage to the Canadian border; Tozitna River drainage; Yukon River drainage upstream from the Tozitna River drainage; Hamlin Creek drainage; all drainages into the south bank of the Yukon River upstream from and including the Charley River drainage; the Ladue River drainage; Fortymile River drainage; Tanana River drainage north of the Alaska Range; and the Koyukuk River drainage.

Sec. 37.14.680. Duties of the board. (a) The Alaska Chinook Salmon Research and Restoration Endowment Fund Board shall administer the grant program.

(b) The board shall

(1) within 90 days after the appointment of the seventh board member, adopt bylaws governing the board's operation and identify an organization incorporated in Alaska to support the board in performing its duties;

(2) monitor approved projects for compliance with specific grant conditions;

(3) keep electronic recordings of each meeting of the board to be made available on request; and

(4) adopt regulations creating a process for soliciting, awarding, and monitoring research and restoration grants and ensuring peer review for grant projects; the board shall consider the process and structure of the North Pacific Research Board in adopting its regulations.

(c) On February 1 of each year following the calendar year grants are first awarded, the board shall prepare and submit a report to the governor and make the report available to the legislature. The report must include, for the last calendar year,

(1) the number of applicants and the number and type of grants awarded;

(2) the dollar amount of grants awarded;

(3) the research and restoration projects funded and the results of those projects;

(4) the expense to administer the fund, the grants, and the board; and

(5) private contributions, if any, to the fund and how those contributions were used.

Sec. 37.14.685. Review of grants. (a) When reviewing grant applications, the board shall give weight to the following factors:

(1) whether the Chinook salmon stocks targeted in the grant application provide a significant commercial, subsistence, sport, or personal use fishery for Alaska residents;

(2) the importance of the Chinook salmon stocks targeted in the grant application and the fisheries those stocks support, based on the number of Alaska residents dependent on the stocks for nutritional, economic, social, and cultural well-being;

(3) whether the applicant has experience in administering research [and] /OR restoration projects for Chinook salmon;

(4) recommendations of state agencies or organizations involved in Chinook salmon management in the state.

(b) The board shall give priority to grant applications for research [and] /OR restoration projects targeting Chinook salmon stocks that, within the preceding 10 years,

(1) were listed by the Department of Fish and Game as stocks of concern;

(2) were the subject of a state or federal fisheries disaster declaration;

(3) were closed or significantly restricted for commercial, sport, or personal use, or restricted for subsistence uses; or

(4) declined significantly from historic yield levels.

Sec. 37.14.695. Definitions. In AS 37.14.650 - 37.14.695,

(1) "board" means the Alaska Chinook Salmon Research and Restoration Endowment Fund Board established under AS 37.14.670;

(2) "Chinook salmon" means Alaska king salmon of the genus

Oncorhynchus, species tshawytscha;

(3) "fund" means the Alaska Chinook salmon research and restoration endowment fund established under AS 37.14.650;

(4) "grant account" means the Alaska Chinook salmon research and restoration grant account established under AS 37.14.655.

Changes from HB 332 (1395\A) to Work Draft 1395/M

P.3, line 29: delete "from" and insert "residing in"

P.3 line 30: inserted after "regions": "who is engaged in subsistence, personal, commercial or sport use of Chinook salmon stocks in the region"

P. 5, line 16 inserted after "operation": "and identify an organization incorporated in Alaska to support the board in performing its duties"

P. 5, line 22: deleted "the award of grants similar to the structure and process employed by the Arctic-Yukon-Kuskokwim Sustainable Salmon Initiative for"

P.5, line 24: inserted: "the board shall consider the process and structure of the North Pacific Research Board in adopting its regulations"

P. 6, line 9: inserted after "subsistence": "sport"

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us

State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwin Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Nunapitchuk
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

HB 332 – ALASKA CHINOOK SALMON RESEARCH AND RESTORATION ENDOWMENT FUND

SECTIONAL ANALYSIS to Work Draft 1395/M

Section 37.14.650 Establishes the Alaska Chinook salmon research and restoration fund (hereafter: "the Fund") in the Dept. of Revenue. The Fund includes appropriations and donations to the Fund, and income earned on investments of Fund assets. Commissioner of Revenue manages the Fund sustainably, with a goal of 5% real rate of return. Nothing in this section creates a dedicated fund.

Section 37.14.655 Establishes the Alaska Chinook salmon research and restoration grant account (hereafter: "the Grant Account") in the general fund.

Section 37.14.660 After July 1 each year, the Commissioner of Revenue identifies as available for appropriation to the Grant Account established under the previous section the greater of: 5% of the Fund averaged over the 3 preceding years; ½ the Fund's earnings averaged over the 3 preceding years; or, if the Fund is valued at over $50,000,000, the total earnings of the Fund for that year. The legislature may then appropriate to the Grant Account from the Fund an amount equal to any of the 3 preceding calculations, or from any other source.

Section 37.14.665 Appropriations to the Grant Account may be used for: grants for research and restoration projects for Alaska Chinook salmon stocks; reimbursement to the Dept. of Revenue for the costs of establishing or managing the Fund; reimbursement to DCCED for the costs of establishing and administering the Board and the grant program; matching funds for private and federal grants; and solicitation of contributions for purposes consistent with establishment of the Fund. The Board may also expend private donations for uses consistent with purposes of the Fund.

Section 37.14.670 Establishes the Alaska Chinook Salmon Research and Restoration Endowment Fund Board (before and hereafter: "the Board") in DCCED.

Section 37.14.675 Board members appointed by the Governor include: the Commissioner of Fish & Game; six public members, one each residing in Alaska's Southeast, Southcentral, Southwest, Western, Arctic, and Interior regions, who are engaged in subsistence, personal, commercial, or sport use of Chinook salmon.

Section 37.14.680 The Board shall administer the Grant Program. Within 90 days after the appointment of the last Board member, the Board shall adopt bylaws governing its operation and identify an organization incorporated in Alaska to support the Board in performing its duties. The Board shall also: monitor projects for compliance; keep electronic recordings of each meeting; and adopt regulations creating a process for soliciting, awarding, and monitoring grants (the Board shall consider the North Pacific Research Board while adopting these regulations).

On February 1 of each year, the Board shall prepare a report for the Governor and Legislature that includes: the number of applicants and types of grants awarded; dollar amount of grants awarded; projects funded and results of those projects; expense to administer the Fund, the grants, and the Board; and how any private contributions were expended.

Section 37.14.685 When reviewing grant applications, the Board shall consider: whether the Chinook salmon targeted in the grant are significant to Alaskans; whether the applicant has appropriate experience; and the recommendations of state agencies or organizations involved in Chinook salmon management.

The Board shall give priority to grants that target Chinook salmon stocks that were, within the previous ten years: listed by Dept. of Fish & Game as stocks of concern; subject to a state or federal fisheries disaster declaration; closed or significantly restricted; or declined significantly from historic yields.

Section 37.14.695 Lists four definitions that are already apparent in the foregoing.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **HB332**
Fiscal Note Number
() Publish Date

Identifier (file name) HB332-DOA-DOF-02-22-12
Title Chinook Research and Restoration Endowment
Sponsor Representative Herron
Requester House Fisheries

Dept Affected Administration
Appropriation Centralized Administrative Services
Allocation Finance
OMB Component Number 59

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by Scot Arehart, Director — Phone 465-3435
Division Division of Finance — Date/Time 2/22/2012 5:00pm
Approved by John Cramer, Deputy Commissioner — Date 2/23/2012
Department of Administration

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB332

Analysis

Establishing funds and accounts created by legislation such as this is performed in the normal course of business by the Division of Finance. Therefore a zero fiscal note is submitted.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **HB 332**
Fiscal Note Number
() Publish Date

Identifier (file name) HB332-DCCED-DCRA-02-24-12
Title Chinook Research & Restoration Endowment
Sponsor Representative Herron
Requester House Fisheries

Dept. Affected DCCED
Appropriation Community and Regional Affairs
Allocation Community and Regional Affairs
OMB Component Number 2879

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	0.0		0.0	0.0	0.0	0.0	0.0
Travel	26.5		26.5	26.5	26.5	26.5	26.5
Services	1.5		1.5	1.5	1.5	1.5	1.5
Commodities	1.5		0.5	0.5	0.5	0.5	0.5
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**29.5**	**0.0**	**28.5**	**28.5**	**28.5**	**28.5**	**28.5**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)	29.5		28.5	28.5	28.5	28.5	28.5
	TOTAL	**29.5**	**0.0**	**28.5**	**28.5**	**28.5**	**28.5**	**28.5**

POSITIONS							
Full-time							
Part-time							
Temporary	**0**		0	0	0	0	0

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required,*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required,*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by Scott Ruby
Division Community and Regional Affairs
Approved by JoEllen Hanrahan, Director Administrative Services
Commerce, Community and Economic Development

Phone (907) 269-4569
Date/Time 2/23/2012 1:30pm
Date 2/24/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 332

Analysis

This bill establishes an endowment fund with the purpose of funding research and restoration projects for Chinook salmon stocks located in the state. Earnings from the fund may be used for block grants to Alaska organizations for projects, as matching funds for private and federal grants, and to reimburse the Departments of Revenue and Commerce for costs associated with program administration.

The bill also establishes a seven member board consisting of the Commissioner of Fish and Game and six public members from various regions of the state.

The Department of Commerce, Community, and Economic Development is responsible for administration of the board and disbursal of funds through grants or reimbursements. The Department will be required to adopt regulations enacting a block grant program outlined in the bill.

Travel includes costs for seven board members for two face to face meetings per year at $14.0, department staff board support and grant monitoring visits at $12.5 per year

Services costs inlcudes board teleconferences at $1.5.

Commodities costs include preparing and publishing the public notice for the regulations one-time ($1.0), and preparing applications solicitations and reports on a yearly basis ($0.5).

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB332**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB332-DOR-TRS-2-28-12
Dept. Affected: Revenue
Title: Alaska Chinook research & restoration endowment fund
Appropriation: Treasury and Taxation
Allocation: Treasury
Sponsor: Rep Herron, Foster
Requester: (H) FSH
OMB Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	13.0		13.0	13.0	13.0	13.0	13.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**13.0**	**0.0**	**13.0**	**13.0**	**13.0**	**13.0**	**13.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)	13.0		13.0	13.0	13.0	13.0	13.0
TOTAL		**13.0**	**0.0**	**13.0**	**13.0**	**13.0**	**13.0**	**13.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial note.

Prepared by: Pam Leary
Phone: 465-2300
Division: Treasury
Date/Time: 2/28/12 12:00 AM
Approved by: Angela Rodell
Deputy Commissioner
Date: 2/28/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

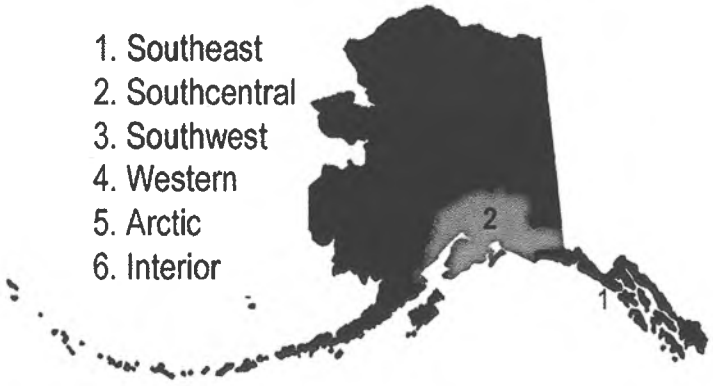
BILL NO. HB332

Analysis

This bill provides for the Chinook reserch and restoration endowment fund to be established as a separate account and managed by the Commissioner of Revenue. This fiscal notes assumes a fund balance of $50 million in order to estimate costs and therefore that total earnings of the fund for the previous fiscal year can be appropriated to the grant account in the general fund, as per Sec 37.14.660 (a) (3). Services expenditures represent the incremental external management fees for managing this fund, based on an asset allocation of 41% fixed income, 27% domestic equity and 32% international equity. Note that this bill establishes that the grant fund , an account fund to be established in the general fund, will pay for the costs of establishing and managing the fund which will include the services expenditures above as well as its share of other Treasury costs as identified through the Treasury cost allocation plan.

Alaska Department of Fish and Game

Advisory Committees by Region



ARCTIC *Map *(473K)*

Arctic
Kotzebue
Lower Kobuk
Noatak/Kivalina
Northern Norton Sound
Northern Seward Peninsula
St Lawrence Island
Southern Norton Sound
Upper Kobuk

INTERIOR *Map *(438K)*
Central
Delta
Eagle
Fairbanks
Grayling, Anvik, Shageluk and Holy Cross (G.A.S.H.)
Koyukuk
Lake Minchumina
McGrath
Middle Nenana River
Middle Yukon River
Minto/Nenana
Ruby
Tanana/Rampart/Manly
Upper Tanana/Forty Mile
Yukon Flats

SOUTHCENTRAL *Map *(347K)*
Anchorage
Central Peninsula
Cooper Landing
Copper Basin
Copper River/Prince Wm. Sd

Denali
Homer
Kenai/Soldotna
Kodiak
Matanuska Valley
Mt. Yenlo
Paxson
Seldovia
Seward
Susitna Valley
Tok Cutoff/Nabesna Road
Tyonek
Valdez
Whittier

SOUTHEAST *Map *(268K)*
Angoon
Craig
East Prince of Wales Island
Edna Bay
Elfin Cove
Hydaburg
Hyder
Icy Straits
Juneau-Douglas
Kake
Ketchikan
Klawock
Klukwan
Pelican
Petersburg
Port Alexander
Saxman
Sitka
Sumner Strait
Tenakee Springs
Upper Lynn Canal
Wrangell
Yakutat

SOUTHWEST *Map *(354K)*
Chignik
False Pass
King Cove
Lake Iliamna
Lower Bristol Bay
Lower Kuskokwim
Naknek/Kvichak
Nelson Lagoon
Nushagak
Sand Point
Togiak
Unalaska/Dutch Harbor

WESTERN *Map *(428K)*
Central Bering Sea
Lower Kuskokwim
Central Kuskokwim
Lower Yukon
Stony-Holitna

Bering Sea Fishermen's Association
1130 W. 6th Avenue, Suite 110
Anchorage, Alaska 99501
(907) 279-6519 or (888) 927-2732
FAX (907) 258-6688

COMPREHENSIVE DEFENSE FOR HOUSE BILL 332

THE NEED FOR A DEDICATED RESEARCH & RESTORATION CHINOOK SALMON ENDOWMENT FUND

By AS 44.09.085, the Chinook salmon is the State fish of Alaska. Chinook salmon is an important staple food for Native villages of Alaska and they are an economically important species for a number of commercial fisheries and a prized sport fishery resource. While Chinook salmon populations in Alaska have undergone significant shifts in abundance during the past 40 years, a number of stocks critically important to subsistence and commercial harvests have sharply declined in the past decade.

In certain regions, such as the Yukon River, Kuskokwim River and Unalakleet River watersheds, Chinook salmon constitute the mainstay of the subsistence diet and are critically important to the subsistence economy and cultural continuity of the more than sixty villages in these regions.

Eight of the 14 currently listed "stocks of concern" are Chinook salmon stocks, as defined by the Alaska Board of Fisheries in 5AAC 39.222. A stock of yield concern is defined as "a concern arising from a chronic inability, despite the use of specific management measures, to maintain expected yields, or harvestable surpluses, above a stock's escapement needs; a yield concern is less severe than a management concern" (5 AAC 39.222(f)(42)).

Table 1. Current stocks of concern

Stock	Species	Concern Level	Year began
Norton Sound subdistrict 1 (Nome)	Chum	Yield	2000
Norton Sound subdistrict 2 (Golovin)	Chum	Yield	2000
Norton Sound subdistrict 3 (Moses Point)	Chum	Yield	2000
Norton Sound subdistrict 4 (Shaktoolik)	***Chinook***	***Yield***	***2004***
Norton Sound subdistrict 5 (Unalakleet)	***Chinook***	***Yield***	***2004***
Yukon River	***Chinook***	***Yield***	***2000***
Kvichak River	sockeye	Yield	2001
Susitna River (Yentna)	Sockeye	Yield	2008
Chuitna River	***Chinook***	***Management***	***2011***
Theodore River	***Chinook***	***Management***	***2011***
Lewis River	***Chinook***	***Management***	***2011***
Willow and Goose Creeks	***Chinook***	***Yield***	***2011***
Alexander Creek	***Chinook***	***Management***	***2011***

McDonald Lake	Sockeye	Management	2009

Recent declines of salmon abundance have caused severe hardship in a number of regions and anxiety for the fishery-dependent communities of Alaska. Limited commercial fishing on Chinook salmon has occurred in recent years and earnings have deteriorated sharply. Poor Chinook salmon returns can exacerbate allocative tension and conflict between fishery user groups competing for a fully allocated fishery resource.

In the Arctic- Yukon-Kuskokwim region, poor runs of Chinook salmon, plus concurrent declines of chum salmon, have led state and federal agencies to declare fishery disasters in 1997, 1998, 2000, 2001, 2002, 2008 and 2009.

Table 2. Fishery disasters in the AYK region

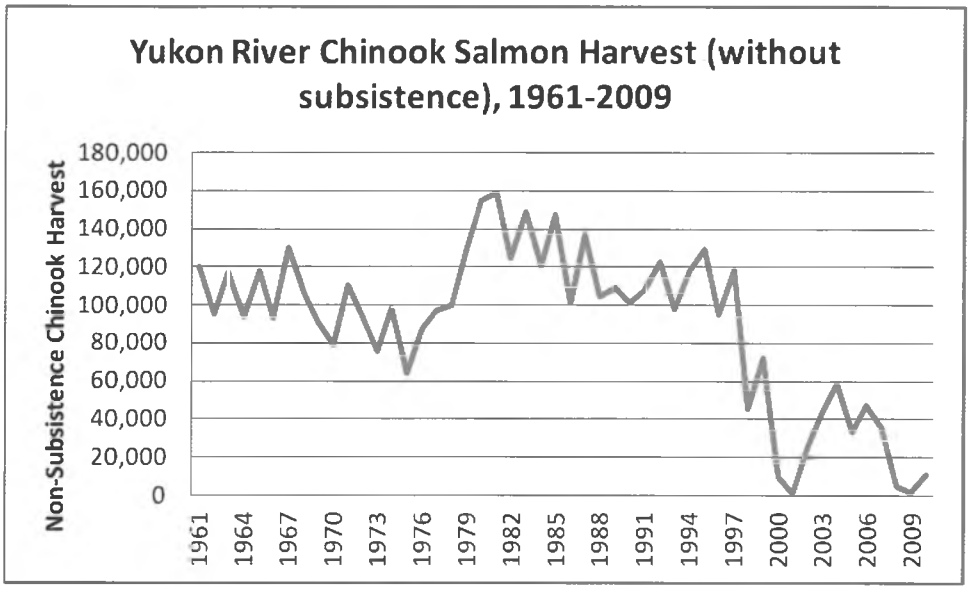
Watershed	Years	Declaration source	Declaration type
Kuskokwim River Watershed	1997 1998 2000 2001 2002	State	Economic Fish Disaster
Norton Sound Watershed	2000 2001 2002	State	Economic Fish Disaster
Yukon River Watershed	1997 1998 2000 2001 2002	State	Economic Fish Disaster
Yukon River Watershed	2008 2009	Federal	Commercial Fishery Failure
Kuskokwim Region	1997	Federal	Commercial Fishery Failure
Yukon, Kuskokwim and Norton Sound	2000	Federal	Fisheries Disaster

YUKON RIVER

Beginning in the late-1990's, the Yukon River Chinook salmon stocks entered a period of, steep decline, which appears to be worsening at this time. This sharp decline is evidenced by the following:

- Escapement goals to Canada, where approximately 50% of the total run spawns, were not met in 2007, 2008, or 2010. (JTC, 2011?)
- Commercial harvests of Chinook salmon has been largely or completely curtailed in four out of the last five years, and the same is expected for 2012. While overall

commercial fishery earnings on the Yukon may be small when compared to other commercial salmon fisheries in the state, the income is quite significant to residents of the region where cash incomes are scarce. Chinook have historically represented approximately 65% of the commercial fishery revenue on the Yukon (1977-2011 average) however in the past 4 years, this has shrink to only 15% of the fishery value. (Bue, et.al., 2011)



- Despite having some of the highest subsistence dependence and lowest incomes in the state, state and federal managers have had to implement numerous subsistence harvest restrictions each year in an effort to reach minimum escapement targets. Due to these poor runs and fishery restrictions, **subsistence harvest of Chinook Salmon for the period 2008 to 2010 declined 22%** compared to the period 1982-1997 (JTC, 2011) and for the years 2008, 2009 and 2010 the subsistence harvest of Chinook salmon on the Yukon River has fallen below the amount necessary for subsistence (ANS) by the Alaska Board of Fisheries (ANS = 45,500-66-704 Chinook salmon, 5 AAC 01.236). The 2011 subsistence harvest estimates are not yet available, however it is highly likely that the harvest once again fell below the amount needed.

- ADFG has documented a decrease in the proportion of large Chinook salmon returning (Hamazaki, 2009) and also decreasing trends in the proportion of returning 6- and 7-year old Chinook salmon (Howard, Hayes and Evenson, 2009).

- Most significantly, the key measure of productivity shows that the Yukon Chinook salmon runs which spawned in the years 2002 – 2004, whose offspring have now returned to the river as adults— have a productivity around **one return per spawner** (see Figure 1, Spaeder and Catalano, 2011)

    - That means that in the **absence of any fishing**, the population is just barely able replace itself, with each spawner producing, on average, one prodigy surviving to return to the spawning grounds. **With harvest, the population is**

below replacement.

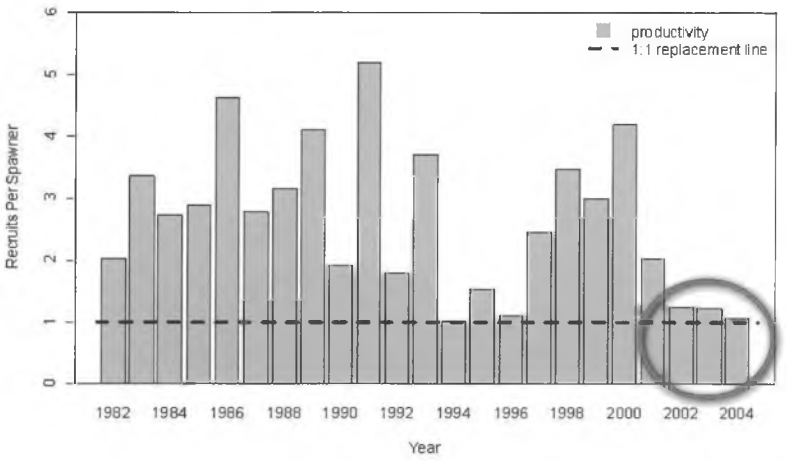


Figure 1. Brood-year productivity (recruits per spawner; bars) for Yukon River Canadian-Origin Chinook salmon, 1982-2004. Productivity was estimated by dividing the sum of returns from a given brood year by the escapement that produced them. Brood year is defined as the year of the escapement that gave rise to the subsequent returns. For example, the 1982 brood year productivity estimate was the sum age 3-7 salmon that returned from 1985 – 1989, respectively, divided by the escapement in 1982. Productivity from the 2004-2010 brood years were not estimable because those cohorts have not yet fully returned to the river. The horizontal dashed line depicts the productivity required for the population to replace itself. Source: Spaeder and Catalano, 2011

In summary, the Yukon River populations which sustained an average combined commercial and subsistence harvest of over 150,000 Chinook salmon from the 1960's to the 1990's, is now no longer able to consistently meet the Amounts Necessary for Subsistence nor have we met escapement and treaty obligations to Canada in 3 out of the last 5 years.

KUSKOKWIM RIVER

The Kuskokwim River hosts the largest subsistence fishery for Chinook salmon in the state (Fall, et. al., 2009). A similar pattern of steep decline has occurred for Kuskokwim River Chinook, as evidenced by the following:

- The 2010 and 2011 Chinook runs are the lowest recorded in 35 years.
- In 2010 and 2011, abundance was not sufficient to meet escapement goals in the region, despite some restrictions to the subsistence fishery.
- The recently completed ADFG Kuskokwim Chinook run reconstruction- funded by the AYK Sustainable Salmon Initiative – documents that the Kuskokwim stocks are in the worst shape than the Yukon Chinook. This key measure of productivity shows that the Kuskokwim River Chinook salmon runs which spawned in the years 2004-2006, whose offspring are just now returning to the river as adults - have productivity well below one return per spawner. That means that in the absence of any fishing, the population is not even replacing itself.

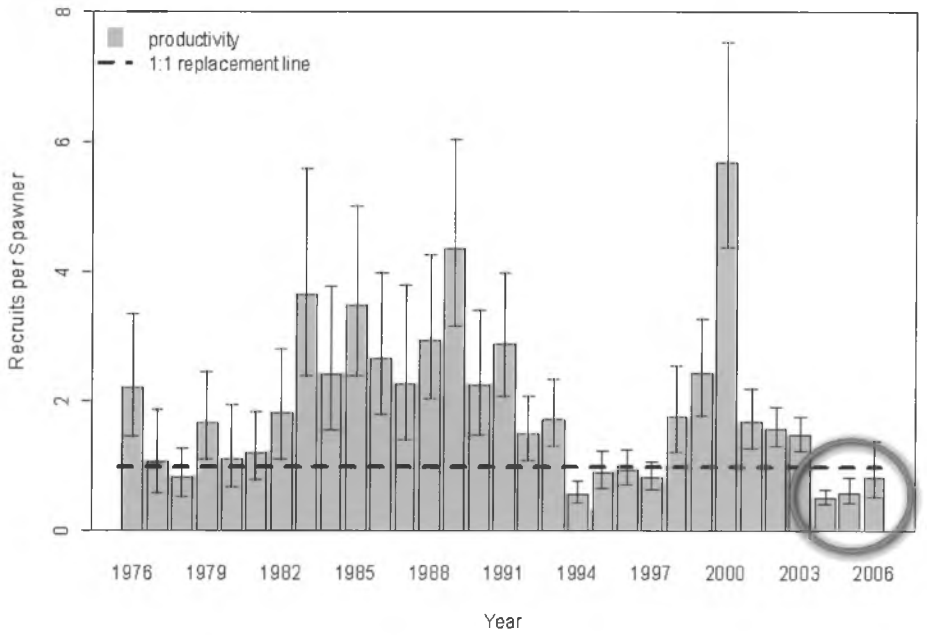


Figure 2. Brood-year productivity (recruits per spawner; bars; 95% CI) for Kuskokwim River Chinook salmon, 1976-2006. Productivity was estimated by dividing the sum of returns from a given brood year by the escapement that produced them. Brood year is defined as the year of the escapement that gave rise to the subsequent returns. *Source:* Spaeder and Catalano, 2011.

UNALAKLEET RIVER

The Unalakleet River produces the largest Chinook salmon run in Norton Sound, and continues to be in a period of sustained decline since 1999. There have been no directed commercial fisheries for Chinook salmon in eastern Norton Sound since 2000. Commercial harvests that averaged 7,118 Chinook salmon in the 1980's and 1990's averaged only 130 fish from 2000-2009 (Kent and Bergstrom, 2009). See figure 3, below.

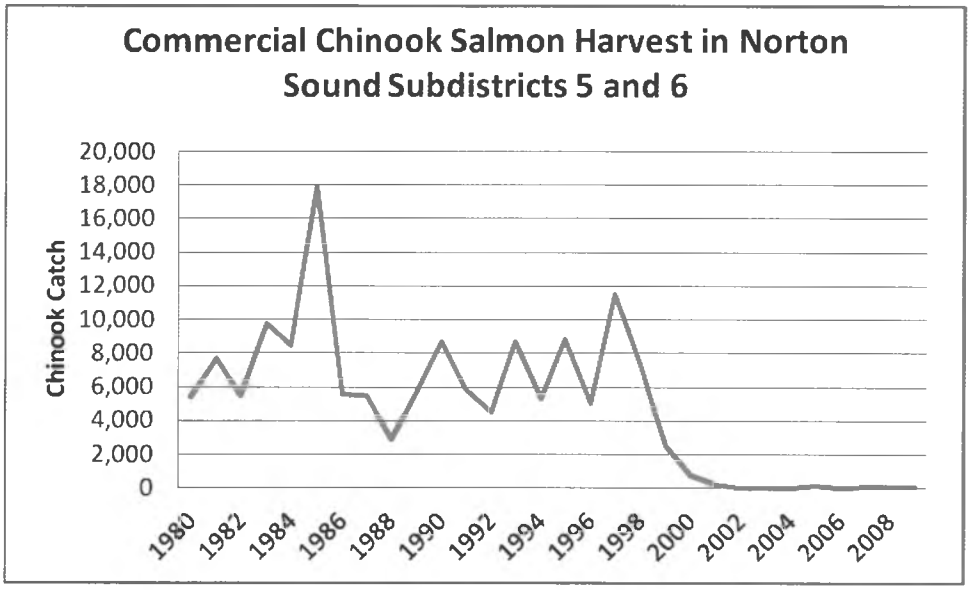


Figure 3. Commercial fishery harvest of Chinook salmon in eastern Norton Sound, fishery

subdistricts 5 (Shaktoolik) and 6 (Unalakleet).

NUSHAGAK RIVER

The Nushagak River system is the fifth largest river in Alaska by volume of water discharged. The Nushagak River hosts the largest sport fishery for Chinook salmon in the United States, with the third-largest Chinook run in the country. In recent years the spawning escapement has reached the lower end of the escapement goal representing a lower than expected return. The commercial harvest of Chinook salmon has been 67% below the anticipated harvest, estimated based on an average exploitation rate of 35% in the Nushagak District commercial salmon fishery from 2003-2007. The commercial harvest in 2008 was one of the smallest harvests of Chinook salmon in the Nushagak District since 1966; only Chinook salmon harvests in 1999 (10,893), 2000 (12,055) and 2001 (11,568) have been smaller. (NMFS, 2009) The Nushagak River Chinook salmon run appears to have declined to a low point in 2010, where harvests were below average in all districts. (ADFG 2010)

ALEXANDER CREEK, Upper Cook Inlet

Alexander Creek once hosted a thriving sport fishery for Chinook salmon on the lower westside of the Susitna River, but recent returns to this river have fallen to perilously low levels. It is believed that northern pike were illegally introduced to a lake in the Susitna River watershed and have spread throughout the drainage, including into Alexander Creek and are the likely cause for the Chinook salmon's decline (ADFG, 2011). The sport fishery for Chinook salmon was closed by regulation in 2008 (see figure 4). The decline and closure of the sport fishery on Alexander Creek has likely resulted in increased fishing pressure on other area rivers that have Chinook salmon runs like Lake Creek, Deshka River and the Little Susitna River.

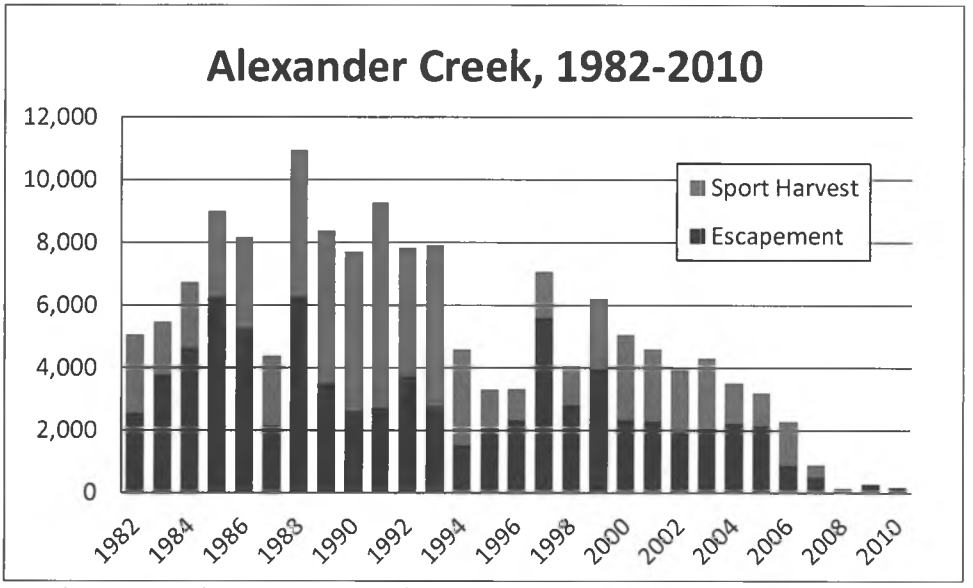


Figure 4. Sport harvest and escapement, Alexander Creek.

Discussion of fishery value in other fisheries

Statewide, the commercial value of Chinook salmon is relatively small as a proportion of all salmon landings (6.17% of the 2002-2011 average exvessel value) but in some areas of the State, Chinook is very important to the commercial fisheries. Nowhere is this relative importance more apparent than on the Yukon River, where commercial fishing is one of the few sources of cash in one of the most economically depressed areas of the State. Chinook salmon represents 66% of the commercial fishery value (1977-2011 average) and as much as 86% in the 1990's…a time when troubled chum salmon runs frequently limited commercial fishing opportunity in the fall season. However, this number has dropped to only 15% as poor returns have severely limited or closed commercial Chinook salmon fishing.

In Prince William Sound, Chinook salmon are quite important to the drift gillnet fleet fishing on the Copper River flats. As a proportion of their total income, kings represent 13.75% of the drift gillnet fleet's overall exvessel earnings (1999-2008 average)(Botz, et. al., 2010), and are an especially important part of their early-season income. Copper River Chinook salmon, along with the early sockeye salmon, command a world reputation as one of the first fish to arrive in the spring. Media reports anxiously await the arrival of these fish each May as the first fishery opener approaches and fishermen can sometimes fetch 8 to 9 dollars a pound for these early fish.

Chinook salmon are an incredibly important fishery resource to the commercial troll fleet in southeast Alaska. Since 1996, the troller's annual harvest has averaged 230,718 Chinook salmon (Skannes, Hagerman and Shaul, 2011). In 2011, Chinook salmon comprised 46% of the $28.3 million exvessel value of all salmon species caught by trollers (Dale Kelley, Alaska Trollers Association, personal communication). The winter troll fishery is also an important source of fishery income for during the slower times of year and these fresh fish often fetch upwards of $30/pound or more in Seattle (see figure 5).

Figure 5. Fresh southeast Alaska troll-caught Chinook salmon at a Seattle fish market. (photo courtesy www.alaskaoutdoorsdirectory.com)

SPORT FISHERY

The sport fishery of Chinook salmon to Alaska is immense. While estimates for the dollar value of Chinook salmon to sport fishing is not available, total sport fishing and related expenditures in Alaska are estimated at $1.4 billion, annually (Southwick Associates, 2008). Beside the dollar value, of course, is the recreational value to Alaskans and the immeasurable value of the allure of

catching a world-record sized fish (see figure 6).

Figure 6. Les Anderson with his record 97 pound, 4 ounce Chinook salmon caught in the Kenai River on May 17, 1985. This State record still stands.

NEED FOR A DEDICATED CHINOOK SALMON RESEARCH FUND

Despite considerable declines in various regions of Alaska, there is no dedicated research program prepared to further address the Chinook salmon variations or work toward developing better tools for managers, except for the remaining work the AYK SSI funded with funds provided by the AK Legislature.

- ADF&G continues their in-river stock assessment work and in-season management.
- However, on its own, ADF&G in-season assessment and management is not capable of understanding the causes of the decline, or able to reliably forecast or produce a range of possible actions for responding to these declines.

To understand the trends and causes of variation in abundance of Chinook salmon, information concerning population biology, freshwater ecology, marine ecology, and population dynamics are needed to understand the variables controlling population abundance and trends.

Knowledge gaps remain across the State of Alaska indicating that a multi-disciplinary research effort is needed to investigate the role of physical habitat, climate induced environmental variability, and biological response in Chinook salmon populations if we are to meet the needs of Alaskans.

Until we better understand the drivers of the decline:

- We don't know if the ADF&G management approach is making things better or worse.
- We don't know if escapement goals are adequate.
- We don't know if declines are being driven by human impacts or by large scale environmental shifts in ocean productivity.
- We cannot forecast or respond to these major shifts in salmon abundance.

Funding is needed for an integrated science-based program of research focused on Chinook salmon.

- We need a dedicated program to understand and address the causes of the declines of Chinook salmon throughout both the freshwater and marine environments,
- This research program must draw on the best available peer-reviewed science, synthesizing information from diverse fields including: population biology, freshwater and marine ecology, oceanography, genetics, modeling and statistics.
- It must facilitate coordinated efforts among diverse partners in Native organizations, state agencies, federal agencies, universities and private sector.

This legislation would create a stable, long-term source of funding to support high quality interdisciplinary research to gain an improved understanding of, for example, the dynamics of marine ecosystems - essential to provide fisheries managers with better forecasts and improved responses to changing environmental conditions.

LITERATURE CITED:

ADFG, Cook Inlet staff. 2011. Alexander Creek king salmon stock status and action plan, 2011. Report to the Alaska Board of Fisheries. February 2011. http://www.adfg.alaska.gov/index.cfm?adfg=lib.forcedownload&filepath=/static/regulations/regprocess/fisheriesboard/pdfs/2010_2011/UCI/&filename=alex-king.pdf&contenttype=application/pdf

ADFG, Division of Commercial Fisheries, Bristol Bay Area Management Staff. 2010. 2010 Bristol Bay Salmon Season Summary. http://www.adfg.alaska.gov/static/fishing/PDFs/commercial/2010_bristolbay_salmon_summary.pdf

Botz, J., G. Hollowell, J. Bell, R. Brenner, and S. Moffitt. 2010. 2009 Prince William Sound area finfish management report. Alaska Department of Fish and Game, Fishery Management Report No. 10-55, Anchorage.

Bue,F., S. J. Hayes, E. Newland, D. F. Evenson, K. Clark, B. M. Borba, W. H. Busher, and M. Horne-Brine. 2011. Annual management report for the Yukon and Northern Areas, 2006. Alaska Department of Fish and Game, Fishery Management Report No. 11-29, Anchorage.

Fall, J.A., C. Brown, M.F. Turek, N. Braem, J.J. Simon, W.E. Simeone, D.L. Holen, L. Naves, L. Hutchinson-Scarbrough, T. Lemons, V. Ciccone, T.M. Krieg, and D. Koster. 2009. Alaska subsistence salmon fisheries 2007 annual report. Alaska Department of Fish and Game Division of Subsistence, Technical Paper No. 346, Anchorage.

Hamazaki, T. 2009. Examination of Yukon River Chinook salmon commercial catch size trends: is there evidence for decline? Alaska Department of Fish & Game- Division of Commercial Fisheries. Slide Presentation to the Alaska Board of Fish. November 2009.

Howard, K. G., S. J. Hayes, and D. F. Evenson. 2009. Yukon River Chinook salmon stock status and action plan 2010; a report to the Alaska Board of Fisheries. Alaska Department of Fish and Game, Special Publication No. 09-26, Anchorage.

JTC (Joint Technical Committee of the Yukon River US/Canada Panel). 2011. Yukon River salmon 2010 season summary and 2011 season outlook. Alaska Department of Fish and Game, Division of Commercial Fisheries, Regional Information Report No. 3A10-01, Anchorage.

Kent, S. M. and D. J. Bergstrom. 2009. Norton Sound Subdistrict 5 (Shaktoolik) and Subdistrict 6 (Unalakleet) Chinook salmon stock status and action plan, 2010; a report to the Alaska Board of Fisheries. Alaska Department of Fish and Game, Special Publication No. 09-25, Anchorage.

NMFS. 2009. Bering Sea Chinook Salmon Bycatch Management, Final Environmental Impact Statement. December 2009. http://www.fakr.noaa.gov/sustainablefisheries/bycatch/salmon/chinook/feis/eis_1209.pdf

Skannes, P., G. Hagerman and L. Shaul. 2011. Annual management report for the 2010 Southeast Alaska/Yakutat salmon troll fisheries. Alaska Department of Fish and Game, Fishery Management Report No. 11-10, Anchorage.

Southwick Associates Inc. and W. J. Romberg, A. E. Bingham, G. B. Jennings, and R. A. Clark. 2008. Economic impacts and contributions of sportfishing in Alaska, 2007. Alaska Department

of Fish and Game, Professional Publication No. 08-01, Anchorage.

Spaeder, J. and M. Catalano, Compilation of Evidence for Long-term Decline and Periodic Low Returns of AYK Chinook Populations, Report to Arctic-Yukon-Kuskokwim Sustainable Salmon Initiative Chinook Expert Panel, Oct. 15, 2011

YUKON RIVER DRAINAGE FISHERIES ASSOCIATION

February 27, 2012

State Capitol, Room 411
Juneau, AK 99801-1182

Re: Support for House Bill 332

Dear Representative Herron:

The Yukon River Drainage Fisheries Association (YRDFA) appreciates the opportunity to support House Bill 332 establishing the Alaska Chinook research and restoration endowment fund. YRDFA is an association of commercial and subsistence fishermen and women on the Yukon River in Alaska with a mission of promoting healthy, wild fisheries and cultures on the Yukon River. The region we represent is home to some of the world's most magnificent salmon resources, and the world's furthest migrating salmon runs on the Yukon River. These salmon provide a primary source of food and are essential to the continued viability of the subsistence way of life in Western Alaska. For many residents the commercial salmon harvest also provides the only means of income for those who live in the remote villages of the Yukon River. Salmon represents an essential part of the culture, diet and economy in our region.

The Chinook salmon which are such a critical foundation for cultures, communities and economies along the Yukon River have declined dramatically in recent years. Yukon River Chinook salmon runs declined to disaster levels from 1998 to 2002. After a brief improvement from 2003 to 2006, runs have declined since, with escapement goals to Canada not met in 2007, 2008, or 2010, and subsistence harvests restricted. Overall, "mean run size of Canadian-origin Chinook for the period 1998-2010 declined 45% compared to the period 1982-1997."[1]

Subsistence harvest opportunities have been severely reduced in recent years, and in 2008, 2009, and 2010 (2011 data not yet available) harvests were below the BOF-determined Amounts Reasonably Necessary for Subsistence (ANS). To protect king salmon, directed commercial fishing for king salmon was eliminated, commercial chum salmon fishing was restricted, and sale of king salmon caught in the chum salmon fishery was at times prohibited. Even when escapement goals have been met, subsequent returns from these escapements have been poor. While the direct cause is unknown, poor runs have low recruits-per-spawner.

Declines in Chinook salmon runs have had dramatic effects on Yukon River communities. Subsistence fisheries have been greatly reduced, disrupting the culturally important practices of going to fish camp in

[1] Spaeder, J. and M. Catalano, Compilation of Evidence for Long-term Decline and Periodic Low Returns of AYK Region Chinook Populations, Report to Arctic-Yukon-Kuskokwim Sustainable Salmon Initiative Chinook Expert Panel, Oct. 15, 2011.

725 CHRISTENSEN DRIVE, SUITE 3-B • ANCHORAGE, ALASKA 99501
TELEPHONE: 907-272-3141 • 1-877-99YUKON(9-8566)
FAX: 907-272-3142 • EMAIL:info@yukonsalmon.org
WWW.YUKONSALMON.ORG

the summer. The commercial Chinook salmon fishery—one of the only sources of cash income in many of these communities—has been virtually eliminated.

While we know that all of these reductions in harvest have been necessary to meet escapements and protect the Yukon River Chinook salmon stock, very little information is available to indicate the reason for these huge declines in run sizes. Theories on causation abound, but much additional research is needed to determine the cause and either reverse the decline or plan for future run sizes.

To investigate the causes of these declines it is critical that there is a dedicated and consistent source of funding for Chinook salmon research. This type of research needs to be well-coordinated and funded over an extended time-period. To study and understand the impacts and effects of population biology and dynamics, freshwater and marine ecology, physical habitat and the many other factors impacting Chinook salmon populations it is essential that long-term funding is dedicated to these purposes.

We are well aware that there have been recent efforts to work toward understanding the trends in variability and we are grateful for the federal funds that were made available to achieve that goal. However, there are extensive gaps in Alaska, and while these recent efforts contributed very valuable information, much more research is needed to understand and reverse these trends. In addition, recent efforts have been focused on only a portion of the state, and a statewide approach to this issue is important. A statewide effort, such as HB332, would be an important step towards providing Alaska's residents with a better understanding of our Chinook salmon stocks and the security of knowing that the State of Alaska is thoroughly engaged in investigating the current declines. It is critical that we take this kind of proactive approach to addressing our stock declines now.

There is no fish more iconic to Alaskans than the Chinook salmon. On the Yukon River this fish is not merely an icon, but a critical component of physical and cultural survival. It is vital and essential that the State of Alaska invest in understanding and recovering our Chinook salmon runs by establishing a dedicated research and restoration endowment fund via House Bill 332.

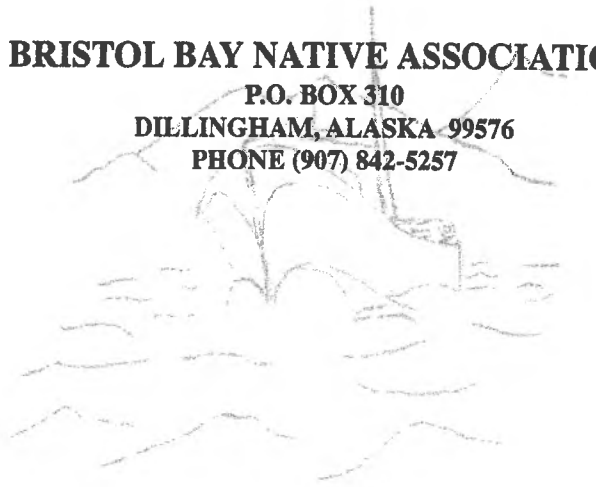
Thank you for your consideration of our comments. If you have any questions or would like additional information please feel free to contact me.

Sincerely,

Jill Klein

Jill Klein
Executive Director

BRISTOL BAY NATIVE ASSOCIATION
P.O. BOX 310
DILLINGHAM, ALASKA 99576
PHONE (907) 842-5257



Tribal Councils Served by BBNA:

Aleknagik
Chignik Bay
Chignik Lagoon
Chignik Lake
Clarks Point
Dillingham
Egegik
Ekuk
Ekwok
Igiugig
Iliamna
Ivanof Bay
King Salmon
Kokhanok
Koliganek
Levelock
Manokotak
Naknek
New Stuyahok
Newhalen
Nondalton
Pedro Bay
Perryville
Pilot Point
Port Heiden
Portage Creek
South Naknek
Togiak
Twin Hills
Ugashik

February 29, 2012

RE: Letter of Support for the bill that creates the ALASKA CHINOOK SALMON RESEARCH AND RESTORATION ENDOWMENT FUND

To Whom It May Concern:

On behalf of the Bristol Bay Native Association (BBNA), it is with great pleasure I provide a letter of support for the ALASKA CHINOOK SALMON RESEARCH AND RESTORATION ENDOWMENT FUND. BBNA is a Tribal consortium of 31 Bristol Bay Tribes. BBNA has much in common with its neighbors to the north and partners and supports its counterparts in the Arctic, Yukon, and Kuskokwim regions.

Chinook salmon is an important staple food for the Alaska Native people and others in the Western Alaska. They are also an economically important species for a number of commercial fisheries and a prized sport fishing resource. Chinook salmon stocks are highly valued and essential to the basic way of life in Western Alaska.

Chinook salmon populations have suffered significant fluctuations in abundance during the past 40 years, yet little is known about the factors influencing their populations. Eight of the 14 currently listed "stocks of concern" are Chinook salmon stocks.

A decline in Chinook salmon causes severe hardship and anxiety for the salmon-dependent people in Western Alaska. Limited commercial fishing on Chinook salmon has occurred in recent years and earnings have declined significantly. Poor Chinook salmon returns produce tension and conflict between fishery user groups competing for the same fishery resource.

The bill creates a stable, long-term source of funding for high quality interdisciplinary research such as the Arctic-Yukon-Kuskokwim Sustainable Salmon Initiative (AYK SSI). AYK SSI Research results and information is being utilized in a wide variety of ways to support sustainable salmon management. It analyses escapement goals and helps to gain better an understanding of marine ecosystems. It helps to provide fisheries managers with better forecasts and improved responses to changing environmental conditions.

BBNA fully endorses the Alaska Chinook Salmon Research and Restoration Endowment Fund. I respectfully request your support of the bill when it comes before your legislative body.

Sincerely,

Ralph Anderson
President & Chief Executive Officer
Bristol Bay Native Association

KAWERAK , INC. • P.O. Box 948 • Nome, AK 99762
TEL: (907) 443-5231 • FAX: (907) 443-4452

SERVING THE VILLAGES OF:
BREVIG MISSION
COUNCIL
DIOMEDE
ELIM
GAMBELL
GOLOVIN
KING ISLAND
KOYUK
MARY'S IGLOO
NOME
SAVOONGA
SHAKTOOLIK
SHISHMAREF
SOLOMON
STEBBINS
ST. MICHAEL
TELLER
UNALAKLEET
WALES
WHITE MOUNTAIN

February 6, 2012

Senator Donny Olson
Representative Neal Foster
Representative Reggie Joule

Dear Senator Olson, Representatives Foster and Joule:

On behalf of Kawerak Incorporated, I am writing to express our support for Senator Hoffman, Olson and Representative Herron's bill which would create the **ALASKA CHINOOK SALMON RESEARCH AND RESTORATION ENDOWMENT FUND (ACSRRF).**

I am enclosing a spread sheet which shows the return of Chinook and other salmon to the Seward Peninsula. Two years ago, we sought to have a Chinook and Chum disaster declared by the Department of Commerce for the stocks in the Norton Sound. We were not successful because while the Chinook return was way down, commercial fishermen in southern Norton Sound were able to offset their losses by fishing other stocks, therefore no economic loss occurred. Here in Northern Norton Sound, our commercial fisheries have been closed for so long; an economic disaster declaration is not possible, since a disaster is determined by the decline over the previous 5 years average fishing income.

This is not an "income" issue. Our stocks are so depressed that we wonder if the stocks themselves will survive. Yet there does not seem to be a sense of urgency on the part of the department to turn this situation around.

We fully support the funding and creation of the ACSRRF as a means to help ensure sustainable uses of wild salmon for future generations.

Sincerely,

KAWERAK INCORPORATED

Loretta Bullard
President

Fish numbers of surrounding rivers

Escapement Goal	Snake	2003	2004	2005	2006	2007	2008	2009	2010	As of 8/23/11	As of 10/6/11
1,600-2,500	Chums	2,201	2,146	2,967	4,106	8,147	1,244	891	6,973	4,323	4,323
	Pinks	2,856	126,917	13,813	74,028	4,634	145,761	769	51,099	6,997	7,011
	Silvers	489	474	2,948	4,776	1,781	5,206	50	2,243	83	343
	Kings	50	17	31	32	61	13	6	43*	1	1
	Sockeye	84	22	275	302	1,354	143	2	124*	7	14
Nome	Nome	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011
2,900-4,300	Chums	1,957	3,903	5,584	5,677	7,034	2,607	1,565	5,906	3,442	3,582
3150?	Pinks	11,402	1,051,146	285,759	578,555	24,395	1,186,554	16,490	165,931	14,312	14,403
	Silvers	548	2,283	5,848	8,308	2,437	4,605	1,370	4,114	453	1,833
	Kings	12	51	69	43	13	28	30	9*	8	12
Eldorado	Eldorado	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011
6,000-9,200	Chums	3,591	3,277	10,369	42,105	21,312	6,746	4,943	21,211	16,227	16,227
	Pinks	173	60,866	12,356	222,348	833	244,641	1,119	48,136	489	489
	Silvers	115	1,151	689	55	2	38	2	2*	1	1
	Kings	29	25	32	41	14	36	31	23*	3	3
Niukuik	Niukuik	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011
>23,000	Chums	20,018	10,770	25,598	29,199	50,994	12,078	15,879	45,561	23,496	23,607
10,500	Pinks	75,855	975,895	270,424	1,371,919	43,617	669,234	24,204	434,205	15,338	15,425
2,400-7,200	Silvers	1,282	2,064	2,727	11,169	3,498	13,779	6,861	9,042	1,616	2,405
	Kings	179	141	41	39	30	33	204	15*	18	18
Pilgrim	Pilgrim	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011
No Goal	Chums	15,200	10,239	9,685	45,361	35,334	24,550	5,427	25,379	38,963	41,740
	Pinks	14,100	50,760	13,218	17,701	3,616	92,471	483	29,239	3,337	3,364
	Silvers	677	1,102	304	973	605	260	18	272*	39	269
	Kings	1,016	925	216	275	501	137	52	44*	40	44
	Sockeye	42,729	85,417	55,951	52,323	43,342	20,452	953	1,654*	8,404	8,449
North River	North River	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011
No Goal	Chums	9,859	10,036	11,984	5,385	8,046	9,502	9,798	16,131	18,140	19,898
25,000	Pinks	280,212	1,162,978	1,670,934	2,169,890	583,320	241,798	190,291	150,807	123,334	150,807
550-1,100	Silvers	5,837	11,187	19,189	9,835	19,944	15,648	22,276	7,608	1,662	3,624
1,200-2,600	Kings	1,452	1,125	1,015	906	1,948	903	2,355	1,256	864	864
Kwiniuk	Kwiniuk	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011
11,500-23,000	Chums	12,123	10,362	12,083	39,519	27,756	9,483	8,739	71,403	31,595	31,604
8,400	Pinks	22,329	3,054,684	341,048	1,347,090	54,255	1,444,213	42,962	634,169	29,936	30,023
650-1,300	Silvers	5,490	11,240	12,950	22,341	9,429	10,462	8,677	8,058	2,178	3,288
	Kings	744	663	342	195	258	237	444	138	57	57

NORTON SOUND
ECONOMIC
DEVELOPMENT
CORPORATION

Serving the fisheries of the Bering Strait Region

Brevig Mission Diomede Elim Gambell Golovin Koyuk Nome Saint Michael Savoonga Shaktoolik Stebbins Teller Unalakleet Wales White Mountain

February 29, 2012

Honorable Steve Thompson, Chair
House Fisheries Committee
State Capitol
Juneau, AK 99801

Honorable Bob Herron
House Fisheries Committee
State Capitol
Juneau, AK 99801

Honorable Neal Foster
State Capitol
Juneau, AK 99801

Re: HB332

Dear Representatives Thompson, Herron and Foster,

The Chinook salmon is unrivaled in its importance as a commercial, subsistence and cultural mainstay in Western Alaska. For the health of this prized resource and that of our 15 member communities, Norton Sound Economic Development Corporation supports the creation of an Alaska Chinook Salmon Research and Restoration Endowment Fund. We are particularly interested in the research of the Bering Sea Chinook stocks and their common life history and associated causes of decline.

As the Community Development Quota entity representing the Norton Sound/Bering Strait region, NSEDC strives to provide opportunity for residents of its member communities. This includes working to ensure ample opportunity for both commercial and subsistence fishing. Through our Norton Sound Fisheries Research and Development division, NSEDC has invested millions of dollars into research, monitoring and salmon enhancement efforts in regional watersheds.

While NSEDC believes its scientific work in fisheries aligns with our mission to develop and promote sustainable economies in our region, the financial support of research and restoration efforts needs to be both augmented and derived from additional sources. We believe the creation of an endowment fund would provide the mechanism for stable and significant contributions to such work. Beyond financial support, an endowment should also provide a peer-reviewed process that directs a unified investigation, reducing duplicative efforts.

The need for restoration and research efforts to understand and counter the decline of Chinook salmon is indisputable. The effects of fewer Chinooks returning to many of the state's rivers have reverberated

across Alaska. In the Norton Sound region, the implications have ranged from lost wages to suspended subsistence practices. As the operator of the only commercial seafood plants in the region, NSEDC has witnessed the costly toll of lost commercial fishing opportunity for Chinook salmon. A once-vibrant commercial fishery and significant source of income has vanished in eastern Norton Sound.

The effects of reduced Chinook stocks on commercial fishing have not been solely limited to kings. For several years now, fishermen in the eastern Norton Sound region have had to stand by and miss out on chum salmon harvest opportunities due to Chinook salmon conservation measures. These communities not only suffer the sting of lost commercial and subsistence opportunities for Chinooks, they feel the added pain of lost wages from a salmon stock that still allows a viable commercial harvest. Commercial fishing is one of the few consistent employment opportunities for many in the Norton Sound region.

NSEDC recognizes the creation of a Chinook Salmon Research and Restoration Endowment Fund as a significant and positive step in addressing shortages in the numbers returning Chinook, as well as the information as to why this is occurring. Considering salmon spend their lifecycle in both federal- and state-managed waters, it is our hope that such a fund would encourage cooperative research and restoration efforts involving both levels of government.

We at NSEDC are encouraged to see this proposal before the Legislature and urge its passage. Further delay in working to understand and reverse the decline of Chinook salmon populations hurts our traditions, economies, communities and, ultimately, the state of Alaska as a whole.

Respectfully,

Janis Ivanoff
President & CEO

cc: Dan Harrelson, NSEDC Chairman

Alaska Chapter SCI
PO Box 770511
Eagle River, AK 99577
(907) 980-9018

March 1, 2012

The Honorable Steve Thompson, Chair
Alaska State House
Special Committee on Fisheries
State Capitol, Room 428
Juneau, AK 99801

Dear Representative Thompson,

SCI Alaska Chapter is the leading hunter-conservationist organization in the world, as well as here in Alaska. It is our mission to promote conservation of species and the freedom to hunt. Our record here in Alaska clearly illustrates our commitment to that mission from leading the fight against anti-hunters at the ballot box to leading the wood bison restoration project, we are as our motto says, "First for Hunters".

We are writing today to express our support for HCR 25 regarding the commemoration of the Wildlife Restoration Act. This act was made possible by the tireless work of hunter-conservationists who requested that the hunting community be taxed to pay for wildlife. It would be well to remember that this request came during the Great Depression when many Americans were facing financial hardship. Despite that obstacle, hunters pursued and won the creation of the Wildlife Restoration Act agreeing to pay a tax in order to support wildlife conservation.

We ask you as you consider this legislation to remember that we hunters support the user pay system and feel that it is more than fitting the creation of that system be recognized by HCR 25. Please pass this resolution from your committee at your earliest convenience.

Sincerely,

Terry C. Holliday

Terry Holliday
President

cc: Rep. Mark Neuman

SCI's Top Gun Chapter