

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672

1187 SCOMM 26: HOUSE SPEC. COMMITTEE ON FISHERIES 1983-84

MSG 84-00025075 PRY 1 03/15/84 16:24:24 ORIG: 460\$ IN= 0007 OUT= 0073
FROM: PETERSBURG/DOROTHY TO: JNU/TC
TARGET: LJHV SUBJ: FINAL STATS

LEGISLATIVE TELECONFERENCE NETWORK SIGN-IN SHEET

***** MODERATOR *****
TOM/JUNEAU

DATE MAR.15, 1984
SITE: PETERSBURG
SUBJECT: BOARD OF FISHERIES T/C
..1...TESTIFIED
..0...OBSERVED
..1...TOTAL

*****T/C STARTED: 2:30 P.M.
*****T/C ENDED: 4:30 P.M.

TESTIFIED

1. MARILYN GEORGE
BOX 1031 772-4515

MSG 84-00025573 PRTY 1 03/16/84 16:34:49 ORIG: LS00 IN= 0017 OUT= 0060
FROM: SITKA TO: TOM/PRIMARY MODERATOR
TARGET: LJHV SUBJ: 3/15, (H)SP COMM/FISH TC

+++++REVISED+++++

FINAL STATS

LEGISLATIVE TELECONFERENCE NETWORK SIGN-IN SHEET

DATE: MARCH 15, 1984

SITE: SITKA

SPONSOR/SUBJECT: (H)SPECIAL COMMITTEE ON FISHERIES/HB'S 526, 645, 563, & 658

0 TESTIFIED
0 OBSERVED
0 TOTAL

*****T/C STARTED: 2:30
*****T/C ENDED: 4:20

HAINES

.0.TESTIFIED
.0.OBSERVED
.0.TOTAL

HOONAH

.1.TESTIFIED
.2.OBSERVED
*3*TOTAL

YAKUTAT

.0.TESTIFIED
.0.OBSERVED
.0.TOTAL

CORDOVA

.1.TESTIFIED
.2.OBSERVED
.3.TOTAL

JUST RECEIVED HAINES AND CORDOVA STATS.

HOONAH/TESTIFIED

1. RAYMOND DICK, BOX 291, HOONAH, AK 99829 945-3281

OBSERVED

1. ROSEMARY LEBOWITZ, BOX 95, HOONAH, AK 99829 945-3234
2. ALBERT DICK, BOX 411, HOONAH 945-3353

CORDOVA/TESTIFIED

1. R.J. KOPCHAK, CORDOVA INDEPENDENT GILLNETTERS ASSOCIATION
BOX 1126, CORDOVA, AK 99574 424-7178

OBSERVED

1. BEN BILDERBACK, BOX 723, CORDOVA, 424-3475

MSG 84-00026952 PRY 1 03/21/84 13:17:07 ORIG: LA19 IN= 0002 OUT= 0037
FROM: LARRY/ANCHORAGE TO: TOM/JUNEAU
TARGET: LJHV SUBJ: (H) SPECIAL COMMITTEE ON FISHERIES

+++++ FINAL STATS +++++

LEGISLATIVE TELECONFERENCE NETWORK SIGN-IN SHEET

DATE: MARCH 15, 1984

SITE: ANCHORAGE

SPONSOR/SUBJECT: (H) SPECIAL COMMITTEE ON FISHERIES

...4..TESTIFIED

*****T/C STARTED: 2:40 PM

...3..OBSERVED

*****T/C ENDED: 4:30 PM

...7..TOTAL

TESTIFIED

1. JERRY MCCUTCHEON

2. BOB HUNTER/2015 SHEPHERDIA/ANCH./99508

3. JOHN DURKIN/BOX 8-752/ANCH.

4. RAY RODGERS/5433 W. 73RD/ANCH./243-3703

OBSERVED

1. RICHARD E. PERSON/3131 PORCUPINE TRAIL/ANCH./345-3349

2. ANDREW KLEIN/916 "P" ST./ANCH.

3. ANN RODGERS/5433 W. 73RD/ANCH./243-3703

ALASKA HOUSE FISHERIES COMMITTEE HEARING

DATE: March 20 1984

WITNESS SIGN-IN REGISTER

PLEASE PRINT

NAME (PLEASE PRINT)

ADDRESS**PHONE NUMBER**

REPRESENTING

TESTIFY?
YES OR NO

[illegible]



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Signature of Camera Operator


Date

SCOMM

#36:3

HOUSE SPECIAL COMMITTEE
ON FISHERIES

January 25, 1983

4:06 p.m.

Members Present: Rep. Herrmann, Chairman
Rep. Bussell
Rep. Goll
Rep. Grussendorf

Members Absent: Rep. McBride
Rep. Zharoff
Rep. Fuller

COMMITTEE CALENDAR

Introductory Meeting

WITNESS REGISTER

Geron Bruce
United Southeast Alaska Gillnetters
Box 1186
Juneau, Alaska 99802
586-3864

Cass Parsons
Executive Director
United Fishermen of Alaska
197 South Franklin Street
Juneau, Alaska 99801
586-2820

Rep. Ron. Wendte
Behrends Room 206
Juneau, Alaska 99811
465-4944
Position Statement: None

PREVIOUS ACTION

None

ACTION NARRATIVE

TAPE#1
Recording
Number 0001

The meeting was called to order by Chairman Herrmann at 4:06 p.m. Members present were; Representatives Herrmann, Bussell, Goll and

Grussendorf. Representatives McBride, Zharoff and Fuller were absent.

Number 0008

Chairman Herrmann brought before the committee a list of priorities for the committee:

- *an overall fisheries development policy

- *long range development policy

- *in addition to addressing bills, the committee should have some direction in mind and work with the Senate Special Committee on Fisheries.

Number 0050

Chairman Herrmann also stated her personal priorities:

- *Protection in management of the fisheries and working closely with the sub-committee on financing, Fish and Game, Natural Resources and Department of Environmental Conservation. Getting more protection in the Togiak Fishery.

- *Docks and harbors.

- *Transportation

- *Funding for the Alaska Seafood Marketing Institute continued.

- *Tagging studies done on salmon and herring.

- *Become more familiar on what's going on in the bottom fisheries and become more involved.

- *Problems in fishery loans.

- *Loan deferment because of bad season.

- *Apprenticeship program addressed because of the price of permits for the young people are too high.

Number 0110

The meeting was open for input from other representatives present.

Number 0112

Rep. Bussell commented on the apprenticeship program and recommended the committee take a good look at what the unemployment situation is.

Number 0121

Rep. Grussendorf: Should look at the different gear groups and their problems, also processors and marketing groups and find out where we can be of help to them. Rep Grussendorf's major concern was the salmon quota placed on Southeast Alaska and stated that the committee should have 100% observation on every vessel fishing with the 200 mile limit in order to find out what exactly is out there.

Number 0149

Rep. Goll stated that the committee should hold a public hearing on the Canadian Treaty itself concerning the allocation for king salmon between Canada and United States. Halibut limited entry is a matter coming before the council soon and suggested a representative should be at all deliberations between the different groups to convey the sentiments of the State and report back on all actions by the Federal Government and the International Halibut Commission. The Committee should also be responsible for looking at the activities of the Department of Fish and Game, affecting the fisheries. Issues - including the protection and rehabilitation of streams and that the committee should have some input.

Number 0210

Rep. Grussendorf stated when the people from the Governor's task force doing the independent studies on the Canadian Treaty are finished, they should present a summary to the committee.

Number 0225

Chairman Herrmann stated that the 59th Annual Meeting of the International Pacific Halibut Commission will be held in Vancouver, B.C., on February 1 -3, 1983. There will be independent representatives from around the state present at this meeting.

Number 0243

Discussion on who to attend the meeting.

Number 0258

Chairman Herrmann stated that there will more research on the meeting and members will be informed as to who will attend the meeting. Also, requested all members to put their priorities in writing and turn them in to her.

Number 0.85

Rep. Goll: Should solicit some concern of fisherman on how stock will be managed; and

the areas of foreign interception; and the state's policy as to the international allocation agreements made by the Federal Government and policing the foreign fleets within the 200 mile limit are all subjects for review.

Number 0308

Rep. Wendte: The committee should schedule hearings on the Canadian Treaty soon over the Teleconference Network. The public should have input in making the decision. Suggested that the committee prepare a resolution addressing its position on opposing the treaty and conduct a review based on that document. Urges the hearings to be conducted as soon as possible.

Number 0400

Discussion on the time limit for a response or decision on the treaty.

Number 0430

Chairman Herrmann proposed that the committee start the teleconferences on the subject of the treaty.

Number 0440

Geron Bruce testified on the treaty which affects the drift gillnetters in the Southeast waters. Four out of five fishing areas are directly affected by proposals in the treaty and that they opposed the treaty. Also concerned on how the Task Force will operate; the management of streams and migratory patterns and would like to have some input.

Number 0500

Discussion with Geron Bruce.

Number 0517

Cass Parson spoke on the United Fishermen of Alaska's priorities: Concerned about the treaty; marketing information; wholesale prices and report done more specifically; Department of Fish and Game's budget; more money for research on stocks; interceptions on high seas from squid fisheries; loan programs and policy task force and would like some information on these concerns.

Number 0570

Discussion with Cass Parson.

Number 0585

Chairman Herrmann introduced her staff; Melanie Ludvick of Sand Point; Committee Secretary and Mel Munson Jr. of Anchorage; Professional Assistant to the Committee and further announced that Leonard Steinberg of House Research Agency will be attending all

committee meetings.

Number 0590

Adjourned at 4:47 p.m.

HOUSE SPECIAL COMMITTEE
ON FISHERIES

January 27, 1983

4:02 p.m.

Members Present: Rep. Herrmann, Chairman
Rep. Fuller
Rep. McBride
Rep. Zharoff
Rep. Grussendorf
Rep. Bussell
Rep. Goll

Members Absent: None

COMMITTEE CALENDAR

Informational Meeting

WITNESS REGISTER

Ed Wojek
Alaska Trollers Association
205 North Franklin Street
Juneau, Alaska 99801
586-9400

Jim Cantor
Lower Yukon/Kuskokwim Aquaculture
Association
P. O. Box 634
Bethel, Alaska 99559
543-3492
Position Statement: None

PREVIOUS ACTION

Informational Meeting

ACTION NARRATIVE

TAPE#2
Recording
Number 0001

Meeting was called to order at 4:02 p.m.

Number 0015

Chairman Herrmann opened it up to the members who were not present at the January 25, 1983, meeting to voice their priorities.

Rep. McBride: Docks and harbors, marketing of fish, tagging studies and was satisfied with the Chairman's list.

Rep. Fuller: Stated that his interests are statewide, not just his district. Docks and harbors , interested in onshore processing that would get Alaskans involved.

Number 0080

Rep. Zharoff: Loan programs, halibut fisheries should have input from around the state, regulations relating to seafood processors, the botulism problem last year and the effects it could have on the upcoming fisheries, foreign intervention in the 200 mile limit and the utilization of the species by American fishermen and preferably the Alaska fishermen.

Number 0140

Chairman Herrmann requested that the committee members put a list of their priorities in writing to give to her.

Number 0150

Ed Wojek: The matters of interest and concerns of the trollers are:

1) Matters with the Canadian/U.S. treaty which directly affects the trollers in Southeast. There is direct impact that the committee can have on the matters through resolutions and the committee's ability to speak directly to the Governor.

2) Budgetary items that affect the Department of Fish and Game.

3) Habitat and habitat protection for future concerns.

Number 0182

Ed Wojek: Asked the committee to please speed up the process in getting the Teleconference hearing on the treaty scheduled soon.

Number 0209

Ed Wojek: Presented a position paper to the committee members on the treaty.

Number 0220

Discussion on the dates set for the Teleconferences and it was stated that they were scheduled too late. The committee moved to schedule it earlier.

Number 0252

Ed Wojek: Elaborated on the problems with the present treaty. In summary, the final

treaty provision relating to chinook management create a situation that jeopardized the continued existence of Alaska's troll fishery. This same agreement acknowledges and sanctions Canada's 10-year program of overfishing which had devastated natural chinook runs coast-wide. The Alaska Trollers Association cannot accept a treaty that raises these inequities to the level of international law. We urge you to help stop its ratification in the U. S. Senate.

Number 0540

Rep. Goli: Discussion with Mr. Wojek. Make a draft to change the treaty that would result in being beneficial and adaptable to the State of Alaska.

Tape #3 Number 0001

Discussion with Mr. Wojek on the U.S./Canadian treaty.

Number 0240

Some of the other concerns of the Alaska Trolling Association's are: Budgetary items that affect the Department of Fish and Game. They want increased funding for research and tagging efforts on coho and chinook salmon.

Number 0320

Discussion on the Log Book Program.

Number 0335

Mr. Wojek stated that the Fisheries Rehabilitation and Enhancement Division is the only division that's able to help the fishermen here with building the stocks of chinook salmon and enhancing the streams.

Number 0358

The third area addressed by Mr. Wojek was; maintenance of our habitat that the salmon stocks depend on. We have the time and ability now to plan for the orderly development of our resources; logging, mining and fishing.

Number 0380

The end of Mr. Wojek's testimony.
Announcement of the new schedule for the Teleconference hearings on the U.S./Canadian Treaty:

February 8, 1983 at 2:45 - 4:45 (PST)

February 14, 1983 at 5:00 - 6:45 (PST)

Number 0390

Jim Cantor: Salmon populations face increasing pressure due to growing demand caused by rising populations and the more active use of commercial permits; greater

efficiency among fisherman; continued disruption of habitat (oil and gas leasing, etc.,) and Canadian claims to Yukon River salmon.

Number 0450

End of Mr. Cantor's testimony.

Number 0452

ANNOUNCEMENT - There will be no committee meetings next week. Representatives Herrmann and Fuller will be attending the International Pacific Halibut Commission meetings in Vancouver, B.C.

Number 0455

Meeting was adjourned at 5:13 p.m.



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Signature of Camera Operator


Date

SCOMM

#36:4

HOUSE SPECIAL COMMITTEE
ON FISHERIES
February 8, 1983
2:55 p.m.

Members Present: Rep. Herrmann, Chairman
Rep. Grussendorf
Rep. Goll
Rep. Fuller, Vice-Chairman
Rep. Bussell
Rep. Zharoff
Rep. McBride

Members Absent: None

COMMITTEE CALENDAR

U.S./Canadian Salmon Treaty Hearing (Teleconference)

WITNESS REGISTER

Rep. Wendte
Behrends Room 206
Juneau, Alaska 99811
465-4944

Lee Alverson
Teleconference
Seattle, Washington

Bob Anderson
Teleconference
Yakutat, Alaska

Leo Land
Teleconference
Haines, Alaska

Matthew Luck
Teleconference
Cordova, Alaska

Gordon Peterson
Teleconference
Hoonah, Alaska

Bruce Eagle
Teleconference
Wrangell, Alaska

Marilyn George
Teleconference

Petersburg, Alaska

Martin Fredrickson
Teleconference
Sitka, Alaska

Steve Pennoyer
Director
Division of Commercial Fisheries
Department of Fish & Game
P.O. Box 3-2000
Juneau, Alaska 99802
465-4210

Dick Sunde
Teleconference
Sitka, Alaska

Stephanie Parker
Teleconference
Washington, D.C.

Henry Mitchell
Teleconference
Anchorage, Alaska

Nevan May
Teleconference
Ketchikan, Alaska

Jim Wilde
Elfin Cove, Alaska

Jim Kowalski
Teleconference
Fairbanks, Alaska

Paul Johnson
Elfin Cove, Alaska

Hank Porter
Teleconference
Yakutat, Alaska

Leonard Davisson
Teleconference
Ketchikan, Alaska

David Nanney
Teleconference
Haines, Alaska

Wilbur James, Sr.
Teleconference

Hoonah, Alaska

George Wood
Teleconference
Petersburg, Alaska

Zig Ziegler
Teleconference
Ketchikan, Alaska

Alan Stein
Teleconference
Juneau, Alaska

Lee Bird
Teleconference
Wrangell, Alaska

Greg Howe
Elfin Cove, Alaska

Ed Wojek
Alaska Trollers Association
205 North Franklin Street
Juneau, Alaska 99801
586-9400

PREVIOUS ACTION

No previous action.

ACTION NARRATIVE

TAPE#4
Recording
Number 0034

Meeting called to order by Chairman Herrmann
at 2:55 p.m.

Number 0057

Rep. Wendte: Stated that the U.S./Canada Treaty is totally unacceptable as written and would be in the interests of the State of Alaska and the United States to reject it. Rep. Wendte said there should be input from the people of Alaska and the Legislature into developing the State's position on the proposed treaty. Suggested that the committee make tapes available to Senators Stevens and Murkowski; and U.S. Representative Young.

Number 0215

Lee Alverson: Made his testimony from Hawaii. The content of the treaty consists

of conservation of common stock and a way to minimize or stabilize interceptions. The documents are being reviewed by the Executive Management of the Department of State, and other affected government agencies that deal with the treaty. The agreement is for a two year period. If it doesn't work out, the United States or Canada can pull out or make adjustments.

Number 0412

Discussion with Rep. Wendte and Lee Alverson concerning different user groups supporting the treaty.

Number 0492

Discussion with Rep. Grussendorf and Mr. Alverson concerning a floor level on catches of chinook salmon; and areas in Canada that aren't covered by the treaty.

Number 0538

Discussion with Rep. Goll and Mr. Alverson concerning competency of the Canadian Government in reporting their seasonal catches.

Number 0571

Discussion with Rep. McBride and Mr. Alverson on what the impact would be to the Alaskan fishermen if there isn't a treaty.

Number 0594

Discussion with Rep. Goll and Mr. Alverson concerning Alaskan fishermen paying the price because of bad management on the part of Canada and the State of Washington.

Tape 5
Recording
Number 0001

Discussion continued with Rep. Goll.

Number 0023

Testimonies from individuals around the state.

Number 0025

Dick Sunde, Assemblyman from the City and Borough of Sitka; have sent a resolution 83-224 to the Governor asking him to reject the proposed treaty.

Number 0095

Bob Anderson, Yakutat fisherman; the treaty affects those who have no other means of support.

Number 0120

Discussion with Rep. Grussendorf and Bob Anderson concerning the king salmon fishermen going up to the coho area after they filled the king salmon quota.

Number 0153 Stephanie Parker, Washington, D.C.; a Cordova fishermen who opposes the treaty.

Number 0213 Leo Land, Haines; opposes the treaty.

Number 0268 Henry Mitchell, Anchorage; Bering Sea Fisherman's Association. The Canadians had requested that the Yukon River be included in the negotiations, but they know nothing about the upper Yukon River and it is our opinion that they will not spend money for the Cooperative Research Programs. A panel was formed and their recommendation was that the Yukon River be treated separately.

Number 0306 Matthew Luck, Cordova, Director of the Cordova Independent Gillnetters Association and Chairman of the South River Prince William Sound Fish and Game Advisory Board. We find it difficult to see the trollers or any gear group looking at massive reductions in harvest catch. If quotas are to be set before a given troll season, there is no latitude for opening or closing a season based on over fishing or under fishing. The last thing we want to lose is state management of our fisheries.

Number 0350 Nevan May, Ketchikan; 17 year troller. "No Alaskan fishermen favors the treaty as written."

Number 0366 Gordon Peterson, Hoonah, Icey Straits Trollers Association and Hoonah's Board of Fish and Game Advisory Committee. It's not fair to Alaskan Trollers to conserve when the Canadians aren't. Certain changes should be made to make it acceptable.

Number 0400 Jim Wilde, Elfin Cove; 10 year troller, opposes the present treaty but feels a treaty must happen.

Number 0450 Bruce Eagle, Wrangell, Stikine River Gillnetters Association; opposes the treaty. Both sides must cooperate if a treaty is to be acceptable. According to the treaty, our fishing periods will be cut drastically.

Number 0490 Jim Kowalski, Fairbanks, Tanana Chief's Conference; have no official position on treaty, but do support concepts of treaties. There is very little information on the Yukon and if a treaty is to be developed,

more information is required.

Number 0518 Marilyn George, Petersburg; 26 year troller, hopes the U. S. will not ratify the treaty. Our Alaskan stocks are doing well due to conservation. Canadian stocks are having problems due to continued overfishing.

Number 0542 Chairman Herrmann stated the way the Fisheries Committee conveys concerns to U. S. Congress is by a resolution.

Number 0548 Paul Johnson, Elfin Cove. "Our conservative efforts have gone to waste." Opposes the treaty.

Number 0584 Martin Fredrickson, Sitka, President of Sitka Gillnetters Association. "The treaty has too many inequities and should be rejected."

Number 0604 Hank Porter, Yakutat, Representing the Village Corporation; the trollers have taken as much cuts as they can and questions the figures given by Canada as to how many fish were caught.

Number 0637 Steve Pennoyer, Department of Fish and Game; stated that the department has put out a date report booklet.

Tape 6
Recording
Number 0001 Steven Pennoyer, discussion continued.

Number 0036 Hank Porter: We should not accept this treaty.

Number 0041 Leonard Davisson, Ketchikan: Has talked to some Canadian fishermen and they are catching very small king salmon. They are able to make their season trolling for sockeye.

Number 0088 David Nanney, Haines: Officer in the Haines Chapter of the United Southeast Alaska Gillnetters and serves on the local Fish and Game Advisory Board. Voted unanimously against the treaty. The Stikine River Gillnetters will be forced up to Haines for fishing if their quota takes anymore cuts. "We are willing to take part in trying to develop an acceptable treaty."

Number 0131 Alan Stein, Juneau, Secretary and former Treasurer of United Southeast Alaska Gillnetters Association. Mr. Stein stated he was a 10 year fisherman and said "don't let negotiations force changes in Fish and Game managements, we will take no more cuts in our quota."

Number 0185 Wilbur James, Sr., Hoonah, member of the State Fish and Game Hoonah Advisory Board: All restrictions seem to be on the Alaskan fishermen. We are opposed to the treaty as written.

Number 0209 Lee Bird, Wrangell: Gillnetter in the Stikine Wrangell area for 25 years, and against the treaty as written.

Number 0229 George Wood, Petersburg: Am not in favor of the percentages set forth in the treaty.

Number 0255 Greg Howe, Elfin Cove, Commercial Salmon Troller. The Alaska fishermen shouldn't suffer any further cuts and feels there is a definite need for a West Coast management plan. Have taken cuts in the past to conserve and the Canadians haven't.

Number 0271 Zig Ziegler, Ketchikan; there is no support for Southeast fishermen until some inequities in the treaty are addressed.

Number 0291 Ed Wojek, Director of Southeast Trollers Association; in total opposition of the treaty. We are not responsible for the Canadian depressed salmon stocks. We have had total lack of support from Washington, Oregon and the Treaty Indians along the Columbian River. Through evaluation of the treaty there will be a direct loss of 62 - 67 million dollars over the next ten years. We must work out a draft that provides adequate protection for Alaskan Fishermen.

Number 0329 In closing Chairman Herrmann stated that Senator Eliason does have a resolution drafted in opposing the treaty.

Steve Pennoyer then stated that Don Collingsworth, who is serving on the Governor's Task Force to evaluate the proposed treaty, is to review all the pertinent public testimony, records, data base, history of the negotiations and then

make a recommendation to the Governor for an Alaskan position on the treaty. Don Collingsworth will be present for the next hearing.

Number 0362

Chairman Herrmann then thanked all of the teleconference sites and individuals for participating in the hearing and the meeting adjourned at 4:50 p.m.



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Signature of Camera Operator


Date

SCOMM

#36:5

HOUSE SPECIAL COMMITTEE
ON FISHERIES
April 5, 1983
4:07 p.m.

Members Present: Rep. Herrmann, Chairman
Rep. Fuller, Vice-Chairman
Rep. McBride
Rep. Bussell
Rep. Goll

Members Absent: Rep. Grussendorf
Rep. Zharoff

COMMITTEE CALENDAR

Discussion on Salmon Wholesale Average Price
Reporting

WITNESS REGISTER

Melvin Monsen
Aide
House Special Committee on Fisheries
Pouch V
Juneau, Alaska 99811
465-4924

PREVIOUS ACTION

NONE

ACTION NARRATIVE

TAPE#29
Recording
Number 0001

Chairman Herrmann called the meeting to order at 4:07 p.m., and announced the first order of business to be a discussion on Wholesale Price Average Reports for salmon. She stated that price negotiating in Bristol Bay has in the past not gone very smoothly.

Chairman Herrmann introduced Melvin Monsen, Professional Aide to the Special Committee on Fisheries to give the committee members an update on the current wholesale price draft legislation.

Number 0027

Rep. Fuller stated that apparently the

fishermen do need some legislation help in order to make the negotiating process a little easier on all parties involved.

Number 0034

Chairman Herrmann stated that some of the fishermen in western Alaska have signed contracts with the processors in order to do away with the strikes.

Number 0047

Mel Monsen began his presentation on the background information of the Wholesale Price Average Bill that will probably be coming up in the near future. The reason for this bill is, the Alaska Independent Fishermen's Marketing Association (AIFMA) has signed a new contract that has been tried before but hasn't been successful. This type of settlement has an initial base price payoff and following the sales of the salmon during the winter and spring, a final price payment will be given to the fishermen based on what the processor got for his pack selling at wholesale. The contract that AIFMA has signed with most of the processors in Bristol Bay is a multi-year agreement in that the next year's price is based on the previous year's base price; plus again a portion of the wholesale price during the following winter. It has the ability of solving the problems of having price determination strikes in Bristol Bay and everywhere else in the state if this system is successful.

Number 0075

Rep. Fuller asked if it was a negotiated price for three years with perhaps a bonus connected with it and if it was a contract using the base price of the first year for every year that follows.

Number 0081

Mel Monsen answered yes to Rep. Fuller's first question regarding the bonus and said no to the second question. The way the contract is worded, (the contract with Peter Pan Seafoods) is the fishermen would receive 58¢ a pound for canned red salmon within four weeks of the end of the fishing season and then on May 1, 1984, based on the wholesale price determination they would get a final payment that is basically equivalent to 44% of the wholesale price with certain factors involved. For the 1984 salmon season, the fishermen would receive 75% of the 1983 season's final settlement as their

base price, plus the settlement for their final payment in the following May. The process would continue for the next season using the previous year's prices.

Number 0106

Rep. Fuller stated that the contract before him is very complicated and asked if it was necessary for them to understand it fully.

Number 0112

Chairman Herrmann stated that the legislation that will be introduced by Senator Kerttula did have a lot of problems with the processors. Chairman Herrmann said she attended a meeting with the Department of Revenue, United Fishermen of Alaska, and a number of other people and Rick Lauber the Alaska Manager of Pacific Seafood Processors Association who was not present, and at this meeting they thought they could get approval so the Governor could introduce this bill. There was consensus among the group but the processors didn't agree with the way it was working.

Number 0125

Rep. Fuller asked legislatively where does their responsibility lie and what do they have to know in order to make an intelligent decision.

Number 0133

Mel Monsen continued his testimony and stated that the area that the legislature should take care of to help the fishermen with this contract is the area that used to be under the Department of Revenue called Reporting of Salmon Prices, Section 43.80.035 of the statutes. This Reporting of Salmon Prices was established originally because the state tax on processors was based on the wholesale price. This was changed a few years ago to the Raw Fish Tax and so this section was no longer needed for its original use. A clause was added that would phase this section out anytime it wasn't used for any given year for any given fishery. This section of the statutes is no longer usable to determine wholesale prices for the fishermen's contracts. So, a new one has been worked on and two bills have been drafted. The first bill had some problems, so a second bill was drafted that basically moves everything over to the Department of Commerce and Economic Development, because they have the computer facilities and the technical people to handle it without new

capital costs for equipment.

What happened under the first draft was the Department of Revenue would have to send out a form to the processors requesting them to turn in information. The form was very complex and the processors came back saying, "this form is unworkable and it would cost millions of dollars to report in this way." This caused the second bill to be drafted which still has the Wholesale Price Average being determined. But the way it will be done is; the Department of Commerce and Economic Development will determine it with an individual from the Department that will take a significant random sample of processors rather than having all of the processors turn in the information. There are still problems with the second draft which states that wholesale averages must be determined for canned, fresh, frozen and cured salmon, but in the contracts it is only required for canned. There is a meeting on April 8, 1983, between the processors, fishermen's organizations, Department of Commerce and Economic Development, and Department of Revenue in which they hope to come to a decision on the problem areas. All parties involved seem to be working together well and they hope to get these problem areas worked out before the legislation is introduced in order for it to go through smoothly.

Number 0209

There was discussion between the committee members as to whether the House Special Committee on Fisheries should introduce a bill similar to Senator Kerttula's bill.

Number 0239

Rep. McBride stated that the committee should discuss and have a working knowledge of what is happening. It is a complicated situation and the committee should have knowledge as to why it didn't work before. Fishermen are very willing to think that wholesale is wholesale, and their problem seemed to be that they didn't feel the processors were reporting the wholesale price and that's why they've asked the state to do this job. Rep. McBride continued by stating that he didn't think the fishermen understand what "wholesale" means. As written in the second draft bill, "wholesale

price" is defined as, all receipts whether in the form of money, credits or other considerations. This doesn't answer the problem when some processors own brokerage firms. If this processor sells to his brokerage firm, he's not going to care whether he makes his profit on the processing side or the brokerage firm's side. The fishermen have to be satisfied when this is all done that all the questions are being answered.

Number 0263

Mel Monsen stated that in the AIFMA contract, this particular problem was addressed regarding sales within affiliated companies and that there were problems such as this in past contracts. It does not address this in the draft of the legislation, but Mel Monsen stated he had spoken to Cass Parsons of UFA and she said she would address the definition of 'wholesale' at the April 8th meeting.

Number 0281

Rep. McBride stated that another topic that has discouraged the fishermen was, they didn't feel that the processor should give discounts. But this is one way that the salmon sell and the fishermen don't understand this. We have to answer all of these questions to everyone's satisfaction, said Rep. McBride.

Number 0295

There was discussion on whether the committee should introduce its own bill.

Number 0310

Rep. Goll asked if the primary purpose of this proposed legislation is to provide a bargaining tool for fishermen's organization to use in developing contracts with their local processors.

Number 0316

Mel Monsen said yes, it would give a credible source for a wholesale average that both processors and fishermen would be able to point to for final determination of price contracts. Without this, long term contracts are not going to be possible.

Number 0323

Rep. Goll was concerned that this requirement would discourage new processing ventures.

Number 0350

Chairman Herrmann stated that this requirement is needed to eliminate strikes.

Number 0360 Rep. Goll stated that there is a great diversity of organizations in both the marketing and the selling of fish plus the new individuals who would like to enter into the processing and marketing industry who may not be able to meet these prices set in the contracts for their first year. He stated that he wouldn't want to see a standard set.

Number 0366 Chairman Herrmann stated she felt they are not setting a standard. The contracts vary for different fishermen's organizations and different areas.

Number 0372 Rep. McBride stated that the parties can negotiate any way they want to; all the legislature is doing is providing credible information that both sides can look at and make their own decisions from.

Number 0380 There was further discussion on whether to have a Special Committee on Fisheries' bill. Chairman Herrmann stated that it would be best to wait until after April 8 meeting to decide what to do. The reason this topic of discussion was brought before the committee was to inform the committee members about this piece of legislation that will be introduced in the near future.

Number 0404 Rep. Goll asked Mel Monsen if there were specific points in Senator Kerttula's bill that would require changing.

Number 0406 Mel Monsen went on to explain the certain problem areas. The section that describes the canned, fresh, frozen, and cured reporting requirement was unfavorable for the processors because of the many options of fresh, frozen and cured. They wouldn't be able to be covered adequately with a wholesale average and that maybe a range should be included. Also, the section that requires averages for each administrative area was also unfavorable by some processors.

Number 0418 Chairman Herrmann stated that sometimes it's a benefit for the contracts to pertain to just administrative areas; and asked for clarification from Mel Monsen.

Number 0423 Mel Monsen explained that if the fishermen's

association felt that there was a significant difference in the wholesale average of their area compared to a statewide average, they've always got the option in their contract to appoint an independent auditor to look at the processor's books and take a wholesale average from that. There are certain fishermen's associations who are interested in just administrative area averages.

Number 0435

Rep. McBride stated that problems are going to arise unless the administrative area topic is addressed.

Number 0440

Rep. Bussell questioned regarding joint ventures.

Mel Monsen explained that "no, the reporting wouldn't affect the joint ventures".

Number 0444

Mel Monsen pointed out that the other problem area was the "wholesale price" definition which had already been discussed earlier in the meeting. Mr. Monsen further pointed out to the committee members, certain letters included in the packets from a number of different parties involved: AIFMA supports the legislation along with Peter Pan Seafoods; Nelbro Packing Company expressed concern over the first draft of legislation which included all of the different types of processing; a letter from UFA to Lennie Boston of the Governor's Office concerning the initial draft which has some explanation for rationale behind the legislation; and a piece of testimony from the Cordova District fishermen's Union which is a couple of years old but pertains to the same issue.

Number 0480

It was decided that they would stick with the second draft and would wait until after the April 8th meeting to decide what action the committee would take.

Number 0494

Mel Monsen stated that the processors' basic concern was with the cost of providing the information.

Number 0500

Chairman Herrmann stated that at Thursday's meeting they would discuss the committee members' fisheries priorities. Also a report from Mel Monsen regarding what went

on at the Board of Fisheries meetings in Anchorage.

Number 0510

Chairman Herrmann adjourned the meeting at 4:40 p.m.



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

SCOMM

#36:6

IDENTIFICATION	BILL NAME An act relating to the maximum length of Salmon seine vessels, and providing for an effective date.		BILL NUMBER HB 5
	SPONSOR(S) Grussendorf and Wendt		DATE INTRODUCED 1/17/83
			RELATED BILLS PENDING
			REFERRALS Resources
INITIAL RESEARCH	INITIAL SUMMARY COMPLETED		LEGAL DIVISION SUMMARY
	SPONSOR CONTACTED FOR BACKUP MATERIALS		DEPT OF LAW SUMMARY
			FISCAL NOTE
			OTHER INTERESTED LEGISLATORS NOTIFIED
AGENCY RESPONSE			
BACKGROUND RESEARCH	SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES		OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, ETC
	RESPONSES FROM INTERESTED PERSONS AND/OR GROUPS		
HEARING PREPARATION	CHAIRMAN BRIEFED		DATE & PLACE SET
	STAFF MEMO TO COMMITTEE		TELECONFERENCE
	BACKGROUND MATERIAL DISTRIBUTED		PSA/PRESS RELEASE
	LIST OF WITNESSES		SUGGESTED AMENDMENTS/CS DRAFTED

(7)

COMMITTEE REPORT

HOUSE

FURTHER:RESOURCES

1/24/83

Date: _____

Mr. Speaker:

HOUSE SPECIAL COMMITTEE ON FISHERIES

The ~~Committee~~ _____ has had HB 5

Relating to the maximum length of salmon vessels; and providing for an effective date.

under consideration and reports it back as follows:

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Introduced: 1/17/83
Referred: Resources

1 IN THE HOUSE

BY GRUSSENDORF AND WENDT

2 HOUSE BILL NO. 5

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the maximum length of salmon
7 seine vessels; and providing for an effective date."

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

9 * Section 1. AS 16.05.835 is amended to read:

10 Sec. 16.05.835. MAXIMUM LENGTH OF SALMON SEINE VESSELS. No
11 salmon seine vessel may be longer than [50 FEET, OFFICIAL COAST GUARD
12 REGISTER LENGTH, AND] 58 feet overall length except

13 (1) vessels that took [HAVE FISHED FOR] salmon with seines
14 in waters of the state before January 1, 1962, as 50-foot, official
15 Coast Guard register length vessels; and

16 (2) vessels that take salmon with seines in Southeastern
17 waters of the state east of the longitude of Cape Fairweather.

18 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.
19 070(c).

ALASKA STATE LEGISLATURE

1983 Legislature 1st Session

HOUSE NO. 2

By Grussendorf, Wendt

relating to the maximum length
of salmon seine vessels; and
providing for an effective
date.

Length/Salmon seine vessels

Introduced in the House 1/17/83, 1983

HISTORY IN THE HOUSE

1983

1/17

Read first time and referred
to Committee onHouse Special Committee
on Fisheries and Resources
Reported back with
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred
to Committee onReported back with
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Concurred in Senate amendment
thus adopting:
VOTEFailed to concur in Senate amend-
ment; asked Senate to recede
VOTESenate receded from amendment
VOTESenate failed to recede from
amendment
VOTE

CC appointed by House

CC appointed by Senate

CC adopted by House
VOTECC adopted by Senate
VOTETo enrolling
Reported correctly enrolled
Sent to Governor

by Governor

Filed with Lt. Governor

Chapter No.

HSG 83-00005237 PRTY 1 04/04/83 13:07:14 ORIG: LK00 IN= 0002 OUT= 0052
FROM: EVELYN/KETCHIKAN TO: JUNEAU INFO
TARGET: LJHL SUBJ: POM

TO: REPRESENTATIVE HERRMANN, CHAIRMAN FISHERIES COMMITTEE
REPRESENTATIVES FULLER, BUSSELL, GOLL, MCBRIDE, ZHAROFF
FROM: ROGER L. INGMAN, REPRESENTING SELF
3316 ARNOLD
KETCHIKAN, ALASKA 99901 PHONE: (HOME) 225-5690

RE: HB 5

THIS WILL GIVE ALASKAN FISHERMEN THE OPPORTUNITY TO DIVERSIFY INTO MORE
OF THE HIGH VOLUME LOW PRICED FISHERIES.

THIS LAW SHOULD GO INTO REGULATION UNDER THE BOARD OF FISH AS ALL OTHER
SALMON VESSELS ARE. THE QUALITY OF OUR PRODUCT WILL GREATLY INCREASE
WHICH IS THE DESIRE OF THE CONSUMER.



STATE OF ALASKA
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Fish and Game	Sponsor (Principal) Grussendorf	Bill Number HB 5
Department Position Neutral, but prefer SB 12 version		
Division Director Steven Pennoyer <i>SP</i>	Date	Commissioner's Signature Don W. Collinsworth <i>DWC</i> Date 1-28-83

GOVERNOR'S OFFICE USE		
Comments:		
☐ Position Noted	By	Date

SUMMARY

1. a) Related Bills (Similar or Conflicting) SB 12	1. b) Other Agencies Affected by Bill Unknown
2. a) Organizational Support for Bill Southeastern Alaska Salmon Seiners	2. b) Organizational Opposition to Bill Unknown
3. Program Effects of Bill None	
4. Fiscal Impact: ☒ None ☐ Fiscal Note Attached	
5. Amendments Proposed: None	
6. Comments: See Bill Analysis for SB 12	

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 5

Title An Act relating to the maximum length of salmon seine vessels;....

Requested by Representative Herrmann's Office Date 1/25/83

II. FISCAL DETAIL

Agency Affected Department of Fish and Game

Program Category Affected NRME

BRU, Program, Or Subprogram(s) Affected Commercial Fisheries

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE January 31, 1983

PREPARED BY Beverly D. Reaume

AGENCY Department of Fish and Game

Original: Legislative Finance

PHONE 465-4120

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/82)

Robert J. Sundberg
Commissioner

January 27, 1983

Representative John Ringstad
Chairman, House Resources Committee
State Capitol
Pouch V
Juneau, Alaska 99811

Dear Representative Ringstad:

I would like to present the following positions which the Division of Fish & Wildlife Protection, Department of Public Safety hold with regard to the subsequent House Bills under proposal:

H.B. 5 - Neutral

This bill may prove to be detrimental to some of the smaller fishermen.

H.B. 47 - Neutral (with amendment)

Proposed Amendment:

Require all nonresidents to be guided or in the company of 2nd degree kindred.

As written the bill will invite an increase in residency falsification on hunting licenses. These are not usually identified until after the season is over and consequently the people are already out of state.

Assigning nonresidents to guides will increase control of the nonresidents. We would propose that permits be issued to the guides in the areas where the Board determines a population of animals warrants allowing nonresidents to hunt.

Nonresident aliens are already required to use a guide and since that requirement became effective enforcement problems with nonresident aliens has declined sharply.

Representative John Ringstad
Chairman, House Resources Committee

January 27, 1983

H.B. 63 - Neutral

No Comment.

H.B. 67 - (support with amendments)

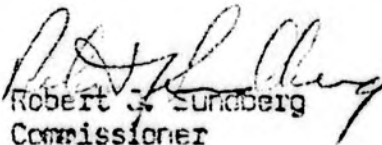
Proposed Amendment:

Require a subsistence license. The applicant for the license must sign an affidavit attesting to the fact that he meets the income requirements to obtain a subsistence license and falsification of the affidavit is perjury. A very strict penalty for perjury should be established for this offense and sentencing made mandatory.

"UNENFORCEABLE AS WRITTEN"

We cannot get records from IRS to verify income and we have no way of knowing or proving the number of family members in a household.

Sincerely,


Robert J. Sundberg
Commissioner

H. Fisheries
THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

RECEIVED

FISCAL NOTE

FEB 7 1983

I. REQUEST

Bill/Resolution No. HB 5

LEGISLATIVE FINANCE

Title An Act relating to the maximum length of salmon seine vessels;.....

Requested by Representative Herrmann's Office

Date 1/25/83

II. FISCAL DETAIL

Agency Affected Department of Fish and Game

Program Category Affected NRMEC

BRU, Program, Or Subprogram(s) Affected Commercial Fisheries

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE January 31, 1983

PREPARED BY Beverly D. Reaume

AGENCY Department of Fish and Game

PHONE 465-4120

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/82)

OMB Reviewed by: Eric Laschever



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

SCOMM

#36:7

IDENTIFICATION	BILL NAME An act making a special appropriation to the Dept. of Commerce and Economic Development for distribution of additional Salmon enhancement tax receipts to Cook Inlet Aquaculture Association; and providing for an effective date		BILL NUMBER HB 234
	SPONSOR(S) Malone		DATE INTRODUCED 3/2/83
			RELATED BILLS PENDING
	REFERRALS Resources and Finance		
INITIAL RESEARCH	INITIAL SUMMARY COMPLETED		LEGAL DIVISION SUMMARY
	SPONSOR CONTACTED FOR BACKUP MATERIALS		DEPT OF LAW SUMMARY
	AGENCY RESPONSE		FISCAL NOTE
			OTHER INTERESTED LEGISLATORS NOTIFIED
BACKGROUND RESEARCH	SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES		OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, ETC
	RESPONSES FROM INTERESTED PERSONS AND/OR GROUPS		
HEARING PREPARATION	CHAIRMAN BRIEFED		DATE & PLACE SET
	STAFF MEMO TO COMMITTEE		TELECONFERENCE
	BACKGROUND MATERIAL DISTRIBUTED		PSA/PRESS RELEASE
	LIST OF WITNESSES		SUGGESTED AMENDMENTS/CS DRAFTED

COMMITTEE REPORT
HOUSE

FURTHER: RESOURCES
FINANCE

3/2/83

Date: _____

Mr. Speaker:
HOUSE SPECIAL COMMITTEE ON FISHERIES

The ~~Committee~~ on _____ has had HB 234

An Act making a special appropriation to the Department of Commerce and Economic Development for distribution of additional salmon enhancement tax receipts to Cook Inlet Aquaculture Association; and providing for an effective date.

under consideration and reports it back as follows:

☐ do pass ☐ do not pass

[] do pass with attached amendments(s)

```
[ ] replace with CS for [ ] same title
[ ] new title
```

[] replace with CS for _____ [] same title
[] new title

and recommends

[] AND attaches a "Letter of Intent" [] New Fiscal Note
[] [] Zero Fiscal Note Attached

[] reports it back without recommendation

[] referred to the Committee

**MEMBERS SIGNING
DO PASS**

MEMBERS HAVING
OTHER RECOMMENDATIONS:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

CHAIRMAN

Malone
13-0920

Funding Information	
General Fund	\$204,000
Other Funds	-0-
	<u>\$204,000</u>

Introduced: 3/2/83
Referred: House Special
Committee on Fisheries,
Resources and Finance

IN THE HOUSE

BY MALONE

HOUSE BILL NO. 234

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making a special appropriation to the Department of Commerce and Economic Development for distribution of additional salmon enhancement tax receipts to Cook Inlet Aquaculture Association; and providing for an effective date."

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

* Section 1. Representing the additional amount of salmon enhancement tax collected in Cook Inlet, the sum of \$204,000 is appropriated from the general fund to the Department of Commerce and Economic Development for distribution to the Cook Inlet Aquaculture Association.

* Sec. 2. The appropriation made by this Act shall be disbursed in accordance with AS 43.76.025.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.-10.070(c).

ALASKA STATE LEGISLATURE

....13th Legislature FIRST Session

HOUSE ...BILL..... NO. ...234..

By ...MALONE.....

An Act making a special appropriation to the Department of Commerce and Economic Development for distribution of additional salmon enhancement tax receipts to Cook Inlet Aquaculture Association; and providing for an effective date.

Sp. Ap. Cook Inlet Aquaculture

Introduced in the House 3/2....., 1983

HISTORY IN THE HOUSE

19	83	Read first time and referred to Committee on										
Mar	2	House Special Committee on Fisheries, Resources and Environment Reported back with recommendation that										
		Read second time and										
		Read third time and										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reconsideration										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by Speaker										
		Sent to Senate										

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on										
	Reported back with recommendation that										
	Read second time and										
	Read third time and										
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
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Yeas	Yeas										
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Absent	Absent										
Excused	Excused										
	Reconsideration										
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date										
Yeas	Yeas										
Nays	Nays										
Absent	Absent										
Excused	Excused										
	Reported correctly engrossed										
	Signed by President										
	Returned to House										

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor
	 by Governor
	Filed with Lt. Governor
	Chapter No.



COOK INLET
AQUACULTURE ASSOCIATION

P.O. BOX 3819
SOLDOTNA, AK 99669-3819
(907) 262-9419

February 7, 1983

Honorable Hugh Malone
State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Malone:

Cook Inlet Aquaculture Association is experiencing a major difficulty with the manner in which Salmon Enhancement Taxes are collected and distributed. It appears that, at least in Cook Inlet, the amount of tax collected each year by the Department of Revenue is substantially less than what is indicated by mathematical manipulations of ADF&G catch statistics.

If one takes the number of salmon caught each year by species and multiplies this number by the appropriate average weights and prices the product is the landed value of Cook Inlet salmon. Two percent of the landed value is the amount of enhancement tax which should be collected by the Department of Revenue each year. Two percent of the landed value of the 1981 Cook Inlet salmon catch is \$491,000. Two percent of the 1982 landed value is at least \$741,000. Collections by Department of Revenue since the enhancement tax went into effect are approximately \$1,039,000; a shortfall of \$172,000 or nearly 14% of the landed value.

There are at least two possible mechanisms which, operating either independently or in conjunction, would explain the shortfall. It is possible that ADF&G statistics overestimate the landed value of Cook Inlet salmon. I have scrutinized these statistics and their method of collection and have found no reason to doubt their veracity. A more likely explanation seems to be that some fish buyers are either not collecting the salmon enhancement tax from fishermen or are not forwarding the monies collected to the Department of Revenue.

As you are aware there are a large number of fish buyers which operate in Cook Inlet each salmon season. Further, there is a substantial unreal turnover among firms and individuals purchasing fish. It appears that the Department of Revenue makes

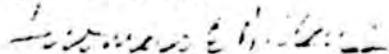
little effort to locate the new fish buyers each year in order to inform the buyers about the enhancement tax and provide them with the necessary paperwork. The Department of Revenue seems to assume that the fish buyers who remitted tax collections in a previous year are the only ones liable for collecting and remitting taxes in a subsequent year. There seems to be vague, if any, knowledge that ADF&G requires potential fish buyers to file an "Intent to Operate" within a given region each year and that ADF&G has a list of those buyers which have so filed.

It also seems that the Department of Revenue simply tabulates the tax monies collected from each region. There is, to my knowledge, no attempt made to enforce the enhancement tax law either through in-season field checks or comparison with ADF&G fish ticket summaries.

Every fisherman who pays his salmon enhancement tax expects that all other fishermen within the region are likewise paying this tax. All fishermen seem to assume that the State is enforcing the collection of the tax and that the rate of compliance should be about 99%.

The Association needs some help to make sure that fishermen's expectations regarding the tax are reasonably fulfilled. Thank you for considering this issue.

Sincerely,



Thomas E. Mears
Executive Director

TEM:sa

cc. Senator Don Gilman
Senator Paul Fischer
Representative Milo Fritz
Representative Bettye Cato

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 234 Date on Bill: 3/2/83
Title: "An Act making a special appropriation to the Dept. of Commerce & Economic Development;
Sponsor: Malone
Requestor: _____

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

			FY 83	FY 84	FY 85	FY 86		
Capital								
Operating								
Total				0	0			

b. Revenues:

Revenue								
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2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: *D. A. Hostak*
Division: Loans & Veterans' Affairs

Phone: 465-2510

Date: 3/11/83

Approved by Commissioner: Richard A. Lyon
Department: Commerce & Economic Development

Date: 3/16/83

5. Distribution:

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2/15/83