ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1236 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

SCOMM 48: HOUSE SPECIAL COMMITTEE ON FISHERIES, 1985-1986

LIST OF FILES (PAGE 1) MICROFICHE #

1. COMMITTEE PRIORITIES
2. CONFIRMATIONS: E. CARTER AND B. TWOMLEY
3. CONFIRMATION HEARING
4. FISH / WILDLIFE ENFORCEMENT
5. FISHING LOAN REGULATIONS
6. LIMITED ENTRY
7. MARICULTURE HEARING, 3/11/86
8. SOUTHEAST REGIONAL FISH & GAME ADVISORY COUNCIL, TELECONFERENCE, 1/30/85
9. SPORTFISH CHARTER VESSELS, 5/1/85
10. SUBSISTENCE
11. TANANA CHIEFS CONFERENCE - JT. COMMUNITY & REGIONAL AFFAIRS AND HOUSE SPECIAL FISHERIES COMMITTEE
12. TANANA CHIEFS CONFERENCE, 2/11/85
13. HB 58
14. HB 120
15. HB 208
16. HB 227
17. HB 229
18. HB 235
19. HB 260
20. HB 331
21. HB 355
22. HB 411
23. HB 467
24. HB 492

SCOMM 48: HOUSE SPECIAL COMMITTEE ON FISHERIES, 1985-1986

LIST OF FILES (PAGE 2) MICROFICHE #

25. HB 596

26. HB 695

27. HCR 32

28. HJR 8

29. HJR 33

30. HJR 37

31. HJR 38

32. HJR 43

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:1

HB

58

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

DATE: January 19, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Fisheries Priorities

The Special Committee on Fisheries will discuss goals and priorities at its initial meeting, Tuesday, January 22.

I hope you have the opportunity before the meeting to identify the issues you would like the committee address this session.

In addition to hearing referred bills, the role of the Fisheries Committee has been defined to include policy development, research and trouble shooting. This should allow us to get involved in most areas of concern to the fishing community.

To help expedite the priorities identification process, I have prepared a list of issues for your consideration. These have been brought to me by the fishing community, fellow legislators and members of the administration.

LIMITED ENTRY Nearly 14 percent of the permits originally issued to Natives now are in the hands of non-Natives. This has increased from less than 4 percent in 1979. The movement of permits out of rural Alaska is a major policy matter requiring investigation by the legislature.

AQUACULTURE Considerable interest has been expressed to the Departments of Fish and Game and Commerce concerning the pen-rearing of salmon, but the state has developed no policy governing fish-farming activities.

TAXATION Industry representatives have requested a review of the state's fisheries taxes, examining their relation to the developing fisheries and the expansion of Alaskan manufacturing of fish products.

QUALITY Some of the seafood quality assurance programs created by the legislature following the 1981 botulism crisis have yet to be implemented. Quality problems also are increasing in Alaska's halibut fisheries.

SALMON TREATY The legislature should review the impact of the recently negotiated U.S./Canada Salmon Treaty on Alaska's fishing fleets.

FOREIGN FLEETS AND INCIDENTAL CATCH The language of the legislation creating America's 200-mile zone appears to forbid the allocation of fisheries fully utilized by Americans to foreign fishermen and processing companies, yet the North Pacific Fishery Management Council has been allowing such harvests.

STREAM MANAGEMENT The management of lands adjacent to salmon spawning streams is an issue of increasing concern throughout the state.

Many other important issues remain. Your recommendations on priorities are appreciated.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

MEMORANDUM February 28, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll

SUBJECT: Supreme Court Decision on Subsistence

Attached is the recent decision by the Alaska Supreme Court striking down the Board of Fisheries' management plan for Cook Inlet subsistence salmon fisheries. The issue appears likely to surface in the Legislature in the next couple weeks.

The basic message of the decision is that the subsistence priority cannot be restricted to rural residents. The Board of Fisheries management plan limited subsistence use in Cook Inlet to residents of three rural Native villages--Tyonek, English Bay and Port Graham. The Board adopted the restrictive management plan after subsistence fishing in Cook Inlet jumped dramatically. The number of subsistence fishing permits rose from 323 in 1978 to 1,331 in 1980; the subsistence salmon harvest went from 3,735 to 14,755.

The court essentially said all personal consumptive users of fish and wildlife are subsistence users who are entitled to the state's subsistence priority. This means that the board must first restrict all commercial and sport hunting and fishing before cutting back on subsistence activities.

NOTICE: This opinion is subject to formal correction before publication in the Pacific Reporter. Readers are requested to bring typographical or other formal errors to the attention of the Clerk of the Appellate Courts, 303 K Street, Anchorage, Alaska 99501, in order that corrections may be made prior to permanent publication.

THE SUPREME COURT OF THE STATE OF ALASKA

GENE MADISON, LUCY CASEY, KEN McGAHAN, SR., ANDY JOHNSON, MARGIE KIVI, J. W. WARE, DICK FRANCIS, DON GROLESKE, KEN JORDON and SHIRLEY DEVAULT, Appellants, v. ALASKA DEPARTMENT OF FISH AND GAME, and ALASKA BOARD OF FISHERIES, Appellees, and THE ALASKA FEDERATION OF NATIVES, Intervenor.	File Nos. 6824/ 7181 O P I N I O N
ALASKA DEPARTMENT OF FISH AND GAME, RONALD SKOOG, ALASKA BOARD OF FISHERIES, Appellants, v. LOUIS GJOSUND, DORA MULCH, and KACHEMAK BAY SUBSISTENCY GROUP, INC., Cross-Appellees.	File No. 7410 [No. 2911 - February 22, 1985

Appeal from the Superior Court of the State of Alaska, Third Judicial District, Anchorage, Victor D. Carlson, Judge, and Third Judicial District, Homer, Paul B. Jones, Judge.

Appearances: Martin Friedman, Homer, Arthur Robinson, Soldotna, for Appellants/Cross-Appellees. Larri Irene Spengler, Assistant Attorney General, Norman C. Gorsuch, Attorney General, Juneau, for Appellees/Appellants. Donald C. Mitchell, Anchorage, for Intervenor/Amicus Curiae.

Before: Rabinowitz, Chief Justice, Burke, Matthews, Compton and Moore, Justices.

MOORE, Justice.

This case arises as a consolidated appeal of two cases. It concerns the validity of a Board of Fisheries' (hereafter board) regulation designed to identify eligibility for subsistence fishing in the Cook Inlet region.

Appellants (hereafter Madison and Gjosund) are two groups of Alaskan residents who live along the Kenai coastline and near Homer. For many years, they have fished with set nets for salmon for their personal and family use. Nonetheless, the board denied subsistence permits to Madison and Gjosund because their use of salmon did not meet the board's regulatory definition of subsistence. Both Madison and Gjosund challenged the regulation as exceeding the scope of the state's subsistence law. In both cases, the trial courts upheld the regulation as consistent with the

statutory grant of authority. We hold the regulation invalid since it is inconsistent with AS 16.05.251(b), AS 16.05.940(22) and AS 16.05.940(23) and contrary to the legislature's intent in enacting the 1978 subsistence law.

I. SUMMARY OF FACTS

Records indicate that subsistence fishing in Cook Inlet was minimal through the mid-19'.0s.[1] However, a core group of residents of each Cook Inlet community has traditionally fished for Cook Inlet salmon for subsistence. Participation in the subsistence salmon fishery is most visible in the smaller, more isolated villages, where the subsistence group represents a larger percentage of the population.

In 1977 the board established a comprehensive management policy for Cook Inlet, 5 AAC 21.363, which essentially allocated specific salmon stocks to sports fishermen and commercial fishermen on the basis of seasonal fish movements. See Kenai Peninsula Fisherman's Cooperative

---

1. From 1971 to 1977, the average number of subsistence permits issued annually for the Upper Cook Inlet was 87 and the average catch was 405 salmon. Commercial harvest averaged about two million fish per year. However, this statistical data does not necessarily reveal the total subsistence use since many people did not obtain permits and some commercially caught salmon were used for subsistence.

Ass'n v. State, 628 P.2d 897 (Alaska 1981). Although the policy did not specifically refer to subsistence uses of salmon in Cook Inlet, it had a substantial impact on subsistence fishing. Commercial fishermen, accustomed to taking subsistence salmon from their commercial catch, instead obtained subsistence salmon fishing permits in order to fish for their personal and family use after the commercial season was over.

Before 1978, subsistence fishing was defined in AS 16.05.940(17) as fishing for "personal use and not for sale or barter."[2] In 1978, the Alaska State Legislature enacted ch. 151 SLA 1978 (hereafter the 1978 subsistence law). Subsistence fishing was redefined as fishing for "subsistence uses."[3] Subsistence uses were defined as "customary and

---

2. Section 4, ch. 131 SLA 1960:

> "subsistence fishing": the taking, fishing for or possession of fish, shellfish, or other fishery resources for personal use and not for sale or barter, with gill net, seine, fish wheel, long line, or other means as defined by the Board.

3. AS 16.05.940(22), (formerly AS 16.05.940(17)), states:

> "subsistence fishing" means the taking, fishing for, or possession of fish, shellfish, or other fisheries resources for subsistence uses with gill net, seine, fish wheel, long line, or other means defined by

(Footnote Continued)

traditional uses . . . for direct personal or family consumption, and for the customary trade, barter or sharing. . . ." AS 16.05.940(23).[4] Furthermore, the legislation required the board to adopt regulations permitting "subsistence uses" of fish stocks, absent a showing that this use would jeopardize the sustained yield principle. AS 16.05.251(b).[5] Under AS 16.05.251(b), subsistence uses have

---

(Footnote Continued)

the Board of Fisheries.

4. AS 16.05.940(23), (formerly AS 16.05.940(26)), states:

> "subsistence uses" means the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation, for the making and selling of handicraft articles out of nonedible by-products of fish and wildlife resources taken for personal or family consumption, and for the customary trade, barter or sharing for personal or family consumption; for the purposes of this paragraph, "family" means all persons related by blood, marriage, or adoption, and any person living within the household on a permanent basis.

5. AS 16.05.251(b) states:

> The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) permitting the taking of fish for subsistence uses unless the board

(Footnote Continued)

priority over sport and commercial uses if the board finds it necessary to restrict the taking of fish to assure the maintenance of fish stocks or to assure the continuation of subsistence uses. If further restrictions are necessary after giving priority to all subsistence uses, the legislature established specific criteria to restrict subsistence uses based on the subsistence user's customary and direct dependence on the resource, local residency and availability of alternative resources. Id. As a result,

---

(Footnote Continued)

> determines, in accordance with the Administrative Procedure Act, that adoption of the regulations will jeopardize or interfere with the maintenance of fish stocks on a sustained-yield basis. Whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources, subsistence use shall be the priority use. If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:
>
> (1) customary and direct dependence upon the resource as the mainstay of one's livelihood;
>
> (2) local residency; and
>
> (3) availability of alternative resources.

the board could no longer allocate for subsistence uses at its discretion pursuant to AS 16.05.251(a).[b] The

---

6. AS 16.05.251(a) states:

> The Board of Fisheries may adopt regulations it considers advisable in accordance with the Administrative Procedures Act (AS 44.62) for
>
> (1) setting apart fish reserve areas, refuges and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;
>
> (2) establishing open and closed seasons and areas for the taking of fish;
>
> (3) setting quotas and bag limits on the taking of fish;
>
> (4) establishing the means and methods employed in the pursuit, capture and transport of fish;
>
> (5) establishing marking and identification requirements for means used in pursuit, capture and transport of fish;
>
> (6) classifying as commercial fish, sport fish or predators or other categories essential for regulatory purposes;
>
> (7) engaging in biological research, watershed and habitat improvement, fish management, protection, propagation and stocking;
>
> (8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(Footnote Continued)

legislature mandated in AS 16.05.251(b) that the board regulate for the protection of subsistence uses as the priority use of fish and game.

The passage of the 1978 subsistence law, combined with adoption of the board's 1977 management policy, heightened public awareness of the state's subsistence fishing provisions. This public interest resulted in a

---

(Footnote Continued)

> (9) entering into cooperative agreements with educational institutions and state, federal, or other agencies to promote fish research, management, education and information and to train persons for fish management;
>
> (10) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;
>
> (11) establishing seasons, areas, quotas and methods of harvest for aquatic plants;
>
> (12) establishing the times and dates during which the issuance of fishing licenses, permits and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43.

substantial increase in the demand for subsistence permits and a corresponding increase in total catch.[7] The board responded to the permit increase by restricting subsistence fishing; it limited areas open to subsistence fishing, length of fishing periods and maximum length of gill nets. Several lawsuits were filed, all of which resulted in decisions unfavorable to the board.

In December 1980, the board held hearings to respond to the 1978 subsistence law and received a considerable amount of testimony on subsistence uses in Cook Inlet. The meeting resulted in the establishment of characteristics for identification of "customary and traditional uses" of Cook Inlet salmon.[8] In addition, the

---

7. This chart reflects the trend in Upper Cook Inlet:

	Subsistence Use		Commercial Harvest
	Permits Issued	Salmon Caught	
1978	323	3,735	5,118,041
1979	1,161	9,923	1,923,229
1980	1,331	14,775	4,138,648

In 1980, household permits were issued instead of individual permits.

8. With some modification, these characteristics became the basis of 5 AAC 01.597, which states:

> CHARACTERISTICS OF SUBSISTENCE FISHERIES.
> (a) The Board of Fisheries finds that certain customary and traditional practices

(Footnote Continued)

board decided to "adopt a set of criteria drawn from the

(Footnote Continued)

> and procedures associated with the utilization of fish in the Cook Inlet Area can be used to identify subsistence uses. Based on testimony to the board, the following characteristics are those that should be evaluated in the identification of subsistence fisheries:
>
> (1) a long-term, stable, reliable pattern of use and dependency, excluding interruption generated by outside circumstances, e. g., regulatory action or fluctuations in resource abundance;
>
> (2) a use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use;
>
> (3) a use pattern associated with specific stocks and seasons;
>
> (4) a use pattern based on the most efficient and productive gear and economical use of time, energy and money;
>
> (5) a use pattern occurring in reasonable geographic proximity to the primary residence of the community, group or individual;
>
> (6) a use pattern occurring in locations with easiest and most direct access to the resources;
>
> (7) a use pattern which includes a history of traditional modes of handling, preparing and storing the product without precluding recent technological advances;
>
> (8) a use pattern which includes the intergenerational transmission of activities and skills;

(Footnote Continued)

characteristics . . . and apply [them] to communities, subcommunities, groups and individuals who wish to continue to participate in an established customary and traditional fishing effort in Cook Inlet."

At its March 1981 meeting, the board received written testimony from the public about subsistence uses of Cook Inlet salmon stock. Subsequently, it decided to apply all of the ten criteria to determine "customary and

---

(Footnote Continued)

> (9) a use pattern in which the effort and products are distributed on a community and family basis including trade, bartering, sharing and gift-giving; and
>
> (10) a use pattern which includes reliance on subsistence taking of a range of wild resources in proximity to the community or primary residency.
>
> (b) The board will identify established geographic communities which may be participating in a subsistence system. The board will then apply all of the characteristics in (a) of this section to the communities and to subcommunities, groups and individuals within the communities to determine which uses are customary and traditional and therefore, which communities are eligible for the subsistence priority.
>
> (c) For purposes of this section, a "community" is generally considered to be several households of full-time residents who all reside in a specific geographic area because of common interests.

traditional uses" eligible for the subsistence priority. When the board applied the ten criteria, it determined that no group or community in the Cook Inlet region other than Tyonek, English Bay and Port Graham satisfied all ten of the criteria. The board limited the 1981 subsistence catch to these three communities. As a result, the board eliminated from the protection of the state's subsistence statute the majority of Cook Inlet fishermen who formerly fished under subsistence regulations.

Madison and Gjosund challenged the validity of the board's subsistence criteria (now 5 AAC 01.597) on several grounds. They claimed that: (1) the criteria were inconsistent with the statutory language and legislative intent of the 1978 subsistence law; (2) the board failed to comply with the Administrative Procedure Act in adopting the criteria; and (3) their equal protection and due process rights were violated by the board's action.[9] Both courts issued preliminary injunctions compelling the board to authorize personal use fishing for Madison and Gjosund similar to that allowed in the previous year. The board

---

9. Since we hold the regulation invalid because it is inconsistent with AS 16.05.251(b) and AS 16.05.940(22) and (23), and contrary to the legislature's intent in enacting the 1978 subsistence law, we need not consider the APA, due process and equal protection issues raised regarding the regulation's validity.

moved for summary judgment on the plaintiffs' first claim. Both trial courts granted summary judgment to the board, after finding the subsistence criteria consistent with the legislative intent "to provide for and protect personal use . . . by persons who reside in rural communities. . . . "

On appeal, Madison and Gjosund seek reversal of the two trial court decisions. They claim that the board did not act within the legislative authority granted by AS 16.05.251(b) and AS 16.05.940(22) and (23) when it adopted the ten characteristics ultimately codified as 5 AAC 01.597.[10]

II. STANDARD OF REVIEW

We first consider the appropriate standard of review for this case. The legislature enacted AS 16.05.251(b), which requires the board to adopt regulations permitting the taking of fish for "subsistence uses." The legislature then defined subsistence uses as "customary and traditional" uses in AS 16.05.940(23), but it never defined

---

10. Madison and Gjosund also contend that the board exceeded its statutory authority under AS 16.05.251(a) when it established a personal use fishery to accommodate people excluded from the subsistence fishery by 5 AAC 01.597. Because we hold 5 AAC 01.597 invalid, we need not address the issue of the board's authority to establish a personal use fishery.

"customary and traditional." The board developed the ten criteria (now codified as 5 AAC 01.597) to identify customary and traditional uses qualifying for a subsistence priority under AS 16.05.251(b). Therefore, the board interpreted the 1978 subsistence law and devised its regulatory criteria accordingly.

In Kelly v. Zamarello, 486 P.2d 906, 917 (Alaska 1971), we stated that the "reasonable basis approach should be used for the most part in cases concerning administrative expertise as to either complex subject matter or fundamental policy formulations." However, the issues in this case concern statutory interpretation of the words "customary and traditional" and the question whether the board has acted within the scope of its statutory authority. Such issues "fall into the realm of special competency of the courts." Alaska Public Utility Commission v. Municipality of Anchorage, 555 P.2d 262, 266 (Alaska 1976). See also State, Commercial Fisheries Entry Commission v. Templeton, 598 P.2d 77, 80 (Alaska 1979).

In this instance, we are dealing with a question of statutory interpretation and will apply the substitution of judgment standard.

> The substitution of judgment standard is applied when the questions of law presented do not involve agency expertise, and, thus, a court need not take the deferential stance embodied in the rational basis test. . . . The standard is appropriate where the

> knowledge and experience of the agency is of little guidance to the court or where the case concerns "statutory interpretation or other analysis of legal relationships about which courts have specialized knowledge and experience."

Earth Resources Co. v. State, Department of Revenue, 665 P.2d 960, 965 (Alaska 1983), quoting Kelly v. Zamarello, 486 P.2d at 916 (emphasis added). Application of this standard allows the reviewing court to substitute its judgment about a statute's meaning for the board's interpretation, even if the board's interpretation had a reasonable basis in law. In this case, both trial courts erred by applying the rational basis standard to the board's statutory interpretation.

III. LEGISLATIVE HISTORY OF THE 1978 SUBSISTENCE LAW

Before 1978, subsistence fishing was defined as fishing for "personal use and not for sale or barter." Formerly AS 16.05.940(17). The 1978 subsistence law redefined subsistence fishing as fishing for "subsistence uses." AS 16.05.940(22). "Subsistence uses" were defined as "the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption . . . and for the customary trade, barter or sharing . . . . " AS 16.05.940(23). The board argues that the legislature intended to narrow the scope of subsistence fishing to mean fishing by individuals residing in those

rural communities that have historically depended on subsistence hunting and fishing. Under this interpretation, the board asserts that its criteria are consistent with the legislature's intent.

The board's argument reveals a fundamental misconception about the structure of the 1978 subsistence law. There are potentially two tiers of subsistence users under AS 16.05.251(b). The first tier includes all subsistence users. Under the statute, all subsistence uses have priority over sport and commercial uses "whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources. . . ." AS 16.05.251(b). If the statutory priority given all subsistence users over commercial and sport users still results in too few fish for all subsistence uses, then the board is authorized to establish a second tier of preferred subsistence users based on the legislative criteria expressed in AS 16.05.251(b), namely, customary and direct dependence on the resource, local residency, and availability of alternative resources.

Criteria like the ten criteria of 5 AAC 01.597(a) could be used to distinguish first-tier general subsistence users from second-tier preferred subsistence users, since most of the criteria relate to either "customary and direct

dependence" or "local residency," two of the three criteria set out in AS 16.05.251(b). However, before there is any occasion to restrict subsistence fishing to second-tier preferred subsistence users as distinct from all subsistence users, the board must make two findings. It must find: (1) that it is necessary to restrict the taking of fish for sustained-yield purposes; and (2) that eliminating sport and commercial uses will not assure the maintenance of fish stocks on a sustained-yield basis and, thus, establishing a priority among subsistence users is also necessary. The board erred because it applied the ten criteria without making these findings.

The board argues that the words "customary and traditional" in AS 16.05.940(23) authorize it to define first-tier subsistence users by their area of residence. We reject this argument for several reasons. First, the argument ignores the two-tier structure of AS 16.05.251(b) that defines only the second-tier subsistence users in terms of residency. If the legislature had intended to define the class of first-tier general subsistence users by area of residence, it would not have expressed that factor with respect to only the second tier of preferred subsistence users. Moreover, the phrase "customary and traditional" modifies the word "uses" in AS 16.05.940(23). It does not refer to users. The 1978 subsistence law refers to

"customary users" at only one point, when it defines the preferred subsistence users of the second tier with the three statutory criteria in AS 16.05.251(b).

The House Special Committee on Subsistence drafted a letter of intent for House Bill 960[11] that supports our interpretation. With respect to AS 16.05.251(b) (which was § 6 of House Bill 960),[12] the letter of intent made clear the priority to be given subsistence uses in general over sport and commercial uses and explained the two-tier system among subsistence users.

> Sections six and seven: These two sections, which are virtually identical for the Boards of Fisheries and the Board of Game, are intended to statutorily set out the priority given to subsistence use of fish and game resources. . . . Further, these sections set forth a priority of users if restrictions are needed because of the unavailability of resources. The priority list is an attempt to insure that those with the most dependence upon the fish and game resources are the last to be restricted.
>
> If there is a need to restrict the taking of fish or game in order to avoid damaging the fish stocks or game populations, or in order to assure that subsistence users may continue to take fish or game, it is the intent of the Committee that sports or commercial use be restricted before

---

11. HB 960 became the 1978 subsistence law, ch. 151 SLA 1978.

12. The committee also intended to provide a priority for subsistence hunting in AS 16.05.255, as indicated in § 6 of HB 960.

> subsistence use. If these restrictions are inadequate, restricting of subsistence use as well is authorized based upon the dependence on the resource, the local residence of the subsistence users, and the availability of alternate resources.

(Emphasis added).

Only in connection with AS 16.05.251(b) does the letter of intent discuss applying residence criteria to subsistence users, and it does so only with respect to second-tier subsistence users. With respect to the definition of subsistence uses in § 17 of House Bill 960 (now AS 16.05.940(23)), the letter of intent does not suggest that the phrase "customary and traditional" was meant to describe users as well as uses. The letter of intent states:

> Section seventeen: Subsection (26) defines what uses can be made of subsistence caught fish and game. It allows it to be used for direct personal or family consumption, for barter as defined in subsection (27) and for sharing the subsistence caught fish and game with other persons. This subsistence caught fish and game which is shared can then only be used for personal or family consumption. This subsection also broadens the definition of family to include the extended family situation.

The letter of intent clearly expressed the legislative resolve to establish a priority for subsistence use of fish and game. The 1978 subsistence law also increased the number of uses qualifying as subsistence fishing by including trade and barter.

The board based its restrictive regulation, 5 AAC 01.597, on the words "customary and traditional." The legislature did not define these words in the 1978 subsistence law. In such a case, reference to legislative history may provide an insight into the legislature's intent and a statute's meaning. North Slope Borough v. Sohio Petroleum Corp., 585 P.2d 534, 540 (Alaska 1978). In the House floor debate on House Bill 960, Representative Cotton introduced an amendment to delete the words "customary and traditional" from the statute. The floor manager of the bill, Representative Anderson, opposed the amendment in the following speech:

> The two words are used in this context to put some guidelines around the uses of Alaska's freedom of resources. What we were afraid of, it was brought to our attention by people who were concerned that this would leave the field of the definition wide open. That newcomers just coming to the State of Alaska would automatically be able to establish not only residency in 30 days, but be able to go out and state that they have a customary and traditional use of Alaska's fish and game resources. The use of customary and traditional also is in recognition of a historical use of fish and game for food, shelter, fuel, clothing, tools, transportation, etc. This is not only in conformance with the aboriginal uses, but also those that have come in, those people who have come in later. . . . [T]he nonnative people in the State of Alaska have established customary and traditional uses of Alaska's fish and game resources for subsistence purposes. And in order to give the Board of Fish and Game more clarification in the area, we have come up with the (inaudible) of customary and traditional rather than leaving that section

> wide open. The design is not to be restrictive but to provide guidelines and that is basically what I feel and many . . . members felt it was necessary in . . . adding or retaining those two words "customary and traditional."

(Emphasis added).

We consider statements made by a bill's sponsor in the course of legislative deliberations to be relevant evidence when a court is trying to determine legislative intent. Alaska Public Employees Association v. State, 525 P.2d 12, 16 (Alaska 1974). Anderson argued for the retention of "customary and traditional" for use as a guideline. His major concern focused on the potential pressure put on resources by newcomers. In his view, the words "customary and traditional" recognized and protected a historical subsistence use by both native and non-native Alaskans. The words were not intended to restrict subsistence use.

Another part of the House debate serves to clarify the statute's meaning. Representative Parr expressed concern that the board might use AS 16.05.251(b) to eliminate Fairbanks residents from subsistence use. Some Fairbanks residents often traveled to the Chitina Dip Net Fishery near the Copper River for their fishing. Representative Anderson responded to these concerns:

> If we get into a condition where the fish stock gets down to the point where there is no way that you can allow any take, the first people that you are going to cut off are the commercial and then the sports, first, and

> then the last people that you are going to cut off are the subsistence people who have the greatest reliance on the resource. . . . [I]f it were defined that dip net fishing were for subsistence uses and not for sale or any other purpose, that would be allowed and I would think that people from Fairbanks would fall under these categories. I don't know where else they would go to . . . where people from Fairbanks make it a custom to go down to the Chitina area and if it was determined that that resource was down to the point where only subsistence would be allowed, those people would be taken care of under this section. I don't see that it is eliminating.

(Emphasis added).

In the House debate, Anderson attempted to assure Parr that residents of urban Fairbanks could be considered priority subsistence users. Contrary to the board's interpretation of the subsistence statutes, there is no indication that legislators understood the 1978 subsistence law to restrict subsistence use to either a rural or a community context. In fact, the House debate indicates that the 1978 subsistence law was necessary to protect subsistence uses as a priority use of Alaska's fish and game resources. This intent is clearly expressed by the preamble to the subsistence law:

> [I]t is in the public interest to clearly establish subsistence use as a priority use of Alaska's fish and game resources and to recognize the needs, customs and traditions of Alaskan residents. The legislature further finds that beneficial use of those resources by all state residents should be carefully monitored and regulated with as much input as possible from the affected

> users, so that the viability of fish and game resources is not threatened and so that resources are conserved in a manner consistent with the sustained yield principle.

(Emphasis added).

The legislative history indicates that the legislature intended to protect subsistence use, not limit it. The words "customary and traditional" serve as a guideline to recognize historical subsistence use by individuals, both native and non-native Alaskans. In addition, subsistence use is not strictly limited to rural communities. For these reasons, the board's interpretation of "customary and traditional" as a restrictive term conflicts squarely with the legislative intent.[13]

---

13. The board notes that the words "customary and traditional" in the 1978 subsistence law were taken from § 703 of HR 39, 95th Congress, 2nd Session (1978), which Congress passed in modified form in 1980 as the Alaska National Interests Land Conservation Act (ANILCA), Public Law No. 96-487, 16 U.S.C. § 3113. Therefore, the board argues that the words in the Alaska act should have the same meaning as the words in the federal act and limit subsistence uses to residents of rural Alaska. We reject this argument for several reasons. First, § 703 of HR 39 in its 1978 form did not contain the "rural Alaska residents" limitation now found in 16 U.S.C. § 3113. Second, the Alaska House floor debate reveals that Representative Anderson, the bill's floor manager, understood the 1978 subsistence law to allow the urban residents of Fairbanks to qualify as general subsistence users. Finally, in the preamble to the 1978 subsistence law, the Alaska Legislature expressed its intent to "recognize the needs, customs and traditions of Alaskan residents." While the legislature declared that beneficial use of fish and game resources "by

(Footnote Continued)

IV. THE BOARD'S ADOPTION AND APPLICATION OF 5 AAC 01.597

We now turn to the board's interpretation of the 1978 subsistence law. In December 1980, the board met to examine the uses of salmon in Cook Inlet and to determine which uses would qualify for the subsistence use priority. Tom Lonner, the director of the subsistence section of the Alaska Department of Fish and Game, presented the department's recommendations on the subsistence statute. He suggested that the board begin its analysis of customary and traditional uses with an assessment of user profiles and use patterns on a case by case basis. Lonner noted that such information was most lacking in the major Cook Inlet subsistence fishery because of the rapid growth of subsistence uses in recent years, and that obtaining such information would be expensive.

The board did not follow Lonner's suggested approach.[14] After the board heard extensive testimony on subsistence use, its chairman appointed a committee,[15]

(Footnote Continued)

all state residents" should be carefully monitored and regulated, it did not express an intention to limit subsistence uses to rural Alaska residents.

14. A board member, Nick Szabo, stated that the board's limited budget prevented implementation of a case by case approach.

15. The board stipulated in 1982 that it violated

(Footnote Continued)

consisting of board members and staff, to identify subsistence uses of salmon in Cook Inlet. The committee drafted ten criteria to identify subsistence uses and presented them to the board.

Lonner worked with the committee to develop the ten criteria and explained them to the board. He stated: "These tenets here are . . . based on . . . the evidence about four relatively self-contained communities. . . . If, however, you have individual applicants, . . . this might not suffice as a test." Therefore, the board was fully aware of the limitations of the proposed criteria.

At its March 1981 meeting, the board received further testimony on uses of Cook Inlet salmon from the area advisory committees and several individual witnesses. After deliberation, the board decided to apply all of the ten criteria "to determine which uses are customary and traditional and therefore are eligible for the subsistence priority." Only the fisheries associated with Tyonek, English Bay and Port Graham met all ten criteria.

In its findings of fact, the board applied the ten criteria to individuals such as Madison and Gjosund. In particular, the individuals failed to meet the second

---

(Footnote Continued)

AS 44.62.310-12 (public meeting provision) at its December 1980 meeting.

2911

criterion: "A use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use."[16] The board found:

> Although some users have shown the existence of a community of interest (e.g., the Kenaitze Tribe and the Kachemak Bay Subsistence Group), these persons either are too widely dispersed or are too heterogeneous to be considered an identifiable community, subcommunity or group. On the evidence presented, the Board cannot conclude either that activities are conducted in common or that sharing or other group interchange occurs in relation to the resource.

In other words, an individual subsistence user (such as Madison or Gjosund) would not qualify for a subsistence use priority from the board unless he were part of an identifiable subsistence community or group.[17] Under the

---

16. See 5 AAC 01.597 set out in n. 8 above.

17. In contrast, the Commercial Fisheries Entry Commission issues commercial fishing permits on an individual basis. See AS 16.43.250. We do not, however, read the words "customary and traditional" as a grant of authority to the Department of Fish and Game and the Board of Fisheries to impose a "grandfather" rights system with respect to subsistence users. Imposing an equitable system of grandfather rights is an extremely complicated task, as Alaska's experience with such a system in the commercial salmon and herring fisheries has demonstrated. See AS 16.43.010-990 and the numerous, and ever increasing, judicial decisions interpreting this act noted in the annotations. Such a system would also be extremely controversial. It is preposterous to suppose that the legislature intended to create such a system merely by using

(Footnote Continued)

board's regulation, many individual users who have historically depended on subsistence fishing are eliminated from subsistence use at the outset.

The board's regulation, 5 AAC 01.597, is inconsistent with the legislative intent to provide guidelines for the protection of subsistence fishing. The regulation exceeds the authority delegated to the board because it operates too restrictively in its initial differentiation between subsistence and non-subsistence uses. Under a statute designed to protect subsistence uses, the board has devised a regulation to disenfranchise many subsistence users whose interests the statute was designed to protect.

The decision of the two trial courts that 5 AAC 01.597 is consistent with AS 16.05.251(b) and AS 16.05.940(22) and (23) is REVERSED.

(Footnote Continued)

the words "customary and traditional" in the definition of subsistence uses, with no more notice or guidance than is inherent in those words.

NOTICE: This opinion is subject to formal correction before publication in the Pacific Reporter. Readers are requested to bring typographical or other formal errors to the attention of the Clerk of the Appellate Courts, 303 K Street, Anchorage, Alaska 99501, in order that corrections may be made prior to permanent publication.

THE SUPREME COURT OF THE STATE OF ALASKA

ARTEMIE KALMAKOFF, Appellant, v. STATE OF ALASKA, COMMERCIAL FISHERIES ENTRY COMMISSION, Appellee.	)	File No. 7767 O P I N I O N [No. 2900 - January 11, 1985]

Appeal from the Superior Court of the State of Alaska, Third Judicial District, Anchorage, Karl S. Johnstone, Judge.

Appearances: Craig J. Tillery and Wilson A. Rice, Reese, Rice and Volland, P.C., Anchorage, for Appellant. Sarah Forbes, Assistant Attorney General, Anchorage, and Norman C. Gorsuch, Attorney General, Juneau, for Appellee.

Before: Burke, Chief Justice, Rabinowitz, Matthews, Compton, and Moore, Justices.

RABINOWITZ, Justice.

Nine years ago, Artemie Kalmakoff applied for a limited entry permit for the Chignik purse seine salmon fishery. The Commercial Fisheries Entry Commission denied his request and the superior court affirmed this denial. On appeal, he attacks the Commission's factual findings and parts of the point system that is used to determine who receives permits. We affirm in part, reverse in part, and remand for further proceedings.

After it received Kalmakoff's application, the Commission's staff eventually decided that he should be awarded seventeen points.[1] He had fished as a gear license holder from 1960 through 1966 (7 points), and fished as a crewman on other people's boats from 1967 through 1972 (6 points). Because he had been living in Ivanof Bay, an isolated village in a primarily rural census district, he received four points on the ground that alternative occupations to fishing were not readily available. Points for consistent participation as a gear license holder, investment in gear, and income dependence on the fishery

---

1. For a general description of the Limited Fisheries Entry Act, AS 16.43.010-.990, and the point system which governs permit applications, see Rose v. CFEC, 647 P.2d 154, 155-57 (Alaska 1982).

2550

were not awarded. Thus, Kalmakoff was classed at seventeen points, three short of the number needed for a permit.[2]

He challenged this classification and presented his claims at an administrative hearing on March 19, 1979. More than 20 months later, the hearing officer issued a recommended decision, rejecting Kalmakoff's claims for points for gear ownership and for income dependence. The gear ownership claim depended on Kalmakoff's alleged ownership of a usable purse seine, including a usable net, on January 1, 1973. See 20 AAC 05.630(b)(3)(C). The income dependence claim depended, at the administrative stage, on Kalmakoff's assertion that he had been a de facto gear license holder during 1972, and that this entitled him to income dependence points under the Commission's regulations and interpretive decisions. See 20 AAC 05.630(b)(1).[3] The Commission adopted the hearing officer's recommended decision on November 19, 1981. The superior court affirmed that decision and rejected Kalmakoff's attack on the regulations. This appeal followed.

---

2. The Chignik purse seine salmon fishery is a "20-point" fishery. See 20 AAC 05.640 and 05.320(6).

3. On appeal, Kalmakoff challenges the income dependence point regulations themselves. He could not do so at the administrative hearing because a hearing officer has no power to set aside a challenged regulation. See 20 AAC 05.815(b).

I

Initially, Kalmakoff asserts that the Commission denied him a meaningful opportunity to be heard. We disagree. Formally, the Commission did all it should have done. It supplied Kalmakoff with copies of settlement sheets, which record transactions between fishermen and buyers. It wrote him thirty days before the scheduled hearing, informing him that he had a right to have an attorney or other representative present at the hearing, instructing him of other rights, and offering help in locating evidence. The Commission did not tell him that he could bring a translator if he needed one, but there is no indication in the record that it knew or should have known, before or even during the hearing, that Kalmakoff's command of English was inadequate. At the hearing, Kalmakoff was accompanied by members of his family and a personal representative. Although the hearing officer asked the Kalmakoff family "not to assist Mr. Kalmakoff in his answering," the hearing officer later allowed Mrs. Kalmakoff to translate a question, asked extensive questions of his own, and heard testimony from Joe Kalmakoff, Mr. Kalmakoff's son. Thus, our review of the record does not reveal a denial of due process.

In itself, we see no constitutional violation in the Commission's failure affirmatively to provide an attorney or an interpreter for Kalmakoff. No one requested such

2000

assistance. Kalmakoff was told that he had the right to have an attorney present. He did not exercise this right, choosing instead to have at the hearing a non-attorney as his personal representative.[4] Nor is it obvious to us that the lack of an interpreter denied Kalmakoff due process of law. When translation was necessary, Mrs. Kalmakoff did the translating. Further, review of the recording of the hearing leads us to agree with the Commission that Mr. Kalmakoff's faulty memory, rather than his lack of fluency in English, was primarily responsible for his testimony being incomplete and ambiguous.

Limited Entry, unlike, for example, Social Security Disability Insurance, is not a benefit program for which hearing officers have an affirmative duty to develop the evidence. Due process considerations underlie a hearing officer's duty to ensure that a full and fair hearing takes

---

4. To the extent that Kalmakoff is asking us to hold that applicants have a constitutional right to be represented by Commission-appointed attorneys at administrative hearings, we reject his invitation. "While civil litigants have a constitutional right of access to the courts in limited situations, they have no general right to the assistance of counsel once access has been provided." Catz and Firak, The Right to Appointed Counsel in Quasi-Criminal Cases: Towards an Effective Assistance of Counsel Standard, 19 Harv. C.R.-C.L. L. Rev. 397, 407 n.41 (1984). The record shows that Kalmakoff was in occasional contact, before and after the hearing, with staff attorneys from the Alaska Legal Services Corporation.

place only if the benefit which a program provides is vitally important to those eligible for it.[5] A limited entry permit, while economically important to the person who applies for it, does not usually stand between that person and destitution. Assuming for purposes of argument that the hearing officer could have done more to assist Kalmakoff in remembering events which might have supported his point claims, we hold that this failure does not in and of itself constitute a denial of due process of law.

II

Artemie Kalmakoff bought a purse seine in 1963 or 1964. If the seine was "used or to be used" in the Chignik fishery as of January 1, 1973, he should have received three gear ownership points under 20 AAC 05.630(b)(3)(C).[6] The hearing officer's findings and conclusions are as follows:

---

5. Early federal cases holding that in social security disability matters hearing officers have an affirmative duty to develop evidence relied upon 20 CFR § 404.927 as support for their holdings. See, e.g., Coulter v. Weinberger, 527 F.2d 224, 229 (3d Cir. 1975). This regulation no longer exists, but the duty remains. See, e.g., Lewis v. Schweiker, 720 F.2d 487, 489 (8th Cir. 1983). Due process concerns must therefore underlie the duty.

6. Under 20 AAC 05.630(b)(3), an applicant can receive points for "investment . . . in vessel, gear or set (footnote continued)

Applicant's son testified that he used his father's purse seine in the Chignik purse seine fishery in 1969, that after that season the seine was stored, and then cut into pieces for use in the subsistence fishery sometime before 1972. Applicant testified that he used the old lead and cork lines and new webbing to construct a seine for the Chignik purse seine fishery in 1974. No bill of sale nor depreciation schedules were introducted [sic] evidencing seine ownership as of January 1, 1973.

. . . .

Applicant's claim of gear ownership under 20 AAC 05.630(b)(3)(C) must fail because of the testimony at hearing. As detailed in Case File 75-324 (currently under Commission consideration), 20 AAC 05.630(b)(3) requires that in order to receive gear ownership credit an applicant must have owned gear as of January 1, 1973, that was used or to be used in the fishery for which application is made and that "gear" in the salmon net fishery includes the net.

The testimony at hearing established that the gear in question, a purse seine, was, "cut up for subsistence" before 1972 and that the old lines were reused in 1974. It must be concluded, therefore, that the net portion of the seine was cut up before 1972 since the

---

(footnote continued)

net site used or to be used in the fishery for which application is being made." The relevant part of this regulation reads:

> (C) Owns gear . . . . . 3 points
>
> (Gear must include the net in salmon net fisheries. In the troll fisheries, gear includes the lines, leaders and lures);

> lines were capable of being used on a full seine in 1974. Consequently, I recommend that no points be awarded for gear ownership because as of January 1, 1973, applicant did not possess gear as defined by 20 AAC 05.630(b)(3)(C).

(Emphasis added).

In our view substantial evidence does not support crucial parts of these findings.[7] According to the transcript, Artemie Kalmakoff's own testimony was ambiguous:

> Q. In 1972, was the web still good on the seine that you had?
>
> A. Yes.
>
> Q. Why did you decide to replace it in 1974?
>
> A. It snagged (indisc.) buy a new one yet.
>
> Q. When did it snag up and tear up, can you remember?
>
> A. In '72.
>
> Q. In '72?
>
> A. I don't remember?
>
> Q. You don't remember. Was it used in 1973?
>
> A. I don't remember.
>
> Q. Okay, you don't remember . . . .

---

7. When a CFEC decision depends on factual findings, a reviewing court applies a "substantial evidence" standard. Jones v. CFEC, 649 P.2d 247, 249 n.4 (Alaska 1982).

The tape from which the transcript was made shows that Kalmakoff did not, in fact, say that the webbing snagged or tore up "in '72." What he actually said is unclear; the hearing officer may well have thought that he said "in '72," but the next question and answer should have established that he had said something else.

When Artemie Kalmakoff's son, Joe, testified, the interchange is easier to understand but not much more enlightening:

Q. And after you used the seine in '69, you say you stored it.

A. Um-hum.

Q. And then it was used after that in subsistence.

A. It was mostly subsistence.

Q. How? Was it cut apart . . . .

A. Yeah, it was all cut up.

Q. The web was used?

A. Yes.

Q. Can you remember what years when it was used?

A. There's still little pieces laying around.

Q. What shape was the webbing in in 1972?

A. It was pretty well used up.

Q. The lines were there but the webbing had been cut off of it?

A. In '72?

Q. Um-hum.

A. Or what year?

Q. In '72.

A. Well it's still physically down there in just little chunks, you know, so -- up in the (indisc.--simultaneous speech).

Q. That's the original web?

A. Yeah.

Q. What shape was it in in '72? The same shape as it is now?

A. It's pretty hard to say. It's used anyhow.

Q. But it had been used, say, before '72 for subsistence fishing?

A. Yeah, and it was used by my dad, I guess, in his fishing at Chignik, St. George.

In our view the evidence the hearing officer heard was far less definite than the conclusions he drew. His conclusions depend on his factual finding that the net had been "cut up for subsistence" before 1972. Joe Kalmakoff did not, however, testify that the net had been cut up before 1972. He said that the net had been cut up, but twice failed to say when this had occurred. Nor did his father's testimony establish when this happened. And, the fact that the net had been used for subsistence fishing before 1972 does not in itself show that it had been cut up

before 1972. It is possible to fish for one's subsistence with commercial gear. As far as the testimony itself is concerned, we conclude that there is no substantial evidence in the record that the net was not usable in 1973.[8]

On the other hand, the testimony does not show that the net was usable, and we think a holding that Kalmakoff had not carried his burden of proof on the issue would, on this record, have been difficult to challenge. The problem is that the hearing officer thought the testimony had established something which, in fact, it did not. His decision rests on his factual findings, not on burdens of proof. The superior court, reviewing the hearing officer's decision, held that the testimony was ambiguous, but that in any event Kalmakoff did not carry his burden of proof at the hearing. But the superior court's memorandum decision shows that it misinterpreted the hearing officer's reasoning: "Because of the conflicting testimony about when the net was torn, the hearing officer found Kalmakoff did not meet his burden . . . ." (emphasis furnished). This is not what the hearing officer found. His decision

---

8. "It must be concluded," the hearing officer observed, "that the net portion of the seine was cut up before 1972 since the lines were capable of being used on a full seine in 1974." At first glance this is, as Kalmakoff argues, a non sequitur. Perhaps the hearing officer just meant to indicate that the lines had not been cut up.

2900

concentrates on the net having been cut up, and does not mention burden of proof in this context. We thus conclude, so far as gear ownership is concerned, that both the hearing officer's decision and the superior court's affirmance of that decision were erroneous.[9]

Not all errors, of course, require reversal. We have employed a "harmless error" standard in reviewing administrative determinations. See North State Telephone Co. v. Alaska Public Utility Commission, 522 P.2d 711, 715 (Alaska 1974). The relevant federal cases suggest that a court reviewing an agency decision should be much more reluctant to find "harmless error" than it would be if reviewing a lower court decision.[10] With this in mind, we

---

9. It is the Commission's decision, not the superior court's, which is our primary concern. When the issue before us is whether or not substantial evidence supports an agency's decision, we need not and do not defer to the superior court's conclusions on the issue. See, e.g., Interior Paint Co. v. Rodgers, 522 P.2d 164, 170 (Alaska 1974).

10. See Braniff Airways, Inc. v. C.A.B., 379 F.2d 453, 465-66 (D.C. Cir. 1967) (Leventhal, J.) ("Of course, an error cannot be dismissed as 'harmless' without taking into account the limited ability of a court to assume as a judicial function, even for the purposes of affirmance, the distinctive discretion assigned to the agency."); Greater Boston Television Corp. v. F.C.C., 444 F.2d 841, 851 n.16 (D.C. Cir. 1970) (Leventhal, J.) ("The [harmless error] doctrine must be used gingerly, if at all, when basic procedural rights are at stake."); cf. People of the State of Illinois v. I.C.C., 722 F.2d 1341, 1348-49 (7th Cir.

(footnote continued)

are hesitant to affirm the Commission on a ground it did not consider. One important fact about the hearing supports our reluctance. The Kalmakoffs' testimony about gear ownership was in large part a response to the hearing officer's questions. It is apparent from the record that neither Mr. Kalmakoff nor his representative knew precisely what information would be relevant in getting points for gear ownership. The information before the hearing officer, then, depended almost entirely on the questions he asked. If the hearing officer made up his mind too quickly -- and his factual findings suggest that he did -- he would not have asked questions that might have created a more complete record. Because the hearing officer effectively decided what information would be produced, taking on himself the role that a better represented applicant's personal representative would have assumed, we will not affirm his decision on the ground that Kalmakoff failed to introduce enough evidence. For similar reasons, we think that a

---

(footnote continued)

1983) (Posner, J.) (Although "we are not permitted to say, as we would be if we were reviewing a district court decision, that though we have doubts about the propriety of the stated ground for decision there is another ground that shows the decision was correct and we affirm on it," court was "sure that the agency would if we remanded the case reinstate its decision," and "reversal would be futile," as court thought it "inconceivable" that if the agency had applied a different standard it would have come to a different conclusion.)

simple remand to the Commission for a determination of whether Kalmakoff met his burden of proof would be unwise. The appropriate disposition, given the ambiguities in the evidence, is a remand to the CFEC for a new hearing.[11]

III

Kalmakoff argues that he fished as a partner with a gear license holder in 1972, and that for this reason he should have received "special circumstances" points pursuant to State v. Templeton, 598 P.2d 77 (Alaska 1979).

Kalmakoff claimed that in 1972 he fished either with Frank Battishil (or "Bartishole"; it is not clear from the record how this name is spelled) or with Richard Culver on the boat "Mars." Apparently, he received 18.25% of the gross earnings. Testimony at the hearing did not establish what a crewman's normal share of the gross would have been during these years, or whether or not Kalmakoff's share was commensurate with what a partner would have received.

---

11. Other members of Kalmakoff's family might be able to shed some light on the factual problems this record presents.

Kalmakoff also argues that the hearing officer applied the wrong legal standard. In its briefing, the Commission says that a net was "used or to be used" on January 1, 1973, if with ordinary repairs it could have been made usable for the next fishing season. Kalmakoff claims
(footnote continued)

2900

The hearing officer found:

> It was never clearly established that in the years 1969 to 1972 applicant was [anything] but an experienced and knowledgeable crewman hired by licensed skippers who wanted to avail themselves of his experience and knowledge. Applicant's crew share reflected this and nothing more.

For this reason, the hearing officer concluded, Kalmakoff had not met his burden of establishing his qualifications for "gear license participation" points. See 20 AAC 05.520(a) and 05.820(d). Substantial evidence supports the hearing officer's factual finding, which we note was based on burdens of proof as well as factual conclusions. Kalmakoff contends, however, that the hearing officer applied the wrong legal test.

Kalmakoff is correct. The hearing officer's decision, written more than fifteen months after Templeton was decided and almost a year after the Commission decided not to enact regulations implementing Templeton, does not mention that case. Instead, the hearing officer referred to Commission decisions dealing with "constructive possession of a gear license," implying that Templeton points should only be awarded to people who: (1) were on board the vessel

---

(footnote continued)

that this standard is inconsistent with other Commission decisions involving similar facts. The decisions he cites do not support his claim.

during fishing operations, while the actual holder of the gear license was absent; and (2) were under a belief that the gear license was being transferred to them. This standard does not purport to be a response to Templeton. Moreover, the State does not actually defend this standard in its briefing.[12] We therefore conclude that the hearing officer applied the wrong standard.

Nevertheless, the finding that Kalmakoff did not demonstrate that he was anything more than a crewman is supported by substantial evidence. If Templeton applies only to partners, not crewmen, then it is clear that Kalmakoff, who did not show that he was a partner, should not receive Templeton points. We thus affirm the CFEC on this issue, although the standard it used was inconsistent with Templeton.

IV

We now turn to a more general problem. The parties agree that in 1971 and 1972 Kalmakoff derived income from fishing. They also agree that he did not personally hold a gear license in those years. Commission regulations

---

12. The Commission's present five-factor test for the award of Templeton points is at issue in Chocknok v. CFEC, File No. S-222.

2900

reserve "income dependence" points for people who were gear license holders during the year being assessed, and for those who can show that "special circumstances" entitle them to income dependence points for the year in question. 20 AAC 05.630(b)(1) and (2). The Commission has determined that being a crewman is not a "special circumstance." See, e.g., Commercial Fisheries Entry Commission v. Apokedak, 606 P.2d 1255 (Alaska 1980) (Apokedak I). Kalmakoff challenges this regulation and ruling, which combine to deny him any points for income dependence, as conflicting with the Limited Fisheries Entry Act, unconstitutional, and inconsistent with our own decisions. For the reasons which follow, we reject his arguments.

A. The Statutory and Regulatory Scheme.

The program prescribed by the Limited Fisheries Entry Act is complex, and the first part of our analysis depends on several specific provisions of the governing statutes. Before turning to those provisions, however, we think it appropriate to mention two important themes which run through these provisions and aid in their interpretation. First, the Act effectively transfers much of the legislature's rulemaking authority to the Commercial Fisheries Entry Commission. The statutes are general, but the regulations are necessarily specific; and it is clear

that the legislature intended to give the Commission considerable discretion in promulgating them. See AS 16.43.100 and 110 (listing Commission powers). Second, the Act asks the Commission to reserve permits for people who had previously fished in a particular area and would suffer hardship if excluded from it. AS 16.43.250, 260(a).[13] "Grandfather rights" and "hardship" are both important considerations. The task before us, then, is to determine whether in the exercise of the discretion the legislature has given it, the Commission may define one type of hardship partially in terms of grandfather rights.

At issue is the Commission's regulatory interpretation of AS 16.43.250(a), which provides:

> Following the establishment of the maximum number of units of gear for a particular fishery under AS 16.43.240, the commission shall adopt regulations establishing qualifications for ranking applicants for entry permits according to the degree of hardship which they would suffer by exclusion from the

---

13. AS 16.43.260(a) provides:

> Application for initial issue of entry permits. (a) The commission shall accept applications for entry permits only from applicants who have harvested fishery resources commercially while participating in the fishery as holders of gear licenses issued under AS 16.05.536 - 16.05.670 and interim-use permits under AS 16.43.210(a) before the qualification date established in (d) or (e) of this section.

2900

> fishery. The regulations shall define priority classifications of similarly situated applicants based upon a reasonable balance of the following hardship standards:
>
> (1) degree of economic dependence upon the fishery, including but not limited to percentage of income derived from the fishery, reliance on alternative occupations, availability of alternative occupations, investment in vessels and gear;
>
> (2) extent of past participation in the fishery, including but not limited to the number of years participation in the fishery, and the consistency of participation during each year.

(Emphasis added). In the exercise of its discretion the Commission has established a point system for, among others, the Chignik purse seine salmon fishery, which awards points for "percentage of income derived from the fishery" as follows. If an applicant's "income dependence percentage" -- "based on harvesting the fishery resource while participating in the fishery applied for as a gear license holder" -- is 90% or more for 1972, the applicant receives six points. If the percentage is between 70% and 90%, the applicant receives three points; if less than 70%, no points. For 1971, an applicant who has derived 90% or more of his or her income for the fishery receives four points; 70% to 90%, two points; less than 70%, no points. 20 AAC 05.630(b)(1) and (c)(2). For Kalmakoff, the problem is not that he did not derive income from the fishery in those years but that he was not then a gear license holder.

"[I]f special circumstances exist such that an applicant's income dependence is not realistically reflected by his income dependence percentage for the years 1971 and 1972," the regulations provide, "the commission may award an applicant up to a maximum of 10 points based on a special showing of income dependence." 20 AAC 05.630(b)(2). It is this regulation, we held in Templeton, which requires the Commission to award some income dependence points to people who but for the structure of their business partnerships during 1971 and 1972 would have held gear licenses during those years. "Special circumstances", we held, entitled those people to points. But we did not hold that being a crewman, as opposed to a gear license holder or a gear license holder's partner, is a "special circumstance," and the Commission has rejected this possible interpretation of

its regulation. It argues that gear license holders and their partners, as a class, are dependent on fishing in ways that crewmen are not.

B. Are the Regulations Consistent With The Statute?

Alaska Statute 16.43.250(a)(1) directs the Commission to consider an applicant's "percentage of income derived from the fishery." Kalmakoff argues that in doing this the Commission may not limit its consideration to the percentage of an applicant's income derived as a gear license holder. If "percentage of income" were the only inquiry the statute authorized the Commission to make, we would agree with Kalmakoff. For, just as much as a gear license holder, a crewman may have derived all or part of his income from fishing. But AS 16.43.250 also authorizes the Commission to

(1) "adopt regulations establishing qualifications for ranking applicants according to the degree of hardship they would suffer by exclusion from the fishery";
(2) "define priority classifications of similarly situated applicants";
(3) strike a "reasonable balance" among the statutory hardship standards; and
(4) evaluate applicants' "degree of economic dependence upon the fishery, including but not limited to" the four statutory economic dependence standards.14/

---

14. As we have said, the four statutory economic dependence standards are: "Percentage of income derived (footnote continued)

2900

We hold that these statutory grants of authority give the Commission the power to define one of the statutory economic dependence standards in terms of gear license ownership.

The question is a close one because the Commission is not free to disregard any of the standards the legislature has articulated. Rutter v. State, 668 P.2d 1343 (Alaska 1983). Rutter involved the Commission's determination that three of the standards set out in AS 16.43.250(a)(1) were irrelevant to the hardship fishermen would suffer by being excluded from the salmon hand troll fishery. The Commission attempted to evaluate economic dependence by assessing only one statutory factor, the availability of alternative occupations.[15] We held that it had exceeded its authority:

> That the Commission feels it could design a better classification scheme using only one of the factors is beside the point; it is not free to substitute its judgment for that of the legislature. Once the legislature determined that percentage of income derived from the fishery, reliance on alternative occupations and investment were relevant to economic dependence, the Commission was deprived of the power to decide otherwise.

(footnote continued)

from the fishery, reliance on alternative occupations, availability of alternative occupations, [and] investment in vessels and gear."

15. The Commission also considered "income from the fishery;" but "income from the fishery," unlike (footnote continued)

2900

668 P.2d at 1349. Kalmakoff contends that the Commission has effectively disregarded the "percentage of income" standard. We disagree. It has defined the standard, not disregarded it, and while other definitions would have been possible the Commission's definition is permissible.

Initially, we note that this part of our review of these regulations is relatively deferential. The legislature has directed the Commission to design hardship regulations. If, given this fact, a regulation is consistent with a statute's purposes and reasonably necessary to carry them out, we will not overturn it, provided it is reasonable and not arbitrary. Kelly v. Zamarello, 486 P.2d 906, 911 (Alaska 1971).

The statute's purpose, we believe, is that the Commission should determine which fishermen, among the group of former gear license holders eligible to apply, would have suffered the greatest hardship as of January 1, 1973, by being forbidden to operate gear. AS 16.43.260(d) provides that "an applicant shall be assigned to a priority classification based solely upon the applicant's qualifications as of January 1, 1973." Admittedly, hardship evaluated as of 1973 is not the same thing as present hardship, but this is

---

(footnote continued)

"availability of alternate occupations," is not one of the statutory economic dependence standards.

a choice which Kalmakoff does not challenge and which the legislature has explicitly made. January 1, 1973, then, is the relevant date.[16]

The Commission has determined that persons who held gear licenses in 1971 and 1972 were more likely, other things being equal, to have been dependent on fishing and subject to hardship by being forbidden to fish in 1973 than those who did not hold gear licenses in 1971 and 1972. We recognized in Apokedak I that the group of people who had held gear licenses at any time was, in a "rough way," the "group having most to lose by being excluded from the fishery." 606 P.2d at 1268. Members of this group, unlike, for example, crewmen, risked the loss of a status they had previously enjoyed. Moreover, people who were gear license holders in 1971 or 1972 were probably more likely to have operated gear in 1973 than people who were not gear license holders in those years. People who would have operated gear in 1973 would have suffered substantial hardship had they been forbidden to do so. The class of people the Commission's regulation favors is thus more focused on hardship than the class of former gear license holders we dealt with in Apokedak I. We therefore conclude that the regulations

---

16. AS 16.43.260(e) outlines an exception, not relevant here, for fisheries limited after January 1, 1975.

291

favoring 1971 and 1972 gear license holders are consistent with the statute's purpose.[17]

We also believe that these regulations were reasonably necessary to further this purpose. The Commission chose to define one of the four statutory hardship categories to favor 1971 or 1972 gear license holders, while also allowing people who could demonstrate "special circumstances" to receive points even though they had not held a gear license in 1971 or 1972. We think that it was reasonably necessary, in furtherance of the purpose of evaluating and avoiding hardship, to favor people who had held gear licenses in 1971 or 1972 over people who first held gear licenses after 1972[18] and people who last held gear licenses before 1971. People who had not yet held gear licenses as

---

17. The regulations at issue in Rutter may also have been consistent with Limited Entry's general purposes, as we have just defined them. The difference between Rutter and the case now before us is that in Rutter the Commission had disregarded explicit legislative language. Here, in contrast, it has defined and not disregarded the factors the legislature has specified. For some fishermen the Commission's decision not to award percentage-of-income points to people who did not hold gear licenses means that the percentage of income they derived from the fishery will not be considered. This fact makes this issue close. But the legislature left decisions on how to define income dependence up to the Commission, and this choice, unlike the choice challenged in Rutter, is not inconsistent with AS 16.43.250(a)(1).

18. Some people who first held gear licenses after 1972 became eligible for permits under our decision in Isakson v. Rickey, 550 P.2d 359 (Alaska 1976).

of January 1973 were less likely to have committed themselves to the fishery as of that date, as we implicitly recognized in Isakson v. Rickey, 550 P.2d 359, 364-65 (Alaska 1976). People "who had fished commercially under a gear license a number of years previously, but had abandoned an interest in the fishery," we said in Apokedak I,[19] "may suffer less hardship" than others by being excluded from the fishery; these people, we now note, were unlikely to have held gear licenses in 1971 or 1972. The challenged regulations thus favor the people who had the most to lose if they had been forbidden to fish. We think the Commission correctly determined that the regulations were reasonably necessary.

Having said this, we have little trouble holding that the regulations in question are reasonable and not arbitrary. To the extent that they may be seen to draw rigid lines among people whose hardships seem indistinguishable, we note that the Commission's regulations provide for awards of income dependence points to people who can demonstrate that "special circumstances" exist. We held in Templeton that people who were not gear license holders in 1971 and 1972, but fished as partners with gear license holders during one or both of those years, were entitled to

---

19. 606 P.2d at 1267 n.50.

points under the "special circumstances" regulation. The regulation, as we have interpreted it, reduces the arbitrariness inherent in this as in all other regulatory schemes. The income dependence regulations are not arbitrary.[20] It remains to determine whether or not they constitute "unjust discrimination" or are unconstitutional.

C. Are the Regulations Unjustly Discriminatory or Unconstitutional?

The distinction to which Kalmakoff objects is a distinction between gear license holders, and people whom the Commission determines should be treated like gear license holders, and crewmen. The Commission has determined that as a group, 1971 and 1972 gear license holders had more to lose by being excluded from the fishery than did 1971 or 1972 crewmen. We will not repeat our discussion of the reasons why regulations based on this determination are consistent with the Limited Entry statutes, reasonably further their purposes, and are not arbitrary. The considerations we have already addressed persuade us that denying

---

20. Kalmakoff urges us to decide that crewmen, as a class, are entitled to "special circumstances" points. The problem is that crewmen, as a class, would have suffered less hardship by being forbidden to fish in 1973 than would the class of gear license holders. Substituting our judgment for the Commission's on this issue, as we did in Templeton, we hold that the Commission was correct.

2900

Kalmakoff income dependence points violates neither AS 16.43.010(a) ("It is the purpose of this chapter to promote the conservation and the sustained yield management of Alaska's fishery resource and the economic health and stability of commercial fishing in Alaska by regulating and controlling entry into the commercial fisheries in the public interest and without unjust discrimination") nor the Alaska Constitution's equal protection clause. Kalmakoff's challenge is not to Limited Entry in general[21] or to the Commission's refusal even to consider his application.[22] Rather, it is a challenge to the way the Commission has designed its point system. Accordingly, our review is deferential. Rose v. Commercial Fisheries Entry Commission, 647 P.2d 154, 161 (Alaska 1982). We think the regulatory preference for 1971 and 1972 gear license holders bears a fair and substantial relation to Limited Entry's purposes,

---

21. See State v. Ostrosky, 667 P.2d 1184 (Alaska 1983), appeal dismissed, ___ U.S. ___, 81 L. Ed. 2d 339 (1984).

22. See Wickersham v. State, 680 P.2d 1135 (Alaska 1984).

2900

Isakson v. Rickey, 550 P.2d 359 (Alaska 1976),[23] and does not constitute unjust discrimination.

AFFIRMED in part, REVERSED in part, and REMANDED.

---

23. Kalmakoff relies on passages in Isakson which suggest that the holding of a gear license has little if any relation to hardship. As we explained in Apokedak I, these passages have been superceded. 606 P.2d 1255 at 1261 & n.20.

2900

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

January 16, 1985

TO: House Resources Committee
Representative Adelheid Herrmann
Representative Richard Shultz
Co-Chairs

FROM: Special Committee on Fisheries
Representative Peter Goll
Chairman

SUBJECT: HJR 8

After reviewing HJR 8 and discussing the matter with interested members of the Special Committee on Fisheries, it is suggested that the following amendments be made to address the concerns of Kodiak-based fishermen.

(1) Insert the following language on line 7, page 2, after the words "..fish fishery":

", and set aside reserves to allow incidental catch of sablefish based on actual needs rather than Optimum Yield"

DISCUSSION--This amendment is designed to allow the continuation of the joint venture fisheries in the Gulf of Alaska without cutting back on the amount of sablefish available for harvest by Alaska's longline fleet. All parties agree that the 10 percent figure is too high.

(2) Delete the following language on line 10, page 2:

[ALASKA]

DISCUSSION--Under the MFCMA, no distinction may be made between U.S. fishermen on the basis of residency in individual states.

Introduced: 1/14/85
Referred: Resources

IN THE HOUSE

BY GRUSSENDORF,DUNCAN,M.M.MILLER, TAYLOR,GOLL AND CATO

HOUSE JOINT RESOLUTION NO. 8

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

Relating to the allocation of Gulf of Alaska sablefish harvest by the North Pacific Fishery Management Council.

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

WHEREAS the North Pacific Fishery Management Council on December 8, 1984, voted to allocate 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery to incidental catch by joint venture fishermen; and

WHEREAS joint venture operations in the Gulf of Alaska have expanded dramatically in recent years; and

WHEREAS continued expansion of joint venture participation with foreign processors in the Gulf of Alaska will diminish the tonnage of fish landed in Alaska and jeopardize the survival of small business commercial fishermen in Alaska; and

WHEREAS use of longline gear in catching sablefish is ecologically sound; and

WHEREAS Alaska longline fishermen have the capacity to harvest, and United States processors have the capacity to process, the entire allowable catch of sablefish in the Gulf of Alaska; and

WHEREAS the Magnuson Fishery Conservation and Management Act establishes a priority for United States fishermen delivering to United States processors; and

WHEREAS the North Pacific Fishery Management Council, in allocating fishing privileges among fishermen and among gear types, is directed by management plan guidelines to consider such relevant factors as the

economic and social consequences of the allocation scheme and the dependence on the fishery by present participants and coastal communities;

BE IT RESOLVED by the Alaska State Legislature that the North Pacific Fishery Management Council is respectfully requested to rescind its action allowing joint venture fishermen an incidental catch of sablefish equal to 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery; and be it

FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to take action at its February 1985 meeting to grant Alaska longline fishermen exclusive fishing rights in the sablefish fishery in the Gulf of Alaska.

COPIES of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; to the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives; to the Honorable John B. Breaux, chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; to the Honorable Malcolm Baldrige, Secretary of Commerce; and Mr. James Campbell, chairman, North Pacific Fishery Management Council.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M January 22, 1985

TO: House Resources Committee
Representative Adelheid Herrmann
Representative Richard Shultz
Co-Chairs

FROM: Special Committee on Fisheries
Representative Peter Goll
Chairman

SUBJECT: HJR 8/Effect of Incidental Catch Allocations

Information supplied by federal fisheries agencies should be carefully considered during committee discussions regarding HJR 8. Examination of the enclosed statistics reveals that the amount of sablefish for incidental catches of sablefish in the Gulf of Alaska by joint venture fisheries will vary by as much as 1.3 million pounds, depending upon the mechanism selected for determing the allocations.

The National Marine Fisheries Service staff says that joint venture operations will take place in 1985 only in the Western and Central regulatory areas of the Gulf.

According to an analysis by the NPFMC staff, the "observed bycatch rate" for the types of joint ventures planned in the Gulf during 1985 would result in the need for setting aside 1,057 metric tons of sablefish. If the sablefish incidental catch allocation is set at 10% of the Optimum Yield for the two regulatory areas, joint venture operations would be allowed to catch 473 metric tons of sablefish.

Based upon this information, it is suggested that the following amendment be made to HJR 8:

(1) Insert the following language on line 7, page 2, after the words "...fish fishery":

"<u>, and set aside reserves to allow incidental catch of sablefish based on 10 percent of the Optimum Yield for the Western and Central regulatory areas</u>"

North Pacific Fishery Management Council

James O. Campbell, Chairman
Jim H. Branson, Executive Director

411 West 4th Avenue
Anchorage, Alaska 99510

Mailing Address: P.O. Box 103136
Anchorage, Alaska 99510

Telephone: (907) 274-4563
FTS 271-4064

December 28, 1984

Robert D. Alverson
Fishing Vessel Owners' Assn.
Building C-3, Room 232
Fishermen's Terminal
Seattle, Washington 98119

Dear Bob:

Thank you for your letter of December 13, 1984. As requested, I have enclosed a copy of the bycatch data that I used during the December Council meeting. In addition to bycatch rates for sablefish, the worksheets also include bycatch rates and amounts for POP, Atka mackerel and other rockfish.

Table 1 shows the "Final JVP" estimates that were adopted by the Council. These JVP estimates were used to calculate expected bycatches by joint ventures in 1985. As you are well aware, as a result of the U.S.-Japan Industry meetings, the 1985 JVP needs are now considered lower than estimated during the Council meeting.

Table 2 provides my JV bycatch estimates for the Western Regulatory Area. You will note that a bycatch rate is provided for incidental species. These rates were obtained from the Northwest and Alaska Fisheries Center's observer program and reflect "observed bycatch rates" during 1984. The data base used to calculate these rates were examined to eliminate data where there appeared to be targeted fishing on these species. However, it must be assumed that the resulting bycatch rates probably include some targeting that we were not able to eliminate due to the resolution of the data base.

These bycatch rates observed during 1984 were then applied to our estimated 1985 JVP. The calculation (bycatch rate x estimated JVP) provides a bycatch amount that would be required to harvest the JVP. This same procedure was used for the Central Regulatory Area (see Table 3).

You also asked where the 1,000 mt of sablefish bycatch came from. As you will recall, during the Council meeting, I was asked what the estimated bycatch needs would be for sablefish during 1985. I answered that my calculations showed that 339 mt and 731 mt would be needed in the Western and Central Areas respectively. John Peterson noted that the total sablefish bycatch would be about 1,000 mt or approximately 10% of the sablefish OY for the Gulf of Alaska. This is how the 1,000 mt number was generated.

Since the Council meeting I have made several observations which you may find of interest. First, given that the Japanese JVP is lower than originally anticipated, the total JVP for the Western and/or Central areas is

31D/II

By CATCH OF HALIBUT is Approx 10-15%
ALL FISHERIES WILL STOP WHEN B.C. QY is CAUGHT
WITH NO - DOWNTIME

subsequently lower. It is also likely that a 70,000 mt Polish JV for pollock will not materialize. With a lower JVP, bycatch needs will be smaller. Second, with the Council's "10% Rule" for JV bycatch, where a maximum limit of 10% of the sablefish OY is set aside for JV bycatch purposes, it is clear that given my calculated bycatch amounts, there could be severe limitations on JVs. In the case of the Shelikof Strait pollock fishery, I see no problem with trawlers taking the entire JVP. The observed bycatch rates for this fishery are very low. However, trawlers fishing for flounder, Atka mackerel or cod could find themselves approaching the bycatch limit before their JVP goal is reached. These vessels will have to clean up their operation or cease fishing. Examining the potential bycatch ceilings for sablefish, POP and other rockfish using the 10% rate, it is clear that sablefish will be the limiting species to joint ventures.

If you have any additional questions on my calculations, feel free to contact me.

Sincerely,

Steve Davis
Plan Coordinator

Enclosures

31D/II

1985 Final JVP Estimates

1. Western Area

all bottom trawl	Pacific cod	= 7,327	(from Permit Review Committee)
	Atka mackerel	= 4,678	(increased by Council; permit review estimates all in W. area)
	Flounder	= 102	(600 mt total Gulfwide; 1984 proportion of total joint venture flounder catch was 17% in W. area, 83% in Central)
Total Western JVP =		12,107 mt	

2. Central Area

mid water trawl	Pollock	= 263,925	(90% of the 1984 pollock harvest was taken by this gear in Shelikof Strait 90% of 1985 pollock JVP = 263,925)
Total mid water trawl JVP		263,925	
bottom trawl	Pollock	= 29,325	(10% 1985 pollock JVP)
	Pacific cod	= 10,073	(from Permit Review Committee)
	Flounder	= 498	(83% 1985 flounder JVP)
Total bottom trawl JVP		39,896	

Note: JVP for thornyhead, squid and other species is viewed as a bycatch to the targetted species identified above. Therefore, inclusion of the JVP estimates is not necessary when calculating the JVP base for use in determining bycatch amounts of fully-utilized species.

Gulf of Alaska - Western Regulatory Area

Proposed JV Bycatch Rates and Amounts for 1985

Given: Western area bottom trawl JVP = 12,107 mt Pacific cod = 7,327
Atka mackerel = 4,678
est. flounder = 102

Incidental species:

1667 T.	Sablefish	bycatch rate = 2.8%	bycatch amount = 339 mt 167 T.
	POPc	bycatch rate = 0.6%	bycatch amount = 73 mt
	Atka mackerel	bycatch rate = 6.4%	bycatch amount = 775 mt
	Other rockfish	bycatch rate = 0.5%	bycatch amount = 261 mt

Given: Western area mid-water trawl JVP = ?

Incidental species:

Sablefish	bycatch rate =	bycatch amount =
POPc	bycatch rate =	bycatch amount =
Atka mackerel	bycatch rate =	bycatch amount =

Western area JVP breakdown by gear for 1984.

100% JVP harvested by bottom trawl.

0% JVP harvested by mid-water trawl.

3060 DY

Gulf of Alaska - Central Regulatory Area

306 TONS MAX BY CATCH with 10% limit

Proposed JV Bycatch Rates and Amounts for 1985

Given: Central area mid-water trawl JVP = 263,925 mt

Central 90% Pollock JVP = 263,925 mt

Incidental species:

Sablefish	bycatch rate = 0.005%	bycatch amount = 13 mt
POPc	bycatch rate = 0.02%	bycatch amount = 53 mt
Atka mackerel	bycatch rate = 0.002%	bycatch amount = 5 mt

Given: Central area bottom-trawl JVP = 39,896 mt

10% pollock = 29,325
Pacific cod = 10,073
est. flounder = 498

LAST YEAR

Incidental species:

Sablefish	bycatch rate = 1.8%	bycatch amount = 718
POPc	bycatch rate = 0.2%	bycatch amount = 80
Atka mackerel	bycatch rate = 0.7%	bycatch amount = 279
Other rockfish	bycatch rate = 0.3%	bycatch amount = 120

Total Central Area bycatch amounts:

Sablefish	= 731 mt
POPc	= 133 mt
Atka mackerel	= 284 mt
Other rockfish	= 120 mt

Central area JVP breakdown by gear for 1984.

10% pollock JVP harvested by bottom trawl.

90% pollock JVP harvested by mid-water trawl.

DEC84/Z-4

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1237 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:2

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

January 29, 1985

Honorable Ben Grussendorf
Speaker of the House
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

The House Special Committee on Fisheries gives the following individual recommendations on the appointment of Ernest G. Carter, to the Alaska Board of Fisheries.

	CONFIRM	NO RECOMMENDATION	REJECT
Johne Binkley			
Peter Goll			
Katie Hurley			
Roger Jenkins			
Andre Marrou			
Mike Navarre			
David Thompson			

Sincerely,

Peter Goll
Chairman

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

January 29, 1985

Honorable Ben Grussendorf
Speaker of the House
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

The House Special Committee on Fisheries gives the following individual recommendations on the appointment of Bruce C. Twomley, to the Commercial Fisheries Entry Commission.

	CONFIRM	NO RECOMMENDATION	REJECT
Johne Binkley			
Peter Goll			
Katie Hurley			
Roger Jenkins			
Andre Marrou			
Mike Navarre			
David Thompson			

Sincerely,

Peter Goll
Chairman

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

DATE: January 19, 1985

TO: Members
Special Committee on Fisheries

FROM: Rep. Peter Goll
Chairman

SUBJECT: Confirmations of Bruce Twomley and Ernie Carter

During the first meeting of the Special Committee on Fisheries, in addition to other business, members will have an opportunity to interview two of Governor Sheffield's appointees. A vote will then be taken on passing the names to the House Resources Committee for their review.

Mr. Ernie Carter is seeking re-appointment to the Board of Fisheries.

Mr. Bruce Twomley is seeking re-appointment to the Commercial Fisheries Entry Commission, which he currently chairs.

Resumes will be solicited for the information of committee members. Mr. Twomley will attend the meeting in person. Mr. Carter will attend by teleconference.

RESUME

ERNEST G. CARTER
1208 Denali Way
Fairbanks, AK 99701

HOME: 465-4313 WORK: 452-5186

1951 - Came to Alaska from Longview, WA.

Former owner/manager of a camera retail shop in Fairbanks until 1976.

1969 - Elected to Fairbanks City Council. Served until 1978.

1969-75 - Served on North Star Borough Assembly.

1977-78 - Served as Acting Mayor of Fairbanks when elected Mayor out of town.

1966-77 - Active in Fairbanks Chamber of Commerce in various capacities.

1977 - Joined Realty, Inc. as a Sales Associate.

Currently licensed real estate sales associate, Realty, Inc.

Well-known in the Fairbanks area. Partially retired, so has the time to commit to the Board.

Previously served on State Citizen's Advisory Committee to the Department of Health and Social Services during the last Egan Administration.

Currently a member of: the American Legion, Veterans' of Foreign Wars, the Elks Club, the Eagles Club, and the Moose Club.

Not currently a member of any sportsfishing, hunting, or wildlife organizations.

Does not have any fishing permits other than personal sportsfish license.

Lifetime recreational hunter and fisherman, especially interior regions and Prince William Sound areas.

MEMORANDUM State of Alaska

TO: The Honorable Peter Goll
Chairman, Fisheries Sub-Committee
Behrends 212

DATE: January 21, 1985

FILE NO:

TELEPHONE NO:

FROM: Bruce Twomley
Chairman
Commercial Fisheries Entry Commission

SUBJECT: Information concerning my appointment

At your request, Representative Goll, I am enclosing a copy of my letter to Governor Sheffield dated January 28, 1983, together with a copy of the resume I submitted to the Governor at the time of my original appointment to the Commercial Fisheries Entry Commission (CFEC).

I note that the resume badly needs editing and updating. In particular, I would like to add that I obtained extensive instruction in administrative adjudication from the National Judicial College during the fall of 1983.

The following is a brief chronology of my history at the Entry Commission.

10/6/82	Former Governor Hammond appointed me to CFEC to complete a term ending 7/1/84
3/15/83	Governor Sheffield reappointed me to CFEC
6/8/83	The Legislature confirmed my appointment
7/1/83	Governor Sheffield appointed me Chairman of the Entry Commission
7/2/84	Governor Sheffield reappointed me to a full 4-year term ending 7/1/88

I hope that this information is sufficient for yours and your committee's purposes. I would be happy to supply further information upon request.

BT:dan
Attachment
cc: Carol Derfner
Special Staff Assistant
M/S 0101

3007 Northwood
Anchorage, Alaska 99503

January 28, 1983

The Honorable William Sheffield
Governor of the State of Alaska
Office of the Governor
Pouch A
Juneau, Alaska 99811

ATTN: Carol Derfner
Special Staff Assistant

RE: Commercial Fisheries Entry Commission (CFEC)

Dear Governor Sheffield:

I was appointed to the Commercial Fisheries Entry Commission on October 6, 1982. If you so decide, I would very much appreciate your support in seeking confirmation of my appointment by the Legislature. I would be very happy to provide you with any information helpful to you in your decision.

Briefly, as a matter of general background, I am a lawyer with ten years of experience in Alaska, largely in the area of administrative law. A substantial portion of my legal work has been conducted in bush villages of western Alaska. I came to the attention of the past administration only by virtue of having represented a large number of private individuals against various state and federal officials. When asked whether I wished to be considered for an appointment to the CFEC, because of an abiding interest in Alaska commercial fisheries, I readily said yes.

I am now deeply involved in the CFEC's adjudication caseload. As the only lawyer on the CFEC, I feel that my contribution to the CFEC is unique. I believe that my relationship to CFEC staff and the other Commissioners is very good.

I understand that the Governor's office has a file which includes my resume as well as other information pertaining to my appointment. Again, if I can provide your office with any additional information, I would be happy to do so.

Yours truly,

Bruce C. Twomley

Bruce C. Twomley
Telephone No.: 248-4617
Commercial Fisheries Entry Commission
(Anchorage): 267-2231

cc: Kevin Bruce
Special Staff Assistant

RESUME

of

Bruce C. Twomley
3007 Northwood Avenue
Anchorage, Alaska 99503
(907) 248-4617

Date of Birth:	January 23, 1945
Height:	5'11"
Weight:	165 lbs.
Marital Status:	Married, no children
Military status:	Draft exempt as sole surviving son of deceased soldier.
EDUCATION:	Elgin High School, Elgin, Illinois. 1960-1963.
	Northwestern University, Evanston, Illinois. 1963-1967. Graduated with A.B. in upper quarter of the class.
LAW SCHOOL:	Hasting College of Law, San Francisco, California. 1967-1970. Graduated with J.D. in upper 15% of the class.
BAR MEMBERSHIPS:	Alaska State Bar
	California State Bar
	United States District Court for the District of Alaska
	United States Court of Appeals for the Ninth Circuit
HONORS:	Elected Most Outstanding Male Graduate, Elgin High School
	Illinois State Scholarship Winner
	Elected to Junior Men's Honorary, Northwestern (Norlegamma)
	Elected to Senior Men's Honorary, Northwestern (Deru)
WORK EXPERIENCE:	Staff Attorney, Alaska Legal Services. 1973 to present.
	VISTA Volunteer. 1972-1973.
	Legal Research for San Francisco Neighborhood Legal Assistance Foundation as law student.
	Indigent Adult Criminal Appeals (as a law student)

WORK EXPERIENCE (continued):

Legal research as a law student for Professor Roscoe T. Steffen and private attorneys.

MAJOR CASES, PRESENTATIONS AND CONFERENCES:

Co-Counsel for plaintiff class of 2667 Alaska Native secondary school age children in Tobeluk v. Lind, (popularly known as the Molly Hootch case), 589 P.2d 873 (Alaska 1979), which by consent decree established the entitlement of Alaska Native children in 126 villages throughout the state to attend secondary school in their home villages and further required the state to expend more than $133-million for the construction of local secondary facilities.

Attorney for plaintiff class of Alaska Native women and minor children in Finnesand v. Kleppe, No. A75-42 Civ. (U.S. District court Alaska), which by consent decree abolished a discriminatory eligibility standard for Bureau of Indian Affairs General Assistance.

Worked directly with more than 40 Alaska Native villages.

Represented more than 100 Alaska Native Allotment applicants before the Department of Interior.

Amicus Curiae in cooperation with the Office for Civil Rights in The Matter of Alaska State Department of Education and Twenty-One Regional Educational Attendance Area School Districts S-134, a proceeding before the Department of Health, Education, and Welfare, to enforce Title VI of the 1964 Civil Rights Act on behalf of Alaska Native school children against the state of Alaska and the regional school districts of the unorganized borough.

Attorney for the Akiak Indian Reorganization Act Council and several parents of school children in Akiak v. Lind, No. 4BR 8-39 Civ., a suit against the state officials seeking legal authority for cooperation between an Indian Self-Determination Act Contract School and a State School.

MAJOR CASES, PRESENTATIONS AND CONFERENCES (continued):

Status of Relief under the Molly Hootch Case, First Meeting of the Alaska Native Education Association, Anchorage, March 1978.

Local Control and Quality Education Under the Hootch Consent Decree, Alaska Native Education Association Board, Juneau, April 1978.

Legal and Policy Bases for the Hootch Consent Decree, Statewide Meeting of Alaska Corrections Officials, Anchorage, November 1978.

Alaska Native Control of Local Village Secondary School Programs, Lawyers Clinic on Parental Liberty in Education, Washington, D.C., December 1978.

Alaska Native Education Association Convention, Anchorage, March 1979.

Indian Education Law Conference, Santa Fe, New Mexico, June 1980.

Education Administrative Hearing Conference, Oakland, California, September 1980.

Education and the Economy Conference, Chevy Chase, Maryland, September 1981.

Effective Schools Project Conference, Boston, Mass., December 1981.

Parental Involvement, Local Control, and Quality of Education, Alaska Native Education Association Workshops, Anchorage, 1981.

ACTIVITIES:

Skiing, Hiking, Camping, Kayaking, Traveling
Interantional Law Club, Hastings
Kappa Sigma Fraternity, Northwestern
President, Interfraternity Council, Northwestern

References will be furnished upon request.

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:3

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3000

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/13/86, 8:30am

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 28, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Confirmations

Recent reappointments by Governor Bill Sheffield of members of the Alaska Board of Fisheries and Commercial Fisheries Entry Commission have been referred to the House Special Committee on Fisheries for action. Since the confirmations also must be acted upon by the House Resources Committee, I would like to expedite the hearing process.

Please indicate whether you wish to question any of the following individuals during a committee hearing:

Alaska Board of Fisheries

Val Angasan of Dillingham
Original term began 01/23/84, reappointed 02/10/86, expires 01/31/89

Bix Bonney of Anchorage
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89

Jesse Foster of Quinhagak
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89

Commercial Fisheries Entry Commission

Richard Listowski of Juneau
Original term began 03/15/83, reappointed 06/24/85, expires 07/01/89

If I receive no indication from committee members that they wish to question these four individuals by March 10, I will plan on bringing up these confirmations March 18 for quick action. If committee members desire to question any of the individuals up for confirmations, additional time may be necessary to schedule a teleconference and make other arrangements.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

Morrow says he's received a lot of feedback about Bix & may want to ask a few questions

M E M O R A N D U M

February 28, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Confirmations

Recent reappointments by Governor Bill Sheffield of members of the Alaska Board of Fisheries and Commercial Fisheries Entry Commission have been referred to the House Special Committee on Fisheries for action. Since the confirmations also must be acted upon by the House Resources Committee, I would like to expedite the hearing process.

Please indicate whether you wish to question any of the following individuals during a committee hearing:

Alaska Board of Fisheries

Val Angasan of Dillingham
Original term began 01/23/84, reappointed 02/10/86, expires 01/31/89

Bix Bonney of Anchorage
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89

Jesse Foster of Quinhagak
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89

Commercial Fisheries Entry Commission

Richard Listowski of Juneau
Original term began 03/15/83, reappointed 06/24/85, expires 07/01/89

If I receive no indication from committee members that they wish to question these four individuals by March 10, I will plan on bringing up these confirmations March 18 for quick action. If committee members desire to question any of the individuals up for confirmations, additional time may be necessary to schedule a teleconference and make other arrangements.

TO: fisheries

FROM: KRIS, CHIEF CLERK'S OFFICE

DATE: 2/14/86

The attached resume(s) of Governor's appointments have been referred to your committee for review and comment by the Speaker:

BILL SHEFFIELD
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 12, 1986

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

Pursuant to AS 39.05.080, I submit the following names for legislative confirmation of appointment to the positions noted:

BOARDS AND COMMISSIONS

L&C

Alaska State Board of Public Accountancy

Hanrahan, Michael
Term began 11/01/85 expires 04/25/88

Langland, Sandra
Original term began 07/21/82, reappointed 05/21/85, expires 04/25/88

Jud
Fin

Alcoholic Beverage Control Board

Holloway, E. L. "Red"
Original term began 04/11/83, reappointed 02/05/86, expires 01/31/89

L&C

Assessment Review Board

Follis, Christopher
Term began 02/06/86, no term expiration date

Haerer, Wayne, Jr.
Term began 02/06/86, no term expiration date

L&C

Athletic Commission

Anderson, Stanley
Term begain 02/10/86, expires 05/14/87

Hauser, Phil
Term began 12/26/85, expires 05/14/87

Jud

Board of Governors of the Alaska Bar

Ackerman, Jan
Term began 08/26/85, expires 06/30/86

Harrison, Adonia
Original term began 06/15/84, reappointed 05/21/85, expires 06/30/88

L&C

Board of Barbers and Hairdressers
Black, Neva
Term began 01/28/86, expires 07/01/88
Kusber, Marse
Original term began 05/02/83, reappointed 06/24/85, expires 07/01/88
Melvin, John
Term began 06/28/85, expires 07/01/86

L&C

Board of Chiropractic Examiners
Gundelfinger, DC, Thomas
Term began 11/12/85, expires 07/15/89
Ketz, DC, Kenneth
Original term began 12/18/81, reappointed 11/12/85, expires 07/15/89

Fish Res

Alaska Commercial Fisheries Entry Commission
Listowski, Richard
Original term began 03/15/83, reappointed 06/24/85, expires 07/01/89

L&C

Board of Dental Examiners
Baxter, Christine
Term began 01/07/86, expires 02/01/89
Gellert, Hubert
Term began 04/03/85, expires 02/01/89
Woller, DDS, Timothy
Original term began 10/31/84, reappointed 01/16/86, expires 02/01/90

L&C

Board of Dispensing Opticians
McClanahan, Gregg
Term began 09/19/85, expires 06/14/89
Smith, Donald
Term began 09/19/85, expires 06/14/89

L&C

Board of Electrical Examiners
Boyd, Steven
Term began 05/21/85, expires 07/10/87
Gardner, Walter
Term began 09/19/85, expires 07/10/88

Fish Res

Board of Fisheries
Angasan, Val
Original term began 01/23/84, reappointed 02/10/86, expires 01/31/89
Bonney, Bix
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89
Foster, Jesse
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89

Res

Board of Game
Johnson, Brenda
Original term began 02/08/83, reappointed 02/10/86, expires 01/31/89
Massey, John "Jay"
Term began 02/10/86, expires 01/31/89
Scanlan, Sarah
Original term began 02/23/84, reappointed 02/10/86, expires 01/31/89

L&C Res

Guide Licensing and Control Board
Carlo, Poldine
Original term began 05/20/83, reappointed 05/21/85, expires 06/15/88
Harrower, James
Original term began 02/21/85, reappointed 05/21/85, expires 06/15/88
Pope, Douglas
Original term began 05/02/83, reappointed 05/21/85, expires 06/15/88

HESS

State Commission for Human Rights
Chase, James
Original term began 12/15/80, reappointed 01/16/86, expires 01/31/91

Jud

Commission on Judicial Conduct
Lincoln, Georgianna
Original term began 08/31/83, reappointed 11/29/85, expires 12/31/89
Weiler, Charles
Term began 11/13/85, expires 12/31/86

Jud

Judicial Council
Henrickson, MD, Hilbert
Term began 08/13/85, expires 05/18/91

Trans

Board of Marine Pilots
Murphy, Capt. W.
Term began 06/28/85, expires 06/01/89

HESS

State Medical Board
Hensley, Abigale R.
Term began 02/10/86, expires 01/09/89
Rhyneer, MD, George
Original term began 07/30/81, reappointed 05/21/85, expires 04/21/88

L&C

Board of Nursing
Farley, Anita
Term began 08/26/85, expires 03/31/90

HESS

Board of Nursing Home Administrators
Deater, Eloise
Original term began 12/27/83, reappointed 11/12/85, expires 10/01/89

HESS

Occupational Health and Safety Review Board
Stringham, Guy
Term began 12/26/85, expires 08/01/89
Taylor, Robert
Term began 12/26/85, expires 08/01/88

L&C

Board of Examiners in Optometry
Gonnason, OD, Jeffrey
Term began 11/01/85, expires 06/15/89

L&C

Board of Pharmacy
Kelley, Laura
Term began 08/26/85, expires 04/01/88
Race, Gerald
Term began 11/01/85, expires 04/01/89
Strand, Claire
Term began 11/01/85, expires 04/01/89

L&C

Physical Therapy Board
Dudley, Gail
Term began 11/12/85, expires 09/01/86
Thompson, Susan
Term began 11/12/85, expires 09/01/89

HESS

Professional Teaching Practices Commission
Bergquist, Ph.D, Sidney
Term began 12/27/85, expires 07/01/87
Shelton, Norma "Nicki"
Original term began 09/10/82, reappointed 06/24/85, expires 07/01/88
Simpler, Charles "Tom"
Original term began 09/10/82, reappointed 06/24/85, expires 07/01/88
Tatsuda, Laurel
Term began 09/11/85, expires 07/01/88

L&C

Board of Psychologist and Psychological Associate Examiners
Fischer, Ph.D, Margaret
Term began 10/21/85, expires 07/01/89
Greenough, Ph.D, James
Original term began 10/26/81, reappointed 06/24/85, expires 07/01/89

St. Off

Public Offices Commission
Howard, Annie Laurie
Term began 02/05/86, expires 02/01/91

Trans

Railroad Labor Relations Agency
Baughman-Steele, Janet
Term began 05/30/85, no term expiration date

HESS

Board of Regents
Bousley, Lance P.
Term began 02/10/86, expires 02/04/88

L&C

Board of Veterinary Examiners
George, David
Term began 06/11/85, expires 01/31/88
Leedy, DVM, Derrick
Term began 06/28/85, expires 01/31/89
Moriarty, DVM, Patrick
Term began 01/24/86, expires 01/31/90

St. Aff.

Violent Crimes Compensation Board
Schwartz, MD, John
Original term began 04/09/84, reappointed 11/29/85, expires 12/15/88

L&C

Alaska Workers' Compensation Board
Anders, Robert
Original term began 05/21/85, reappointed 06/28/85, expires 07/01/88
Chandler, Thomas
Original term began 1961, reappointed 06/28/85, expires 07/01/88
Creed, John
Term began 05/21/85, expires 07/01/88
Eller, Elmer
Original term began 01/02/85, reappointed 09/10/85, expires 07/01/88
Russell, Jackie
Original term began 03/15/83, reappointed 06/24/85, expires 07/01/88
Scott, Donald
Term began 07/01/85, expires 07/01/87
Thompson, Stephen
Term began 11/29/85, expires 07/01/86

Resumes and autobiographies for these appointees will be submitted to the Fourteenth Alaska State Legislature through the clerks of both houses respectively.

Sincerely,

Bill Sheffield
Governor

This file contains resumes for:

1986 LEGISLATIVE CONFIRMATIONS

LAST NAME	FIRST NAME	MIDDLE
Ackerman - Fairbanks	Jan	
Anders - Anchorage	Robert	G.
Andersen - Nome	Stan	
Angasan - Dillingham	Val	N.
Baxter - Fairbanks	Christine	A.
Bergquist - Anchorage	Sidney	R.
Black - Kenai	Neva	
Bonney - Anchorage	Bix	
Bousley - Juneau	Lance	P.
Boyd - Ketchikan	Steven	F.
Carlo - Fairbanks	Poldine	
Chandler - Ketchikan	Thomas	
Chase - Anchorage	James	H.
Creed - Anchorage	John	H.
Deater - Anchorage	Eloise	E.
Dudley - Anchorage	Gail	E.
Eller - Anchorage	Elmer	L.
Farley - Anchorage	Anita	R.
Fischer - Anchorage	Margaret	
Follis - Juneau	Christopher	C.
Foster - Quinhagak	Jesse	
Gardner - Anchorage	Walter	R.
Gellert - Anchorage	Hubert	J.
George - Juneau	David	V.
Gonnason - Anchorage	Jeffrey	A.
Greenough - Sitka	James	W.
Gundelfinger - Juneau	Thomas	R.
Haerer, Jr. - Kodiak	Wayne	D.
Hanrahan - Anchorage	Michael	R.
Harrison - Anchorage	Andonia	
Harrower - Anchorage	James	
Hauser - Anchorage	Phil	
Henrickson - Ketchikan	Hilbert	J.
Hensley - Anchorage	Abigale	R.
Holloway - Juneau	E. "Red"	L.
Howard - Anchorage	Annie	L.
Johnson - Nome	Brenda	H.
Kelley - Eagle River	Laura	W.
Ketz - Anchorage	Kenneth	O.
Kueber - Fairbanks	Marse	
Langland - Fairbanks	Sandra	L.
Leedy - Nome	Derrick	J.
Lincoln - Fairbanks	Georgianna	
Listowski - Juneau	Rich	
Massey - Girdwood	Jay	
McClanahan - Anchorage	Gregg	L.
Melvin - Anchorage	John	
Moriarty - Fairbanks	Patrick	J.
Murphy - Homer	W.	E.
Pope - Juneau	Douglas	

1986 LEGISLATIVE CONFIRMATIONS - continued

LAST NAME	FIRST NAME	MIDDLE
Race - Juneau	Gerald	W.
Rhyneer - Anchorage	George	S.
Russell - Kenai	Jacqueline	S.
Scanlan - Fairbanks	Sarah	M.
Schwartz - Anchorage	John	H.
Scott - Anchorage	Donald	R.
Shelton - Hoonah	Norma (Nicki)	
Simpler - Kodiak	Charles	T.
Smith - Anchorage	Donald	R.
Steele - Fairbanks	Jan (Baughman)	
Stand - Petersburg	Claire	
Stringham - Dillingham	Guy	E.
Tatsuda - Juneau	Laurel	K.
Taylor - Fairbanks	Robert	L.
Thompson - Fairbanks	Stephen	M.
Thompson - Kenai	Susan	J.
Weiler - Clear	Charles	D.
Woller - Fairbanks	Timothy	J.

PERSONAL RESUME
December 1982

NAME: LISTOWSKI, Rich

ADDRESS: 615 Basin Road
Juneau, Alaska 99801

TELEPHONE: (907) 586-1842

CIVIL STATUS: Born July 4, 1941 in Chicago, Illinois

ALASKA RESIDENT: 14 Years

EDUCATION: 1964 - 1968
Southern Illinois University
Carbondale, Illinois

Degree: BS

Major: Political Science
Minor: Economics

1954 - 1959
Chicago Vocational High School
Chicago, Illinois

1959 - 1962
U.S. Army

Honorable Discharge; Not in reserves

Specialist 4/C

SPECIAL ASSIGNMENTS: Cartographic and statistical assistant to the Supreme Court appointed Masters' on Reapportionment, 1972

PUBLICATIONS AND STUDIES: Alaska's Manpower Outlook - 1970's: Research and Analysis, Department of Labor

Economic Analysis, Commercial Fishing Estimates; Research and Analysis

The Economic Impact of Changes in the Harvesting Labor Force in the Alaska Salmon Fishery; Rogers, Listowski, Brakel

A Limited Entry Program for Alaska's Fisheries; Governor's Study Group on Limited Entry

Administration of Justice Pipeline Impact Report; Attorney General Office, Alaska Department of Law (unpublished)

PROFESSIONAL HISTORY:

May 1978 to Present

I own and manage two successful businesses in Juneau: Juneau Newspaper Distribution and Percy's Liquor Store.

September 1977 to January 1982

Chairman, Alaska Public Offices Commission

I was appointed as member of the Alaska Public Offices Commission for a five-year term.

September 1977 to May 1978

Research Assistant, Institute of Social, Economic Research

Provided statistical support services to Dr. George Rogers, Economist, as a contracted employee. Updated a completed study concerning commercial fishermen employment.

June 1977 to August 1977

Commercial Fisherman

I worked as a Crewmember on a Southeast Alaska Troller.

October 1975 to October 1976

Business Agent, United Fishermen of Alaska

As Business Agent, I was responsible for management of United Fishermen of Alaska (UFA) fleet insurance plan, director of the Juneau office staff, and representative of the commercial fishermen viewpoint before the State legislature, the administration, and the U.S. Congress. During my tenure, major legislation was passed on both a State and Federal level, such as the non-profit hatchery corporation law, a vessel loan program, and the establishment of the 200-mile limit.

July 1975 to September 1975

Commercial Fisherman

I worked as a Crewmember on a Southeast Alaska Salmon Gillnetter.

January 1975 to June 1975

Lobbyist, Rural Community Action Program

The Rural Community Action Program employed my services as a Lobbyist to advocate rural Alaska legislation. It was my responsibility to ensure that bills designated as high priority legislation by the Citizens Participation Committee (CPC), received full consideration before the State legislature.

October 1973 to December 1974

Statistical Consultant, Taku Consultants

I was the manager of my own consultant firm which was based in Juneau. During this period, I worked on several contracts for the Alaska Department of Law, and as a sub-contractor with the Human Resource Planning Institute of Seattle.

September 1972 to June 1973

Chief of Statistical Research, Governor's Study Group on Limited Entry

I was responsible for the collection, analysis, and publication of the statistics which supported the passage of Alaska's Limited Entry Law.

September 1971 to September 1972

Research Assistant, Institute of Social, Economic and Government Research, University of Alaska

Provided statistical support services to Dr. George W. Rogers, Professor of Economics, University of Alaska, in conducting a $40,000 commercial fishermen survey of Alaska in connection with limited entry. The project was funded by the National Marine Fishery Service, National Oceanographic Atmospheric Administration. I provided statistical support on the Cook Inlet Study prepared by Dr. George W. Rogers for the Alaska Department of Law in regard to the court case between the State and Federal governments over control of the Inlet I provided support services to the Legislative Pipeline Impact Committee under contract with Dr. Rogers. My services were contracted to a private consulting firm in preparing an impact statement for Alyeska Pipeline Company. The Alaska Supreme Court appointed me cartographic and statistical assistant to the Masters' Reapportionment Plan.

October 1970 to September 1971

Manpower Economist III, Alaska Department of Labor
Supervisor of the Special Research Unit with the Research and Analysis Section, Employment Security Division

I was responsible for securing research monies, construction of research proposals, supervising research teams, and making formal presentation of research results. I was involved in two separate programs encompassing a staff of four individuals.

October 1968 to October 1970

Manpower Economist II, Alaska Department of Labor

Gave direction, as project lead on the Vocational Education Project, Alaska's Manpower Outlook - 1970's, to two professional staff members and one technical assistant. Constructed an employer survey of the State which included questionnaire construction and implementation, and sample selection. Designed, edited, and published four major publications concerned with the project. I was one of five writers who contributed to the content of those four publications. I worked in association with Dr. George W. Rogers, Project Consultant, University of Alaska, on this study.

Resume

Val N. Angasan
Box 89
Dillingham, AK 99576
Phone: 842-5463

PERSONAL DATA

Birthdate: February 14, 1953
Marital Status: Married, 2 children

EDUCATION

University of Alaska, 1970 - 1974, full and part time, Majored in Business Administration and now has a total of 90 hours.

EMPLOYMENT HISTORY

1982 - Present	Bristol Bay Herring Marketing Corp., Manager
1981 - 1982	Building construction in winter and commercial fished in summer
1980 - 1981	IMARPIK Regional Aquaculture Corp., Assistant Manager
1975 - 1980	Economic Development, Bristol Bay Native Corp., Director - fished commercially in summer.

Miscellaneous Data:

Has subsistence hunted and fished.

Resume

Jesse Foster

PERSONAL DATA

Birthdate: June 26, 1941
Marital Status: Married, 4 children

EDUCATION

High School - GED

COMMITTEE/BOARD PARTICIPATION AND EMPLOYMENT HISTORY

1981 - Present	-Alaska Land Use Advisory Committee -AVCP Education Committee, Board Member
1980 - Present	-AVCP Fisheries Task Force
1980 - 1982	-Alaska Fisheries Development Foundation, Board Member
1979 - Present	-North Pacific Fishing Management Council Advisory Panel
1978 - Present	-International North Pacific Fisheries Commission Advisory Committee -Central Bering Sea Fish and Game Advisory Committee, Vice Chairman -Western Alaska Fishermen's Marketing Assn. -Quinhagak City Council, Past Mayor -Quinhagak City Council, Council Member
1977 - Present	-Bering Sea Fishermen's Assn., Past President -Bering Sea Fishermen's Assn., Board Member

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

March 18, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Additional Information Pertaining to Confirmations

Attached is a letter from Mr. Larry Smith of the Kachemak Bay Subsistence Committee regarding the confirmation hearing for Bix Bonney.

REPRESENTATIVE
PETER GOLL



P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4925

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

March 18, 1986

Mr. Larry Smith
Kachemak Bay Subsistence Committee
Box 15337
Homer, AK 99603

Dear Mr. Smith:

Thank you for your letter regarding the confirmation of Mr. Bix Bonney's appointment to a second term on the Alaska Board of Fisheries.

Again, I wish to extend my apologies for having to request that you shorten your testimony. I appreciate your comments and have circulated them to other members of the House Special Committee on Fisheries.

Sincerely,

Peter Goll

Honorable Peter Goll 3/13/86

Dear sir;
A man sure feels frustrated when he gets interrupted in mid-polemic, but I can appreciate your desire to keep things rolling. However, the statement I had in mind was both briefer and more to the point than some other comments in todays tele-conference. To say nothing of being more original and less repetitive than some.

Like you, the teleconference network, is the people's instrument. It seems highly appropriateto maximize the usefulness of our imperfect instruments to communicate with each other on topics of common interest. Toward that end, may I ask that you circulate this letter, and the enclosure to the other members of your committee? Thanks.

There is no action more severe than extermination. The previous fish board voted that, for us, repeatedly. Driving us into court, time after time, since 1976, and finally to the Supreme Court for the Madison decision. Despite that experience, we were appalled at the wholesale slaughter, by John Shiveley's Nat'l Resources Transition team, of the Boards of Fisheries and Game.

We have heard no convincing evidence that Bix Bonney is guilty of any misconduct. He does take hard stands on controversial issues. I like that, I know where he stands regarding our proposals: he opposes them. I'm not going to whine about honest differences of opinion.

Right now, those Boards need continuity -- a chance to redevelop the institutional memory and authority mislaid three years ago.

Enclosed find a statement I drafted two years ago, which was unanimously endorsed by the local advisory committee and disseminated. Many of us our concerned that these citizen boards will be lost if administrations and legislatures cannot resist meddling beyond the limits of proper concern. If you want to do something to further the work of the boards, think of mechanical improvements to lessen the work load; how about regionalization of some policy and regulation making? Think about the boards, regional council and advisory committee budgets. Think about augmenting the teleconference system as a substitute for more expensive meetings. We're available to help in all respects. Call on us at will.

Larry Smith, K. Bay Subsistence
Box 15337 Fritz Creek, 99603

FROM THE HOMER FISH AND GAME ADVISORY COMMITTEE

Every Alaskan who wishes to participate in the determination of the property management of fish and wildlife is entitled to be heard by all members of the Boards of Fisheries and Game in a fair and impartial manner.

To accomplish this purpose, and to assure the conservation and development of these resources, appointments and confirmations should not be politically manipulated.

Members of these boards are entrusted with making public policy and for dedication to the fish and wildlife of Alaska. No identification should be made between the policy-makers and any particular segment of the population or the interests of any particular region.

In 1957, the Territorial legislature established a fish and game commission to be composed of three commercial fishermen representing specific areas, one hunter, one trapper, and one sport fisherman. During consideration of the Statehood Act, the U.S. Congress determined that this commission was not acceptable because it purposely delegated control of fish stocks to the commercial fishing industry and excluded natives from the process.

Congress withheld fish and wildlife management from the State until an impartial system was adopted. In 1959, the State legislature enacted a statute establishing a Board of Fish and Game "composed of eight members having a general knowledge of the fish and game resources of the state and selected without regard to political affiliations or special interest". On January 5th, 1960, President Eisenhower transferred the administration and management of fish and game from the federal government to the state.

In 1975, the legislature split the single state board into two seven member boards; one for fisheries and one for game, and required that they be appointed and confirmed "without regard to political affiliation or geographical location of residence". The prohibited reasons for appointment seem to be primarily honored in the breach; all five governors have appointed persons because of their place of residence, their identification with particular groups, or a vested interest in a particular activity.

In this highly political environment it is no wonder that the allocation process has become a breeding ground for lawsuits and that finite fish and wildlife resources sometimes suffer from confused management.

Our boards should not be political instruments. They should be made up of independent people of character with a good knowledge of the subject who are obligated only to the welfare of wildlife. To reduce the number of lawsuits and the amount of political pressure on the Department of Fish and Game, all parties to allocation disputes should unite in a common effort to de-politicize the fish and wildlife decision making process.

We all depend, for one thing or another, on these resources.

Thomas G. Kolasinski
5314 Sillary Circle
Anchorage, AK 99508
333-0886

March 13, 1986

Legislative Teleconference

Dear Representatives:

I want to thank you for inviting me to this teleconference and providing me the opportunity to voice my opinion on the confirmation of Mr. Bix Bonney to the Board of Fish and Game.

I am opposed to his appointment. My opposition is based on Mr. Bonney's activities as a Kenai River Special Management Area Board member and as Chairman of the Social and Recreational Committee to that Board.

While in those positions, Mr. Bonney has demonstrated that his personal opinions and prejudices dictate how he executes the responsibilities of the positions he holds. Scientific facts, logic and public opinion contrary to his position seems not to alter his bias.

A person who allows their preconceived ideas to override evidence to the contrary can not act in the best interest of the Alaskan people or the State.

Since this position is not elected by the public, the public relies on the good judgement of our legislators to confirm responsible individuals. People who will review and consider all facts and search out alternatives to arrive at the most equitable and just decisions.

I am confident that after your review, you will not confirm Mr. Bonney.

Thank you.

Thomas G. Kolasinski

Thomas G. Kolasinski

****

61

TO: ALL STATE SENATORS
ALL STATE REPRESENTATIVES

FROM: JOHN NOVAK, BOX 2783, DILLINGHAM, ALASKA - 842-1287

SUBJ: DILLINGHAM D.A. POSITION DELETION IN BUDGET

I FEEL THAT CLOSING THE DISTRICT ATTORNEY'S OFFICE IN THIS AREA WOULD HAVE A SEVERE EFFECT. PLEASE RESTORE.

****

TO: ALL STATE SENATORS
ALL STATE REPRESENTATIVES

FROM: DAVID A. PATTERSON, BOX 10168, DILLINGHAM, ALASKA, 842-1094

SUBJ: DILLINGHAM D.A. OFFICE BUDGET DELETION

STATSITICS SHOW DILLINGHAM DISTRICT ATTORNEY OFFICE IS NECESSARY AND HIGHLY COST EFFECTIVE. COMPARE THIS OFFICE WITH ANY OTHER IN STATE ON BASIS OF STAFFING AND CONVICTIONS. I FEEL THE PROPOSED CLOSURE IS A POLITICAL MANUEVER TO ENHANCE THE ANCHORAGE OFFICE. LAW ENFORCEMENT IN BRISTOL BAY WILL SUFFER AS A RESULT.

TO: ALL LEGISLATORS

FROM: RON PITTS, 9320 EMERALD, ANCHORAGE, AK 99515, 248-1773

SUBJECT: CONFIRMATION OF BOARD OF FISH MEMBERS

DUE TO THE RESULTS OF THE HORSE POWER RESTRICTION ON THE KENAI RIVER, I RECOMMEND THAT BIX BONNEY NOT BE REAPPOINTED TO THE BOARD OF FISH.

****
* DELIVER TO: JPOM *
* 2 *
* ORIGINAL *
* SENT: 03/13/86 TIME: 10:37 *
* FROM: LIOSIT *
* SUBJECT: POM *
* PRINT DATE: 03/13/86 TIME: 10:38 *
****

TO: [redacted]

FROM: JOHN HOPKINS, P.O. BOX 343, CORDOVA, AK 99574 424-7632

RE: BOARD OF FISH CONFIRMATION

I WOULD LIKE TO CONFIRM BIX BONNEY TO THE BOARD OF FISH.

********** SITKA LIO, 3-13-86 **********

****
*
* DELIVER TO: JPOM
*
*
* ORIGINAL
* SENT: 03/13/86 TIME: 10:13
* FROM: JEAN MILLER
* SUBJECT: POM
* PRINT DATE: 03/13/86 TIME: 10:13
*
****

TO: ALL LEGISLATORS

FROM: ALLAN E. COUSENS
P.O. BOX 104392
ANCHORAGE, AK 99510 PHONE: 271-3467

SUBJECT: HB 224 - MANDATORY SEAT BELT LAW

VOTE AGAINST THE MANDATORY SEAT BELT BILL.

TO: ALL LEGISLATORS

FROM: CELIA WARRIOR
632 NORTH PINE
ANCHORAGE, AK 99508 PHONE: 276-7292

SUBJECT: FALLING OIL REVENUE

I FEEL BAD ABOUT THE FALLING OIL REVENUES, I STILL DO STRONGLY PROTEST PRISONER RELEASE DUE TO OVERCROWDING. NOW IS THE PERFECT TIME TO SELL THE DAIRY, THE DAIRY SYSTEM OR THE RAILROAD OR BUILD BRIDGE ACROSS INLET TO STIMULATE JOBS AND ECONOMY. COULD BRING THE PERMANENT FUND HOME.

TO: ALL LEGISLATORS

FROM: DR. DAVE C. HARRISON, 3537 N. POINT DRIVE, MAILING ADDRESS, 1034 W. 4TH AVE., ANCHORAGE, AK 99501, 248-7412 (H) OR 279-7447 (W)

SUBJECT: CONFIRMATION

PLEASE CONFIRM BIX BONNIE TO ADF BOARD. HE IS AND CONTINUES DOING A VERY FINE JOB ON THIS MOST IMPORTANT RESOURCE. I AM A COMMERCIAL FISHERMAN AND SUPPORT BIX 100 PERCENT. HIS INTEGRITY IS UNQUESTIONED. PLEASE GIVE SALMON A CHANCE. HE HAS.

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION

LOCAL 200

2219 NORTH JORDAN AVENUE, JUNEAU, ALASKA 99801 • (907) 789-0322

LARRY COTTER
President

PETE DANELSKI
Vice President

MARTIN EBONA, JR.
Secretary-Treasurer

January 31, 1986

RECEIVED
FEB 4 1986
HAND DELIVERED
GOVERNOR'S OFFICE

The Honorable Bill Sheffield
Governor of Alaska
Juneau, Alaska 99811

Re: Board of Fish Appointments

Dear Governor:

I would like to take this opportunity to say that I, and the members of my organization, are extremely pleased with the performance of both Bix Bonney and Jesse Foster on the State Board of Fish. We urge you to reappoint both.

It has also come to our attention that Doug Blossom is being considered as a candidate for the Board. Our members who have personal experience with Doug have found him to be extremely qualified for this position and we urge you to grant him favorable consideration.

We appreciate your consideration.

Very truly yours,

Larry Cotter
President

BD 5

SOUTHEASTERN ALASKA

SEINE BOAT OWNERS & OPERATORS

P.O.BOX 9579
KETCHIKAN, ALASKA
99901
mailing address

907-225-5156

728 WATER STREET
KETCHIKAN, ALASKA
99901

RECEIVED
FEB - 4 1986
GOVERNOR'S OFFICE

January 20, 1986

Honorable William Sheffield
Governor of Alaska
Third Floor, State Capitol Building
Pouch A, Juneau, AK 99811

Dear Mr. Sheffield:

We encourage you to reappoint Bix Bonney to the Board of Fisheries. Although we often do not agree with his votes on issues of concern to us, Mr. Bonney can be relied upon to give careful and thoughtful consideration to all issues. Southeast fishing issues are extremely complex and it would be a shame to lose a Board member who, after enduring three years of contentious Board meetings, has begun to understand our fisheries.

Sincerely,

John Peckham
President

cc Bix Bonney

NORTHERN DISTRICT SET NETTERS ASSOCIATION OF COOK INLET
BOX 770778 ★ EAGLE RIVER, ALASKA 99577 ★ 688-2380

MM



December 12, 1985

Dear Governor Sheffield,

As President of the Northern District Set Netters Association of Cook Inlet (a commercial fishing organization,) I have sat through many Alaska Board of Fish hearings. The recently concluded hearings held in Anchorage mark the 12th year that I have testified before the Board of Fish. In all these years, I have never encountered a fairer, more sincere and dedicated group of men and women. You come away feeling that every possible effort has been made to hear your side of the story. The decisions they make are based on facts. They consistently try to do what is right for the resource. Though I don't agree with all of their decisions, I consistently feel they make a most conscientious effort to gather all the facts and to make fair and un-prejudiced decisions.

Mr. Jolin's patience is remarkable. He exhausts every avenue to be sure all sides of every issue can be heard. His leadership as board chairman is to be highly commended.

Sincerely,

Tom Rollman

Tom Rollman, President
Northern District Set Netters Ass'n
of Cook Inlet

RECEIVED
JAN - 2 1986
GOVERNOR'S OFFICE

Governor Bill Sheffield
State of Alaska
Pouch A
Juneau, Alaska 99801

November 14, 1985

Dear Governor Sheffield:

With the Fisheries Board terms of Jesse Foster, Bix Bonney and Val Angasan ending in January 1986, you will no doubt be under considerable pressure to replace some or all of these individuals for a variety of reasons.

Having worked with these three Board members on a number of very difficult and contentious issues over the course of the last three years, we would urge that you renominate each of them to the Alaska Board of Fisheries.

We feel that each is representative of unique viewpoints which is of substantial value to Board decisions. Each, despite the wide variety of background and views, have conducted themselves in a fair and impartial manner while serving the State. Therefore, we urge that each be given your fullest support and renomination to their respective seats.

Sincerely,

Ron Jolin, Chairman
Alaska Board of Fisheries

Ernie Carter
Board Member

John Garner
Board Member

Jeri Museth
Board Member

REPRESENTATIVE
PETER GOLL

P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4925

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

March 12, 1986

Mr. Ron Stevens
P.O. Box 843
Cordova, Alaska 99574

Dear Mr. Stevens:

Thank you for your public opinion message of March 11, regarding the supporting confirmation of Bix Bonney to the Board of Fish.

I support Mr. Bonney's re-appointment to the Board and will work to seek his re-confirmation.

Sincerely,

Peter Goll

REPRESENTATIVE
PETER GOLL

P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4925

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

March 12, 1986

Mr. John Booren
P.O. Box 2337
Cordova, Alaska 99574

Dear Mr. Booren:

Thank you for your public opinion message of March 11, regarding the supporting confirmation of Bix Bonney to the Board of Fish.

I support Mr. Bonney's re-appointment to the Board and will work to seek his re-confirmation.

Sincerely,

Peter Goll

TO: REPRESENTATIVE GOLL

FROM: JOHN BOOREAN 424-7556
POB 2337
CORDOVA 99574

RE: BOARD CONFIRMATIONS

WOULD LIKE TO HAVE YOU SUPPORT BIX BONNEY FOR CONFIRMATION ON THE ALASKA BOARD OF FISHERIES.

****

****

61

TO: ALL LEGISLATORS
FR: JACKIE COZAD
P.O.BOX 1674
PALMER AK 99645 745-3663

PLEASE VOTE IN FAVOR OF THE NEW THREE YEAR EARLY RETIREMENT FOR STATE EMPLOYEES SCHEDULED TO TAKE EFFECT IN JULY.

****

TO: ALL SENATORS AND REPRESENTATIVES

FR: MICHAEL BREWER, BUILDING 10,CHUGACH, KENAI,99611
283-9930

RE: HB 104 GOODTIME AND HB 554 SENTENCING

I SUPPORT THESE BILLS AND WOULD LIKE TO SEE THEM PASSED THIS SESSION. I URGE YOUR SUPPORT ON THESE BILLS.

TO: ALL SENATORS AND REPRESENTATIVES

FROM: RICE E. HALL, 829 OCEAN VIEW DRIVE, ANCHORAGE, AK 99515,
345-3213

SUBJECT: SB 346 AND HB 28, PERMANENT FUND

PLEASE SUPPORT SB 346 AND HB 28.

TO: ALL LEGISLATORS

FROM: HAROLD JOHANSEN
6670 EILEEN CIRCLE
ANCHORAGE, AK 99507 PHONE: 344-4445

SUBJECT: POSSIBLE APPOINTMENT OF BIX BONNEY TO FISH AND GAME BOARD

ABSOLUTELY NO TO THE APPOINTMENT OF BIX BONNEY TO ANYTHING.

2

TO: REPRESENTATIVE PETER GOLL
FR: JACK LAMB
P.O. BOX 376
CORDOVA AK 99574 424-7442

RE: FISHERIES BOARD

I SUPPORT THE CONFIRMATION OF BIX BONNEY FOR THE FISHERY BOARD.

********** ********

TO: REP. PETER GOLL
FR: TABOR ASHMENT
P.O. BOX 989
CORDOVA A K 99574 424-7327

RE: FISHERIES BOARD

I FEEL BIX BONNER HAS SERVED T O THE BENEFIT OF THE STATE. I SUPPORT HIS CONFIRMATION TO THE BOARD OF FISHERIES.

****

TO: REP. PETER GOLL
FR: JEANNE SEE
P.O. BOX 989
CORDOVA AK 99574 424-7327
RE: FISHERIES BOARD

I STRONGLY SUPPORT THE CONFIRMATION OF BIX BONNEY TO THE FISHERIES BOARD.

****

****
*
* DELIVER TO: JPOM
*
*
* ORIGINAL
* SENT: 03/11/86 TIME: 13:43
* FROM: LIOSIT
* SUBJECT: POM
* PRINT DATE: 03/11/86 TIME: 13:44
*
****

TO: REPRESENTATIVE GOLL, CHAIR
HOUSE SPECIAL COMMITTEE ON FISHERIES

FROM: RON STEVENS, P.O. BOX 843, CORDOVA, AK 99574 424-7600

I SUPPORT CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH. I HAVE A LOT OF CONFIDENCE IN HIM.

********** SITKA LIO, 3-11-86 **********

1995 bill

****

2

TO: TO REPRESENTATIVE PETER GOLL
FR: JERRY MCCUNE, VICE-PRESIDENT CORDOVA DISTRICT FISHERMAN UNLIMITED
P.O. BOX 939
CORDOVA AK 99574 424-3447
RE: FISHERY BOARD

C.D.F.U. STRONGLY SUPPORTS THE CONFIRMATION OF BIX. BONNEY TO ALASKA BOARD OF FISHERIES.

Short reply

****
*
* DELIVER TO: JPOM
*
*
* ORIGINAL
* SENT: 02/27/86 TIME: 13:26
* FROM: JEAN MILLER
* SUBJECT: POM
* PRINT DATE: 02/27/86 TIME: 13:26
*
****

61

TO: ALL LEGISLATORS

FROM: C. R. SUMNER
P.O. BOX 201184
ANCHORAGE, AK 99520 PHONE: 276-4619

SUBJECT: SJR 39 - RIGHT TO KEEP AND BEAR ARMS

THANK YOU FOR YOUR INTRODUCTION AND SUPPORT OF SJR 39.

TO: ALL LEGISLATORS

FROM: LOTTIE GROVER, 1117 KARLUK, #B, ANCHORAGE, 99501, HM, 272-3002

RE: HB 475 AND SB 347 MARTIN LUTHER KING

I WANT MARTIN LUTHER KING DAY MADE A LEGAL HOLIDAY.

****

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM TIM HINER
BOX 2122
SOLDOTNA, AK 99669
262-9729
RE: BIX BONNEY
MESSAGE: I WOULD LIKE BIX BONNEY REMOVED FROM BOARD OF FISHERIES AS WELL AS MANY FRIENDS OF OURS AND EQUAL REPRESENTATION FOR SPORT FISHING ENTHUSIAST PUT ON THE BOARD OF FISHERIES. EOM

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M February 28, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Confirmations

Recent reappointments by Governor Bill Sheffield of members of the Alaska Board of Fisheries and Commercial Fisheries Entry Commission have been referred to the House Special Committee on Fisheries for action. Since the confirmations also must be acted upon by the House Resources Committee, I would like to expedite the hearing process.

Please indicate whether you wish to question any of the following individuals during a committee hearing:

Alaska Board of Fisheries

Val Angasan of Dillingham
Original term began 01/23/84, reappointed 02/10/86, expires 01/31/89

Bix Bonney of Anchorage
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89

Jesse Foster of Quinhagak
Original term began 07/20/83, reappointed 02/10/86, expires 01/31/89

Commercial Fisheries Entry Commission

Richard Listowski of Juneau
Original term began 03/15/83, reappointed 06/24/85, expires 07/01/89

If I receive no indication from committee members that they wish to question these four individuals by March 10, I will plan on bringing up these confirmations March 18 for quick action. If committee members desire to question any of the individuals up for confirmations, additional time may be necessary to schedule a teleconference and make other arrangements.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

March 13, 1986

TO: Representative Ben Grussendorf
Speaker of the House

FROM: Representative Peter Goll, Chairman
House Special Committee on Fisheries

SUBJECT: Confirmations

The House Special Committee on Fisheries has had confirmations to the Alaska Board of Fisheries and the Commercial Fisheries Entry Commission under consideration and makes the following recommendations:

Mr. Bix Bonney--Alaska Board of Fisheries

CONFIRM	DO NOT CONFIRM	NO RECOMMENDATION
Peter Goll	A.W. Marrou	
Katie Hurley	Roger Jenkins	David W. Thompson

Mr. Jesse Foster--Alaska Board of Fisheries

CONFIRM	DO NOT CONFIRM	NO RECOMMENDATION
Peter Joe		
Katie Hurley		David W. Thompson
Mike Savage		AV.M MARRON
		Roger Jenkins

Mr. Val Angasan--Alaska Board of Fisheries

CONFIRM	DO NOT CONFIRM	NO RECOMMENDATION
Peter Joe		
Katie Hurley		David W. Thompson
Mike Savage		AV.M MARRON
		Roger Jenkins

Mr. Richard Listowski--Commercial Fisheries Entry Commission

CONFIRM	DO NOT CONFIRM	NO RECOMMENDATION

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: March 13, 1986 Confirmation: Board of Fisheries

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Gordon Peterson	Homer			
Bob Penn	Cordova	Self + UFA	Yes	586-2936
Patrick Norman	Port Graham AK	Port Graham	NO	284-2212

Alaska State Legislature
HOUSE OF REPRESENTATIVES
COMMITTEE ON RESOURCES

POUCH V
JUNEAU, ALASKA 99811
(907) 465-3715

MEMORANDUM

TO: Representative Ben Grussendorf
Speaker of the House

FROM: Representative Adelheid Herrmann, Co-Chair
House Resources Committee

DATE: April 7, 1986

SUBJECT: Board of Fisheries Confirmations

The House Resources Committee has had a confirmation hearing on the Governor's appointments to the Alaska Board of Fisheries and makes the following recommendations:

Mr. Bix Bonney

CONFIRM	DO NOT CONFIRM	NO RECOMMENDATION
Adelheid Herrmann	Roger Jenkins	M.W. Miller
Kay Wallis		David W. Thompson
[illegible]		[illegible]
Bette Cato		Duke Shultz

Representative Ben Grussendorf
April 7, 1986
PAGE TWO

Mr. Jesse Foster

CONFIRM	DO NOT CONFIRM	NO RECOMMENDATION
Adelheid Herrmann		M.W. Miller
Kay Wallis		David W. Thompson
John [illegible]		Irene Pearce
Bette Cato		Roger Jenkins

Mr. Val Angasan

CONFIRM	DO NOT CONFIRM	NO RECOMMENDATION
Adelheid Herrmann		M.W. Miller
Kay Wallis		David W. Thompson
John [illegible]		Irene Pearce
Bette Cato		Roger Jenkins
		Dick Shultz

```
**************************************************************
*                                                            *
* DELIVER TO: TCJNU                                          *
*                                                            *
*                                                            *
* ORIGINAL                                                   *
* SENT:          03/13/86  TIME: 14:39                       *
* FROM:          LIOSOL                                      *
* SUBJECT:       FINAL STATS                                 *
* PRINT DATE:    03/13/86  TIME: 14:40                       *
*                                                            *
**************************************************************
```

* * * FINAL STATS * * *

DATE: 3/13/86
SITE: HOMER
SPONSOR: HOUSE SPECIAL FISHERIES COMMITTEE
SUBJECT: BOARD OF FISHERIES

TESTIFIED:
1.PHIL MCCRUDDEN BOX 2271,HOMER,AK 99604
2.LARRY SMITH BOX 337,HOMER
3.MYRON MICKEY BOX 120,ANCHOR POINT,99556

TOTAL TESTIFIED: 3

```
* DELIVER TO: TCJNU                                          *
*                                                           *
*                                                           *
* ORIGINAL                                                  *
* SENT:          03/13/86  TIME: 10:43                      *
* FROM:          HARRY MANDREGAN                            *
* SUBJECT:       FINAL STATS T/C 03/13/86                   *
* PRINT DATE:    03/13/86  TIME: 10:43                      *
*                                                           *
*************************************************************
```

*** FINAL T/C STATS ***

DATE: __MARCH 13TH, 1986_____
SITE: __ANCHORAGE, ALASKA_____
SPONSOR: __HOUSE SPECIAL COMMITTEE ON FISHERIES_____
SUBJECT: __CONFIRMATION: AK. BOARD OF FISHERIES_____
LOCAL MODERATOR: __HARRY TRACY MANDREGAN_____

****

TESTIFY:

	NAME/REPRESENTING	ADDRESS		PHONE
1.	THOMAS G. KOLASINSKI	5314 SILLARY	99508	333-0886
2.	SCOTT O. SELL	7140 LINDEN CT.	99502	243-4529
3.	JOE CONNORS	13120 SAUNDERS RD.	99516	345-5760
4.	BIX BONNEY	5847 DEBARR		333-7406

ANOTHER WHO WANTED TO TESTIFY BUT DIDN'T AND HAD SENT A POM.

5.	DR. DAVID C. HARRISON	1034 W. 4TH AVE.		279-7447

****

OBSERVE:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	ROLAND SHANKS AK. DEPT. OF FISH & GAME	COMM. O.	465-4100
2.	TWO SELL CHILDREN ALSO ATTENDED-BUT DIDN'T SIGN IN		

****

TESTIFIED: ___4_____
OBSERVED: ___4_____
TOTAL: ___8_____

TIME START: __8:40 AM___
TIME END: 10:01 AM___

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          03/13/86  TIME: 10:53                   *
* FROM:          LIOSOL                                  *
* SUBJECT:       FINAL STATS                             *
* PRINT DATE:    03/13/86  TIME: 10:53                   *
*                                                        *
**********************************************************
```

* * * FINAL STATS * * *

DATE: 3/12/86
SITE: SOLDOTNA
SPONSOR: HOUSE SPECIAL FISHERIES COMMITTEE
SUBJECT: BOARD OF FISHERIES

TESTIFIED:

1.RANDY BERG	BOX 4177,SOLDOTNA,99669	262-5727
2.GREG DAVIS	10819 SPUR HWY.#139,KENAI,99611	262-7360
3.C.DICKSON	BOX 2018,SOLDOTNA,99669	262-6020
4.DAN INGRAHAM	BOX 1033,SOLDOTNA,99669	
5.WM. GAVIN	BOX 3628,SOLDOTNA,99669	262-7746
6.NIGEL GUEST	BOX 2015,KENAI,99611	262-9466
7.ROD BERG	266 REDWOOD CT.,SOLDOTNA,99669	262-6064
8.KARIN CALLAHAN	BOX 2015,KENAI,99611	262-9466
9.JIM JOHNSON	BOX 3774,SOLDOTNA,99669	262-5357
10.TIM HINER	BOX 2122,SOLDOTNA,99669	262-5357
11.CHERYL SUTTON	BOX 546,SOLDOTNA,99669	262-2492

OBSERVED:

1.SHEILA DICKSON	BOX 2018,SOLDOTNA,99669	262-6020
2.JEFF KING	BOX 2711,SOLDONTA,99669	262-4564

TOTAL TESTIFIED: 12
TOTAL OBSERVED: 2
TOTAL: 14

****

* DELIVER TO: JPOM

* ORIGINAL
* SENT: 03/12/86 TIME: 12:26
* FROM: LIGANC
* SUBJECT: POM
* PRINT DATE: 03/12/86 TIME: 12:26

****

61

TO: ALL LEGISLATORS

FROM: JUDY BURKEVICH
SR 2 BOX 1205
SOLDOTNA, ALASKA 99669 PHONE: 262-2865

SUBJECT: APPOINTMENT OF DIX BONNEY TO FISHERIES BD

WE DO NOT WANT DIX BONNEY APPOINTED TO THE BOARD OF FISHERIES AND WOULD LIKE HIM REMOVED FROM THE KENAI RIVER ADVISORY BOARD. HE IS NOT ACTING IN THE BEST INTEREST OF THE PEOPLE.

****
*
* DELIVER TO: JPOM
*
*
* ORIGINAL
* SENT: 02/13/86 TIME: 12:59
* FROM: LANA TRUJILLO
* SUBJECT: POM
* PRINT DATE: 02/13/86 TIME: 12:59
*
****

Rec'd 14 Feb 86

TO: ALL LEGISLATORS

FROM: TOM KOLASINSKI, 5314 SILLARY CIR., ANCHORAGE, 99508, HM, 333-0886, WK, 265-8231

RE: APPT. OF BIX BONNIE TO BD. OF FISH AND GAME

I OPPOSE THE REAPPOINTMENT OF BIX BONNIE TO THE BOARD OF FISH AND GAME AND ASK YOU NOT TO CONFIRM HIS REAPPOINTMENT. MY OBJECTION IS BASED ON HIS LACK OF OBJECTIVITY AS SHOWN AS A MEMBER OF THE KRSMA BOARD.

TO: ALL LEGISLATORS

FROM: JOE CONNORS, 13120 SAUNDERS ROAD, ANCHORAGE, AK 99516, 345-5760

SUBJECT: CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH

I HAVE STRONG RESERVATION ABOUT THE REAPPOINTMENT OF BIX BONNEY TO THE BOARD OF FISHERY. HAVING OBSERVED HIM AT THE VARIES MEETINGS, IT IS MY BELIEF THAT HE DOES NOT REPRESENT SPORTS FISHING INTEREST BUT INSTEAD PROMOTES HIS OWN PERSONAL INTEREST. THEREFORE RECOMMEND THAT HE NOT BE RECONFIRMED.

****

POM

Rec'd
14 Feb 86

TO ALL SENATORS AND REPRESENTATIVES

FROM BILL THOMPSON
4449 BEAVER LOOP RD.
KENAI AK 99611
262-1201

RE BIX BONNEY

MESSAGE: I OBJECT TO BIX BONNEY BEING REAPPOINTED TO THE BOARD OF FISHERIES DUE TO THE FACT I FEEL HE HAS NOT DONE A GOOD JOB OF REPRESENTING SPORTS FISHERMAN. EOM

****

****

POM

Rec'd
24 Feb 86

TO ALL SENATORS AND REPRESENTATIVES
FROM WANDA AND MORRIS SMITH
STAR RT. 2 BOX 1207
SOLDOTNA,AK 99669
262-6059
RE: BIX BONNEY
MESSAGE: WE OPPOSE THIS APPOINTMENT. WATCHED BONNEY AS CHAIRMAN OF SOC/REC COMMITTEE OF KRSMA AND FOUND HIM TO BE SELFSERVING AND TOTALLY BACKED BY THE GOVERNOR. DISSERVICE TO THE MAJORITY. EOM



FEB 13 RECD

```
**************************************************************
*                                                            *
* DELIVER TO: JPOM                                           *
*  .                                                         *
*                                                            *
* ORIGINAL                                                   *
* SENT:          02/12/86  TIME: 15:45                       *
* FROM:          LIOSOL                                      *
* SUBJECT:       POM                                         *
* PRINT DATE:    02/12/86  TIME: 15:45                       *
*                                                            *
**************************************************************
```

41

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM PATRICK JOHNSON
44526 STERLING HWY
SOLDOTNA, AK 99669
262-5357

RE: BOARD OF FISHERIES

MESSAGE: AS A SPORTS FISHERMAN I WOULD NOT LIKE TO SEE BIX BONNEY REAPPOINTED. HE IS NOT REPRESENTING ALASKA SPORTS FISHERMEN'S INTEREST. HE IS AT PRESENT ON TO MANY BOARDS AND COMMITTEE'S. PLEASE ALLOW SOMEONE ELSE TO BE APPOINTED.

DELIVER TO: JPOM

ORIGINAL
SENT: 02/12/86 TIME: 14:55
FROM: LIOSOL
SUBJECT: POM
PRINT DATE: 02/12/86 TIME: 14:56

61

FEB 13 RECD

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM GREG DAVIS
10819 SPUR HWY SUITE 139
KENAI, AK 99611
262-7360

RE: BOARD OF FISHERIES
MESSAGE: I DO NOT FEEL BIX BONNEY HAS REPRESENTED THE SPORT FISHING PUBLIC PARTICULARLY THE GUIDED ANGLER FAIRLY. BIX PUTS HIS OWN CONCERNS FAR ABOVE THE NEEDS OF THE PEOPLE. I STRONGLY SUGGEST YOU CONTACT GOVERNOR SHEFFIELD AND HAVE HIM WITHDRAW NOMINATION.

POM

TO SEN. FISCHER,P.
TO REPS. NAVARRE, MARROU

FROM JAMES JOHNSON
44526 STERLING HWY
SOLDOTNA, AK 99669
262-5357

RE: BIX BONNEY

MESSAGE: I WOULD LIKE YOU NOT TO CONFIRM MR. BIX BONNEY TO THE ALASKA BOARD OF FISHERIES. I WOULD INSTEAD LIKE TO SEE MR. JIM REPINE TO BE CONFIRMED FOR THAT POSISTION. I FEEL THAT MR. JIM REPINE WILL DO A MUCH BETTER JOB REPRESENTING SPORTS FISHERMAN IN THE STATE OF ALASKA. EOM

2

TO: REPRESENTATIVE PETER GOLL
FR: JACK LAMB
P.O. BOX 376
CORDOVA AK 99574 424-7442

RE: FISHERIES BOARD

I SUPPORT THE CONFIRMATION OF BIX BONNEY FOR THE FISHERY BOARD.

****

TO: REP. PETER GOLL
FR: TABOR ASHMENT
P.O. BOX 989
CORDOVA A K 99574 424-7327

RE: FISHERIES BOARD

I FEEL BIX BONNER HAS SERVED T O THE BENEFIT OF THE STATE. I SUPPORT HIS CONFIRMATION TO THE BOARD OF FISHERIES.

****

TO: REP. PETER GOLL
FR: JEANNE SEE
P.O. BOX 989
CORDOVA AK 99574 424-7327
RE: FISHERIES BOARD

I STRONGLY SUPPORT THE CONFIRMATION OF BIX BONNEY TO THE FISHERIES BOARD.

****

November 18, 1985

Honorable Bill Sheffield
Governor, State of Alaska
Pouch A
Juneau, Alaska 99811

Dear Governor Sheffield:

I understand that Bix Bonney's term on the Fish Board ends soon. I am writing to you to urge you to reappoint Mr. Bonney to another term on the Board.

Although Mr. Bonney is not from rural Alaska, I think that he does an excellent job of representing the interests of rural Alaska on the Fish Board. He fully understands the subsistence issue and has demonstrated his support for the subsistence way of life. Hence, my unqualified support for him and my desire to see him continue as a Board member.

I hope that you will agree with me, Governor, and that his name will be before the legislature for confirmation next session.

Thank you.

Sincerely,

Al

Al Adams
District 22

cc: Barbara Dale
Special Staff Assistant
Boards and Commissions

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION

LOCAL 200

2219 NORTH JORDAN AVENUE, JUNEAU, ALASKA 99801 • (907) 789-0322

LARRY COTTER
President

PETE DANELSKI
Vice President

MARTIN EBONA, JR.
Secretary-Treasurer

January 31, 1986

RECEIVED
FEB . 1986

HAND DELIVERED
GOVERNOR'S OFFICE

The Honorable Bill Sheffield
Governor of Alaska
Juneau, Alaska 99811

Re: Board of Fish Appointments

Dear Governor:

I would like to take this opportunity to say that I, and the members of my organization, are extremely pleased with the performance of both Bix Bonney and Jesse Foster on the State Board of Fish. We urge you to reappoint both.

It has also come to our attention that Doug Blossom is being considered as a candidate for the Board. Our members who have personal experience with Doug have found him to be extremely qualified for this position and we urge you to grant him favorable consideration.

We appreciate your consideration.

Very truly yours,

Larry Cotter
President

BD S

SOUTHEASTERN ALASKA

SEINE BOAT OWNERS & OPERATORS

P.O.BOX 9579
KETCHIKAN, ALASKA
99901
mailing address

907-225-5156

728 WATER STREET
KETCHIKAN, ALASKA
99901

RECEIVED
FEB - 4 1986
GOVERNOR'S OFFICE

January 20, 1986

Honorable William Sheffield
Governor of Alaska
Third Floor, State Capitol Building
Pouch A, Juneau, AK 99811

Dear Mr. Sheffield:

We encourage you to reappoint Bix Bonney to the Board of Fisheries. Although we often do not agree with his votes on issues of concern to us, Mr. Bonney can be relied upon to give careful and thoughtful consideration to all issues. Southeast fishing issues are extremely complex and it would be a shame to lose a Board member who, after enduring three years of contentious Board meetings, has begun to understand our fisheries.

Sincerely,

John Peckham
President

cc Bix Bonney

NORTHERN DISTRICT SET NETTERS ASSOCIATION OF COOK INLET
BOX 770778 ★ EAGLE RIVER, ALASKA 99577 ★ 688-2380



December 12, 1985

Dear Governor Sheffield,

As President of the Northern District Set Netters Association of Cook Inlet (a commercial fishing organization,) I have sat through many Alaska Board of Fish hearings. The recently concluded hearings held in Anchorage mark the 12th year that I have testified before the Board of Fish. In all these years, I have never encountered a fairer, more sincere and dedicated group of men and women. You come away feeling that every possible effort has been made to hear your side of the story. The decisions they make are based on facts. They consistently try to do what is right for the resource. Though I don't agree with all of their decisions, I consistently feel they make a most conscientious effort to gather all the facts and to make fair and un-prejudiced decisions.

Mr. Jolin's patience is remarkable. He exhausts every avenue to be sure all sides of every issue can be heard. His leadership as board chairman is to be highly commended.

Sincerely,

Tom Rollman

Tom Rollman, President
Northern District Set Netters Ass'n
of Cook Inlet

Governor Bill Sheffield
State of Alaska
Pouch A
Juneau, Alaska 99801

November 14, 1985

Dear Governor Sheffield:

With the Fisheries Board terms of Jesse Foster, Bix Bonney and Val Angasan ending in January 1986, you will no doubt be under considerable pressure to replace some or all of these individuals for a variety of reasons.

Having worked with these three Board members on a number of very difficult and contentious issues over the course of the last three years, we would urge that you renominate each of them to the Alaska Board of Fisheries.

We feel that each is representative of unique viewpoints which is of substantial value to Board decisions. Each, despite the wide variety of background and views, have conducted themselves in a fair and impartial manner while serving the State. Therefore, we urge that each be given your fullest support and renomination to their respective seats.

Sincerely,

Ron Jolin, Chairman
Alaska Board of Fisheries

Ernie Carter
Board Member

John Garner
Board Member

Jeri Museth
Board Member

BD 5

SOUTHEASTERN ALASKA

SEINE BOAT OWNERS & OPERATORS

P.O.BOX 9579
KETCHIKAN, ALASKA
99901
mailing address

907-225-5156

728 WATER STREET
KETCHIKAN, ALASKA
99901

RECEIVED
FEB - 4 1986
GOVERNOR'S OFFICE

January 20, 1986

Honorable William Sheffield
Governor of Alaska
Third Floor, State Capitol Building
Pouch A, Juneau, AK 99811

Dear Mr. Sheffield:

We encourage you to reappoint Bix Bonney to the Board of Fisheries. Although we often do not agree with his votes on issues of concern to us, Mr. Bonney can be relied upon to give careful and thoughtful consideration to all issues. Southeast fishing issues are extremely complex and it would be a shame to lose a Board member who, after enduring three years of contentious Board meetings, has begun to understand our fisheries.

Sincerely,

John Peckham
President

cc Bix Bonney

****

POM

Rcvd
14 Feb 86

TO ALL SENATORS AND REPRESENTATIVES

FROM BILL THOMPSON
4449 BEAVER LOOP RD.
KENAI AK 99611
262-1201

RE: BIX BONNEY

MESSAGE: I OBJECT TO BIX BONNEY BEING REAPPOINTED TO THE BOARD OF FISHERIES DUE TO THE FACT I FEEL HE HAS NOT DONE A GOOD JOB OF REPRESENTING SPORTS FISHERMAN. EOM

****

POM

Rcvd
24 Feb 86

TO ALL SENATORS AND REPRESENTATIVES
FROM WANDA AND MORRIS SMITH
STAR RT. 2 BOX 1207
SOLDOTNA, AK 99669
262-6059
RE: BIX BONNEY
MESSAGE: WE OPPOSE THIS APPOINTMENT. WATCHED BONNEY AS CHAIRMAN OF SOC/REC COMMITTEE OF KRSMA AND FOUND HIM TO BE SELFSERVING AND TOTALLY BACKED BY THE GOVERNOR. DISSERVICE TO THE MAJORITY. EOM

[redacted]

[redacted]

****

POM

Rec'd
14 Feb 86

TO ALL SENATORS AND REPRESENTATIVES

FROM BILL THOMPSON
4449 BEAVER LOOP RD.
KENAI AK 99611
262-1201

RE: BIX BONNEY

MESSAGE: I OBJECT TO BIX BONNEY BEING REAPPOINTED TO THE BOARD OF FISHERIES DUE TO THE FACT I FEEL HE HAS NOT DONE A GOOD JOB OF REPRESENTING SPORTS FISHERMAN. EOM

****

****

POM

Rec'd
24 Feb 86

TO ALL SENATORS AND REPRESENTATIVES
FROM WANDA AND MORRIS SMITH
STAR RT. 2 BOX 1207
SOLDOTNA,AK 99669
262-6059
RE: BIX BONNEY
MESSAGE: WE OPPOSE THIS APPOINTMENT. WATCHED BONNEY AS CHAIRMAN OF SOC/REC COMMITTEE OF KRSMA AND FOUND HIM TO BE SELFSERVING AND TOTALLY BACKED BY THE GOVERNOR. DISSERVICE TO THE MAJORITY. EOM

[redacted] [redacted]

****

* DELIVER TO: JPOM

* ORIGINAL
* SENT: 02/13/86 TIME: 12:59
* FROM: LANA TRUJILLO
* SUBJECT: POM
* PRINT DATE: 02/13/86 TIME: 12:59

Rec'd 14 Feb 86

****

TO: ALL LEGISLATORS

FROM: TOM KOLASINSKI, 5314 SILLARY CIR., ANCHORAGE, 99508, HM, 333-0886, WK, 265-8231

RE: APPT. OF BIX BONNIE TO BD. OF FISH AND GAME

I OPPOSE THE REAPPOINTMENT OF BIX BONNIE TO THE BOARD OF FISH AND GAME AND ASK YOU NOT TO CONFIRM HIS REAPPOINTMENT. MY OBJECTION IS BASED ON HIS LACK OF OBJECTIVITY AS SHOWN AS A MEMBER OF THE KRSMA BOARD.

TO: ALL LEGISLATORS

FROM: JOE CONNORS, 13120 SAUNDERS ROAD, ANCHORAGE, AK 99516, 345-5760

SUBJECT: CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH

I HAVE STRONG RESERVATION ABOUT THE REAPPOINTMENT OF BIX BONNEY TO THE BOARD OF FISHERY. HAVING OBSERVED HIM AT THE VARIES MEETINGS, IT IS MY BELIEF THAT HE DOES NOT REPRESENT SPORTS FISHING INTEREST BUT INSTEAD PROMOTES HIS OWN PERSONAL INTEREST. THEREFORE RECOMMEND THAT HE NOT BE RECONFIRMED.

DELIVER TO: JPOM

ORIGINAL
SENT: 02/13/86 TIME: 12:59
FROM: LANA TRUJILLO
SUBJECT: POM
PRINT DATE: 02/13/86 TIME: 12:59

rec'd 14 Feb 86

TO: ALL LEGISLATORS

FROM: TOM KOLASINSKI, 5314 SILLARY CIR., ANCHORAGE, 99508, HM, 333-0886, WK, 265-8231

RE: APPT. OF BIX BONNIE TO BD. OF FISH AND GAME

I OPPOSE THE REAPPOINTMENT OF BIX BONNIE TO THE BOARD OF FISH AND GAME AND ASK YOU NOT TO CONFIRM HIS REAPPOINTMENT. MY OBJECTION IS BASED ON HIS LACK OF OBJECTIVITY AS SHOWN AS A MEMBER OF THE KRSMA BOARD.

TO: ALL LEGISLATORS

FROM: JOE CONNORS, 13120 SAUNDERS ROAD, ANCHORAGE, AK 99516, 345-5760

SUBJECT: CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH

I HAVE STRONG RESERVATION ABOUT THE REAPPOINTMENT OF BIX BONNEY TO THE BOARD OF FISHERY. HAVING OBSERVED HIM AT THE VARIES MEETINGS, IT IS MY BELIEF THAT HE DOES NOT REPRESENT SPORTS FISHING INTEREST BUT INSTEAD PROMOTES HIS OWN PERSONAL INTEREST. THEREFORE RECOMMEND THAT HE NOT BE RECONFIRMED.

DELIVER TO: JPOM

ORIGINAL
SENT: 02/12/86 TIME: 14:55
FROM: LIOSOL
SUBJECT: POM
PRINT DATE: 02/12/86 TIME: 14:56

61

FEB 13 RECD

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM GREG DAVIS
10819 SPUR HWY SUITE 139
KENAI, AK 99611
262-7360

RE: BOARD OF FISHERIES
MESSAGE: I DO NOT FEEL BIX BONNEY HAS REPRESENTED THE SPORT FISHING PUBLIC PARTICULARLY THE GUIDED ANGLER FAIRLY. BIX PUTS HIS OWN CONCERNS FAR ABOVE THE NEEDS OF THE PEOPLE. I STRONGLY SUGGEST YOU CONTACT GOVERNOR SHEFFIELD AND HAVE HIM WITHDRAW NOMINATION.

POM

TO SEN. FISCHER,P.
TO REPS. NAVARRE, [redacted]

FROM JAMES JOHNSON
44526 STERLING HWY
SOLDOTNA, AK 99669
262-5357

RE: BIX BONNEY

MESSAGE: I WOULD LIKE YOU NOT TO CONFIRM MR. BIX BONNEY TO THE ALASKA BOARD OF FISHERIES. I WOULD INSTEAD LIKE TO SEE MR. JIM REPINE TO BE CONFIRMED FOR THAT POSISTION. I FEEL THAT MR. JIM REPINE WILL DO A MUCH BETTER JOB REPRESENTING SPORTS FISHERMAN IN THE STATE OF ALASKA. EOM

FEB 13 RECD

```
*************************************************
*                                               *
* DELIVER TO: JPOM                              *
*                                               *
*                                               *
* ORIGINAL                                      *
* SENT:          02/12/86  TIME: 15:45          *
* FROM:          LIOSOL                         *
* SUBJECT:       POM                            *
* PRINT DATE:    02/12/86  TIME: 15:45          *
*                                               *
*************************************************
```

u1

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM PATRICK JOHNSON
44526 STERLING HWY
SOLDOTNA, AK 99669
262-5357

RE: BOARD OF FISHERIES

MESSAGE: AS A SPORTS FISHERMAN I WOULD NOT LIKE TO SEE BIX BONNEY REAPPOINTED. HE IS NOT REPRESENTING ALASKA SPORTS FISHERMEN'S INTEREST. HE IS AT PRESENT ON TO MANY BOARDS AND COMMITTEE'S. PLEASE ALLOW SOMEONE ELSE TO BE APPOINTED.

```
**********************************************************
*                                                        *
* DELIVER TO: JPOM                                       *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          02/12/86  TIME: 14:55                   *
* FROM:          LIOSOL                                  *
* SUBJECT:       POM                                     *
* PRINT DATE:    02/12/86  TIME: 14:56                   *
*                                                        *
**********************************************************
```

61

FEB 13 RECD

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM GREG DAVIS
10819 SPUR HWY SUITE 139
KENAI, AK 99611
262-7360

RE: BOARD OF FISHERIES
MESSAGE: I DO NOT FEEL BIX BONNEY HAS REPRESENTED THE SPORT FISHING PUBLIC PARTICULARLY THE GUIDED ANGLER FAIRLY. BIX PUTS HIS OWN CONCERNS FAR ABOVE THE NEEDS OF THE PEOPLE. I STRONGLY SUGGEST YOU CONTACT GOVERNOR SHEFFIELD AND HAVE HIM WITHDRAW NOMINATION.

****

POM

TO SEN. FISCHER,P.
TO REPS. NAVARRE, [redacted]

FROM JAMES JOHNSON
44526 STERLING HWY
SOLDOTNA, AK 99669
262-5357

RE: BIX BONNEY

MESSAGE: I WOULD LIKE YOU NOT TO CONFIRM MR. BIX BONNEY TO THE ALASKA BOARD OF FISHERIES. I WOULD INSTEAD LIKE TO SEE MR. JIM REPINE TO BE CONFIRMED FOR THAT POSISTION. I FEEL THAT MR. JIM REPINE WILL DO A MUCH BETTER JOB REPRESENTING SPORTS FISHERMAN IN THE STATE OF ALASKA. EOM

****

* DELIVER TO: JPOM

* ORIGINAL
* SENT: 02/27/86 TIME: 13:26
* FROM: JEAN MILLER
* SUBJECT: POM
* PRINT DATE: 02/27/86 TIME: 13:26

61

****

TO: ALL LEGISLATORS

FROM: C. R. SUMNER
P.O. BOX 201184
ANCHORAGE, AK 99520 PHONE: 276-4619

SUBJECT: SJR 39 - RIGHT TO KEEP AND BEAR ARMS

THANK YOU FOR YOUR INTRODUCTION AND SUPPORT OF SJR 39.

TO: ALL LEGISLATORS

FROM: LOTTIE GROVER, 1117 KARLUK, #B, ANCHORAGE, 99501, HM, 272-3002

RE: HB 475 AND SB 347 MARTIN LUTHER KING

I WANT MARTIN LUTHER KING DAY MADE A LEGAL HOLIDAY.

****

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM TIM HINER
BOX 2122
SOLDOTNA,AK 99669
262-9729
RE: BIX BONNEY
MESSAGE: I WOULD LIKE BIX BONNEY REMOVED FROM BOARD OF FISHERIES AS WELL AS MANY FRIENDS OF OURS AND EQUAL REPRESENTATION FOR SPORT FISHING ENTHUSIAST PUT ON THE BOARD OF FISHERIES. EOM

~~769 5008~~

****

2

TO: TO REPRESENTATIVE PETER GOLL
FR: JERRY MCCUNE, VICE-PRESIDENT CORDOVA DISTRICT FISHERMAN UNLIMITED
P.O. BOX 939
CORDOVA AK 99574 424-3447
RE: FISHERY BOARD

C.D.F.U. STRONGLY SUPPORTS THE CONFIRMATION OF BIX BONNEY TO ALASKA BOARD OF FISHERIES.

Short reply

DELIVER TO: JPOM

ORIGINAL
SENT: 03/11/86 TIME: 13:43
FROM: LIOSIT
SUBJECT: POM
PRINT DATE: 03/11/86 TIME: 13:44

TO: REPRESENTATIVE GOLL, CHAIR
HOUSE SPECIAL COMMITTEE ON FISHERIES

FROM: RON STEVENS, P.O. BOX 843, CORDOVA, AK 99574 424-7600

I SUPPORT CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH. I HAVE A LOT OF CONFIDENCE IN HIM.

********** SITKA LIO, 3-11-86 **********

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1238 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

****

* DELIVER TO: JPOM

* ORIGINAL
* SENT: 02/27/86 TIME: 13:26
* FROM: JEAN MILLER
* SUBJECT: POM
* PRINT DATE: 02/27/86 TIME: 13:26

61

****

TO: ALL LEGISLATORS

FROM: C. R. SUMNER
P.O. BOX 201184
ANCHORAGE, AK 99520 PHONE: 276-4619

SUBJECT: SJR 39 - RIGHT TO KEEP AND BEAR ARMS

THANK YOU FOR YOUR INTRODUCTION AND SUPPORT OF SJR 39.

TO: ALL LEGISLATORS

FROM: LOTTIE GROVER, 1117 KARLUK, #B, ANCHORAGE, 99501, HM, 272-3002

RE: HB 475 AND SB 347 MARTIN LUTHER KING

I WANT MARTIN LUTHER KING DAY MADE A LEGAL HOLIDAY.

****

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM TIM HINER
BOX 2122
SOLDOTNA, AK 99669
262-9729
RE: BIX BONNEY
MESSAGE: I WOULD LIKE BIX BONNEY REMOVED FROM BOARD OF FISHERIES AS WELL AS MANY FRIENDS OF OURS AND EQUAL REPRESENTATION FOR SPORT FISHING ENTHUSIAST PUT ON THE BOARD OF FISHERIES. EOM

2

TO: TO REPRESENTATIVE PETER GOLL
FR: JERRY MCCUNE, VICE-PRESIDENT CORDOVA DISTRICT FISHERMAN UNLIMITED
P.O. BOX 939
CORDOVA AK 99574 424-3447
RE: FISHERY BOARD

C.D.F.U. STRONGLY SUPPORTS THE CONFIRMATION OF BIX BONNEY TO ALASKA BOARD OF FISHERIES.

Short reply

****

*

* DELIVER TO: JPOM

*

*

* ORIGINAL

* SENT: 03/11/86 TIME: 13:43

* FROM: LIOSIT

* SUBJECT: POM

* PRINT DATE: 03/11/86 TIME: 13:44

*

****

TO: REPRESENTATIVE GOLL, CHAIR
HOUSE SPECIAL COMMITTEE ON FISHERIES

FROM: RON STEVENS, P.O. BOX 843, CORDOVA, AK 99574 424-7600

I SUPPORT CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH. I HAVE A LOT OF CONFIDENCE IN HIM.

********** SITKA LIO, 3-11-86 **********

REPRESENTATIVE
PETER GOLL

P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4925

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

April 5, 1986

Mr. Jerry McCune
Vice-President
Cordova District Fishermen United
P.O. Box 939
Cordova, Alaska 99574

Dear Mr. McCune:

Thank you for your letter of April 2, 1986, in support of the reappointment of Mr. Bix Bonney, Mr. Val Angunson and Mr. Jesse Foster.

I will see that your support letter is placed in the committee's files and made known to the members of the House.

I share your support for these appointments.

Thank you again.

Best regards,

Peter Goll

CORDOVA DISTRICT FISHERMEN UNITED

P.O. Box 939

Cordova, Alaska 99571

(907) 424-3477

April 2, 1986

Peter Goll, Chairman
House Special Committee on Fisheries
Alaska State Legislature
Juneau, Ak. 99811

Dear Representative,

Cordova District Fishermen United (CDFU) would like to express our organizations support of the reappointment of Bix Bonney, Val Anguson and Jesse Foster to the Alaska Board of Fisheries.

They all have done a commendable job in their tenure on the Board of Fish and developed experience that will be hard to replace. Depth on the Board is very important, credibility in the eyes of the public and experience and background knowledge of the issues are extremely important. Mr. Bonney, Mr. Anguson and Mr. Foster have all of these qualities and more. To replace them with new board members would be an injustice to the industry.

Thank you for your time.

Sincerely,

Jerry McCune

Jerry McCune
Vice-President
CDFU

Governor Bill Sheffield
State of Alaska
Pouch A
Juneau, Alaska 99801

November 14, 1985

Dear Governor Sheffield:

With the Fisheries Board terms of Jesse Foster, Bix Bonney and Val Angasan ending in January 1986, you will no doubt be under considerable pressure to replace some or all of these individuals for a variety of reasons.

Having worked with these three Board members on a number of very difficult and contentious issues over the course of the last three years, we would urge that you renominate each of them to the Alaska Board of Fisheries.

We feel that each is representative of unique viewpoints which is of substantial value to Board decisions. Each, despite the wide variety of background and views, have conducted themselves in a fair and impartial manner while serving the State. Therefore, we urge that each be given your fullest support and renomination to their respective seats.

Sincerely,

Ron Jolin, Chairman
Alaska Board of Fisheries

Ernie Carter
Board Member

John Garner
Board Member

Jeri Museth
Board Member

November 18, 1985

Honorable Bill Sheffield
Governor, State of Alaska
Pouch A
Juneau, Alaska 99811

Dear Governor Sheffield:

I understand that Bix Bonney's term on the Fish Board ends soon. I am writing to you to urge you to reappoint Mr. Bonney to another term on the Board.

Although Mr. Bonney is not from rural Alaska, I think that he does an excellent job of representing the interests of rural Alaska on the Fish Board. He fully understands the subsistence issue and has demonstrated his support for the subsistence way of life. Hence, my unqualified support for him and my desire to see him continue as a Board member.

I hope that you will agree with me, Governor, and that his name will be before the legislature for confirmation next session.

Thank you.

Sincerely,

Al Adams
District 22

cc: Barbara Dale
Special Staff Assistant
Boards and Commissions

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION

LOCAL 200

2219 NORTH JORDAN AVENUE, JUNEAU, ALASKA 99801 • (907) 789-0322

LARRY COTTER
President

PETE DANELSKI
Vice President

MARTIN EBONA, JR.
Secretary-Treasurer

January 31, 1986

RECEIVED
FEB . 1986

HAND DELIVERED
GOVERNOR'S OFFICE

The Honorable Bill Sheffield
Governor of Alaska
Juneau, Alaska 99811

Re: Board of Fish Appointments

Dear Governor:

I would like to take this opportunity to say that I, and the members of my organization, are extremely pleased with the performance of both Bix Bonney and Jesse Foster on the State Board of Fish. We urge you to reappoint both.

It has also come to our attention that Doug Blossom is being considered as a candidate for the Board. Our members who have personal experience with Doug have found him to be extremely qualified for this position and we urge you to grant him favorable consideration.

We appreciate your consideration.

Very truly yours,

Larry Cotter
President

NORTHERN DISTRICT SET NETTERS ASSOCIATION OF COOK INLET
BOX 770778 ★ EAGLE RIVER, ALASKA 99577 ★ 688-2380

MM



December 12, 1985

Dear Governor Sheffield,

As President of the Northern District Set Netters Association of Cook Inlet (a commercial fishing organization,) I have sat through many Alaska Board of Fish hearings. The recently concluded hearings held in Anchorage mark the 12th year that I have testified before the Board of Fish. In all these years, I have never encountered a fairer, more sincere and dedicated group of men and women. You come away feeling that every possible effort has been made to hear your side of the story. The decisions they make are based on facts. They consistently try to do what is right for the resource. Though I don't agree with all of their decisions, I consistently feel they make a most conscientious effort to gather all the facts and to make fair and un-prejudiced decisions.

Mr. Jolin's patience is remarkable. He exhausts every avenue to be sure all sides of every issue can be heard. His leadership as board chairman is to be highly commended.

Sincerely,

Tom Rollman

Tom Rollman, President
Northern District Set Netters Ass'n
of Cook Inlet

DELIVER TO: JPOM

ORIGINAL
SENT: 02/13/86 TIME: 12:59
FROM: LANA TRUJILLO
SUBJECT: POM
PRINT DATE: 02/13/86 TIME: 12:59

Rec'd 14 Feb 86

TO: ALL LEGISLATORS

FROM: TOM KOLASINSKI, 5314 SILLARY CIR., ANCHORAGE, 99508, HM, 333-0886, WK, 265-8231

RE: APPT. OF BIX BONNIE TO BD. OF FISH AND GAME

I OPPOSE THE REAPPOINTMENT OF BIX BONNIE TO THE BOARD OF FISH AND GAME AND ASK YOU NOT TO CONFIRM HIS REAPPOINTMENT. MY OBJECTION IS BASED ON HIS LACK OF OBJECTIVITY AS SHOWN AS A MEMBER OF THE KRSMA BOARD.

TO: ALL LEGISLATORS

FROM: JOE CONNORS, 13120 SAUNDERS ROAD, ANCHORAGE, AK 99516, 345-5760

SUBJECT: CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH

I HAVE STRONG RESERVATION ABOUT THE REAPPOINTMENT OF BIX BONNEY TO THE BOARD OF FISHERY. HAVING OBSERVED HIM AT THE VARIES MEETINGS, IT IS MY BELIEF THAT HE DOES NOT REPRESENT SPORTS FISHING INTEREST BUT INSTEAD PROMOTES HIS OWN PERSONAL INTEREST. THEREFORE RECOMMEND THAT HE NOT BE RECONFIRMED.

2

TO: REPRESENTATIVE PETER GOLL
FR: JACK LAMB
P.O. BOX 376
CORDOVA AK 99574 424-7442

RE: FISHERIES BOARD

I SUPPORT THE CONFIRMATION OF BIX BONNEY FOR THE FISHERY BOARD.

********** ********

TO: REP. PETER GOLL
FR: TABOR ASHMENT
P.O. BOX 989
CORDOVA A K 99574 424-7327

RE: FISHERIES BOARD

I FEEL BIX BONNER HAS SERVED T O THE BENEFIT OF THE STATE. I SUPPORT HIS CONFIRMATION TO THE BOARD OF FISHERIES.

****

TO: REP. PETER GOLL
FR: JEANNE SEE
P.O. BOX 989
CORDOVA AK 99574 424-7327
RE: FISHERIES BOARD

I STRONGLY SUPPORT THE CONFIRMATION OF BIX BONNEY TO THE FISHERIES BOARD.

****

****
*
* DELIVER TO: JPOM
*
*
* ORIGINAL
* SENT: 03/12/86 TIME: 12:26
* FROM: LIOANC
* SUBJECT: POM
* PRINT DATE: 03/12/86 TIME: 12:26
*
****

TO: ALL LEGISLATORS

FROM: JUDY BURKEVICH
SR 2 BOX 1205
SOLDOTNA, ALASKA 99669 PHONE: 262-2865

SUBJECT: APPOINTMENT OF BIX BONNEY TO FISHERIES BD

WE DO NOT WANT BIX BONNEY APPOINTED TO THE BOARD OF FISHERIES AND WOULD LIKE HIM REMOVED FROM THE KENAI RIVER ADVISORY BOARD. HE IS NOT ACTING IN THE BEST INTEREST OF THE PEOPLE.

2

TO: TO REPRESENTATIVE PETER GOLL
FR: JERRY MCCUNE, VICE-PRESIDENT CORDOVA DISTRICT FISHERMAN UNLIMITED
P.O. BOX 939
CORDOVA AK 99574 424-3447
RE: FISHERY BOARD

C.D.F.U. STRONGLY SUPPORTS THE CONFIRMATION OF BIX. BONNEY TO ALASKA BOARD OF FISHERIES.

Short reply

```
*****************************************************************
*                                                               *
* DELIVER TO: JPOM                                              *
*                                                               *
*                                                               *
* ORIGINAL                                                      *
* SENT:          03/11/86  TIME: 13:43                          *
* FROM:          LIOSIT                                         *
* SUBJECT:       POM                                            *
* PRINT DATE:    03/11/86  TIME: 13:44                          *
*                                                               *
*****************************************************************
```

TO: REPRESENTATIVE GOLL, CHAIR
HOUSE SPECIAL COMMITTEE ON FISHERIES

FROM: RON STEVENS, P.O. BOX 843, CORDOVA, AK 99574 424-7600

I SUPPORT CONFIRMATION OF BIX BONNEY TO THE BOARD OF FISH. I HAVE A LOT OF CONFIDENCE IN HIM.

********** SITKA LIO, 3-11-86 **********

DELIVER TO: JPOM

ORIGINAL SENT: 02/27/86 TIME: 13:26
FROM: JEAN MILLER
SUBJECT: POM
PRINT DATE: 02/27/86 TIME: 13:26

61

TO: ALL LEGISLATORS

FROM: C. R. SUMNER
P.O. BOX 201184
ANCHORAGE, AK 99520 PHONE: 276-4619

SUBJECT: SJR 39 - RIGHT TO KEEP AND BEAR ARMS

THANK YOU FOR YOUR INTRODUCTION AND SUPPORT OF SJR 39.

TO: ALL LEGISLATORS

FROM: LOTTIE GROVER, 1117 KARLUK, #B, ANCHORAGE, 99501, HM, 272-3002

RE: HB 475 AND SB 347 MARTIN LUTHER KING

I WANT MARTIN LUTHER KING DAY MADE A LEGAL HOLIDAY.

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM TIM HILER
BOX 2122
SOLDOTNA, AK 99669
262-9729
RE: BIX BONNEY
MESSAGE: I WOULD LIKE BIX BONNEY REMOVED FROM BOARD OF FISHERIES AS WELL AS MANY FRIENDS OF OURS AND EQUAL REPRESENTATION FOR SPORT FISHING ENTHUSIAST PUT ON THE BOARD OF FISHERIES. EOM

****

POM

Rec'd
14 Feb 86

TO ALL SENATORS AND REPRESENTATIVES

FROM BILL THOMPSON
4449 BEAVER LOOP RD.
KENAI AK 99611
262-1201

RE: BIX BONNEY

MESSAGE: I OBJECT TO BIX BONNEY BEING REAPPOINTED TO THE BOARD OF FISHERIES DUE TO THE FACT I FEEL HE HAS NOT DONE A GOOD JOB OF REPRESENTING SPORTS FISHERMAN. EOM

****

POM

Rec'd
24 Feb 86

TO ALL SENATORS AND REPRESENTATIVES
FROM WANDA AND MORRIS SMITH
STAR RT. 2 BOX 1207
SOLDOTNA, AK 99669
262-6059
RE: BIX BONNEY
MESSAGE: WE OPPOSE THIS APPOINTMENT. WATCHED BONNEY AS CHAIRMAN OF SOC/REC COMMITTEE OF KRSMA AND FOUND HIM TO BE SELFSERVING AND TOTALLY BACKED BY THE GOVERNOR. DISSERVICE TO THE MAJORITY. EOM

FEB 13 RECD

```
*****************************************
*                                       *
* DELIVER TO: JPOM                      *
*                                       *
*                                       *
* ORIGINAL                              *
* SENT:          02/12/86  TIME: 15:45  *
* FROM:          LIOSOL                 *
* SUBJECT:       POM                    *
* PRINT DATE:    02/12/86  TIME: 15:45  *
*                                       *
*****************************************
```

U1

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM PATRICK JOHNSON
44526 STERLING HWY
SOLDOTNA, AK 99669
262-5357

RE: BOARD OF FISHERIES

MESSAGE: AS A SPORTS FISHERMAN I WOULD NOT LIKE TO SEE BIX BONNEY REAPPOINTED. HE IS NOT REPRESENTING ALASKA SPORTS FISHERMEN'S INTEREST. HE IS AT PRESENT ON TO MANY BOARDS AND COMMITTEE'S. PLEASE ALLOW SOMEONE ELSE TO BE APPOINTED.

DELIVER TO: JPOM

ORIGINAL
SENT: 02/12/86 TIME: 14:55
FROM: LIOSOL
SUBJECT: POM
PRINT DATE: 02/12/86 TIME: 14:56

61

FEB 13 RECD

POM

TO ALL SENATORS AND REPRESENTATIVES

FROM GREG DAVIS
10819 SPUR HWY SUITE 139
KENAI, AK 99611
262-7360

RE: BOARD OF FISHERIES
MESSAGE: I DO NOT FEEL BIX BONNEY HAS REPRESENTED THE SPORT FISHING PUBLIC PARTICULARLY THE GUIDED ANGLER FAIRLY. BIX PUTS HIS OWN CONCERNS FAR ABOVE THE NEEDS OF THE PEOPLE. I STRONGLY SUGGEST YOU CONTACT GOVERNOR SHEFFIELD AND HAVE HIM WITHDRAW NOMINATION.

POM

TO SEN. FISCHER,P.
TO REPS. NAVARRE, MARROU

FROM JAMES JOHNSON
44526 STERLING HWY
SOLDOTNA, AK 99669
262-5357

RE: BIX BONNEY

MESSAGE: I WOULD LIKE YOU NOT TO CONFIRM MR. BIX BONNEY TO THE ALASKA BOARD OF FISHERIES. I WOULD INSTEAD LIKE TO SEE MR. JIM REPINE TO BE CONFIRMED FOR THAT POSISTION. I FEEL THAT MR. JIM REPINE WILL DO A MUCH BETTER JOB REPRESENTING SPORTS FISHERMAN IN THE STATE OF ALASKA. EOM

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:4

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 2/25/86, 8:30am
" " " " , 2/27/86, 8:30 am
" " " " , 3/4/86, 8:30am

April 4, 1986

Changes suggested to fish, wildlife enforcement

By KIRK McALLISTER
[illegible]

After months of work and numerous public hearings, a House committee and the Department of Public Safety have reached a consensus on changes to the state's fish and wildlife enforcement system designed to better protect the state's renewable resources.

In a joint letter released this morning by Gov. Bill Sheffield and Rep. Peter Goll, D-Haines, chairman of the House Special Committee on Fisheries, a list of recommendations supported by the committee and the administration were outlined.

Goll said the recommendations were the result of public concerns in several areas of fish and wildlife enforcement, including expanding enforcement coverage around the state to decrease violations.

"The major thrusts of the report are to increase enforcement coverage within the limitations of the current budget, provide more cross-cultural training to fish and wildlife officers and provide a career ladder for those officers," Goll said.

The committee heard a lot of testimony during the course of its hearings from people wanting the Department of Public Safety to maintain a clear separation between "brown shirt" fish and wildlife officers and "blue shirt" Alaska State Troopers.

More specialized fish and wildlife protection training should be provided to enforcement officers. Those officers shouldn't be saddled with performing regular trooper duties unless absolutely necessary, the report said.

In addition, it said candidates for game warden positions should be selected on the basis of their qualifications as a fish and wildlife officer rather than seniority as a state trooper.

Also, the report called for game wardens to receive "cross-cultural" training designed to familiarize them with Alaska's native community, especially regarding commercial fishing and subsistence hunting and fishing.

"The public is convinced that Alaska's fish and wildlife resources are threatened by the lack of adequate enforcement on the fishing and hunting grounds," the report said.

While the number of game wardens has increased 3.4 percent in the past seven fiscal years, the state's population has increased 24.6 percent.

Bob Sundberg, commissioner of the Department of Public Safety, applauded the committee's efforts and said that the governor has made it clear that fish and wildlife protection is a high priority of the administration.

Some of the violations that testimony to the committee revealed included illegal fishing by sport and commercial fishermen, using planes and helicopters to spot fish, using high-powered lights at night for herding fish and illegal leasing and selling of commercial fishing permits.

Panel urges wildlife protection changes

by Sue Cross
Associated Press

JUNEAU — The Alaska fish and wildlife protection system is spread way too thin, says a special House committee that is recommending the Department of Public Safety return to the system of choosing wildlife law enforcers that was struck down in binding arbitration several years ago.

The committee, which formed because of public concern that enforcement was not strict enough, issued its report today without issuing any new resolutions or bills. Rep. Peter Goll, D-Haines, its chairman, said recommendations were all that were needed because the Department of Public Safety has agreed to adopt them as policy.

But Public Safety Commissioner Bob Sundberg said afterward that the recommendations won't require any major change in direction for the department's fish and wildlife protection efforts, other than renegotiating the job selection process with the Public Safety Employees Association.

"I have no problem with the recommendations," Sundberg said. "They will just be implemented."

The committee did not call for increasing the number of fish and wildlife protectors hired, even though the report noted that the number of protectors has increased less than 4 percent since 1980, while the number of fishing, hunting and trapping licenses has increased 25 percent.

Goll said the recommendations were made "in light of declining revenues."

Sundberg said a return to the system of giving fish and wildlife specialists first dibs at protection jobs will depend on the troopers' and law enforcers' union, which has resisted such a change, and won the arbitration barring the experience-based system.

Now, protection jobs are granted on the basis of seniority. The House committee wants protection jobs offered first to people with fish and wildlife experience before they are offered to other law enforcement troopers on a seniority basis.

The committee also suggested that the fish and wildlife protection division:

- Has too many supervisors, with 28 at the rank of sergeant or above, plus eight corporals, and too few troopers. There now are 66 troopers, and the committee said more should be hired with money the department could save from making the Public Safety Academy more efficient and getting rid of supervisors.
- Should not expect troopers to overlap law enforcement and fish and wildlife protection duties except in the case of one-trooper posts, or in life-threatening situations.
- Should offer more local training for troopers through native associations, local colleges, fish and game advisory committees and commercial fishing groups.
- Should provide more cross-cultural training for troopers so they are better aware of native customs.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

April 3, 1986

Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Colleagues:

The House Special Committee on Fisheries has concluded its hearings on fish and wildlife enforcement in Alaska.

Below is the report of the committee which includes recommended policy changes responding to public concerns about levels of protection and the professional structures of the Department of Public Safety.

I wish to thank the many citizens and members of the Sheffield Administration and law enforcement professionals who contributed time and thought to the committee's work.

The Fisheries Committee study was conducted with full participation by the Department of Public Safety and by Governor Sheffield. Commissioner Robert Sundberg, Deputy Commissioner Jim Vaden, Fish and Wildlife Protection Director Robert Henderson, Mr. Bob Piazza and Mr. John Taylor of the Public Safety Employees Association are among many who deserve special thanks for their efforts.

These hearings culminated the past week when the commitment of the Administration to the finest professional fish and wildlife protection force possible and the research and study by the Fisheries Committee were combined to produce a joint statement of policy by the Committee and by Governor Sheffield.

It is with pleasure that this statement is provided as part of our report. It is noteworthy that the necessary task of cost containment during a period of revenue decline will be implemented without degrading the field identity and professional caliber of our fish and wildlife protection troopers and officers.

Finally, I wish to thank Rodger Painter and Sharon McCauley, staff to the Special Committee on Fisheries, and legislative aide Helen Fisher for their outstanding work.

Sincerely,

Peter Goll
Chairman

Joint Recommendations on
Fish and Wildlife Enforcement
by the
House Special Committee on Fisheries
Representative Peter Goll, Chairman
and
Governor Bill Sheffield
April 3, 1986

The Special Committee on Fisheries and the Office of Governor Sheffield appreciate the comments, suggestions, and recommendations the public has provided to the Fisheries Committee, to the Department of Public Safety and to Governor Sheffield regarding the protection of Alaska's fish and game resources. Based on public comment during the Fisheries Committee hearing process and discussions with the Governor's Office and the Department of Public Safety, certain policy and program changes within the Division of Fish and Wildlife Protection will be implemented.

It is, and always has been, the intent of the Governor to maintain separate divisions for fish and wildlife protection and general law enforcement troopers. Further, the Governor continues to remain committed to the maintenance of an enforcement staff of highly trained professionals specializing in fish and wildlife resource protection. Both the Committee and the Administration underscore the policy that "cross-utilization" is limited to instances where it clearly does not interfere with the primary responsibilities of each division or in life-threatening circumstances. It is also recognized that exceptions will be made in one-trooper posts out of necessity, due to limited resources.

The following are recommendations supported by both the Fisheries Committee and the Governor:

1. Reduce the ratio of supervisory to field personnel. Since the 1970s, there has been a steady increase in managerial level positions within the division resulting in a high ratio of supervisors to field personnel. Because protection of the resource ultimately takes place in the field, the Department will convert vacant, non-essential supervisory PCNs to fish and wildlife enforcement positions limited to Title 16 enforcement and, when appropriate, to fish and wildlife protection troopers.

2. The Department will increase public involvement in resource protection by working with fish and wildlife user groups on cooperative programs. The Department will increase public exposure to the existing Fish and Wildlife Safeguard program and will work with fishing organizations to explore recommendations for involving Alaskans in Title 16 enforcement.

3. The Governor and the Fisheries Committee support the efforts of the Commissioner and PSEA to provide for a bidding system that provides a priority for "brown shirts" to bid on "brown shirt" positions on the basis of seniority, followed by selecting the most qualified candidates for the positions.

4. The Department will examine methods to enhance the career opportunities for fish and wildlife protection personnel.

5. The Department will develop methods to improve training and orientation for fish and wildlife personnel. These efforts will include the following:

   a. strengthen Title 16 training for officers initially moving into "brown shirt" positions;

   b. expand cross-cultural training opportunities for all commissioned personnel within the Department;

   c. utilize local expertise/resources in providing for orientation/training of personnel assigned/reassigned to a new area of the state, including local fish and game advisory committees, commercial fishing organizations, Marine Advisory Programs where they exist, community colleges and Native organizations.

PROTECTION OF ALASKA'S FISH AND WILDLIFE

Alaska's Fish and Wildlife Protection Program
A Report and Recommendations
By the House Special Committee on Fisheries
Representative Peter Goll, Chair
April 3, 1986

I N T R O D U C T I O N

The House Special Committee of Fisheries began gathering information on the Department of Public Safety's fish and wildlife protection program during the fall of 1985.

Extensive public comments were gathered during a series of teleconferenced hearings in February and March, 1986. Many additional statements were submitted in writing, and numerous phone calls were received from concerned citizens and employees of the Department of Public Safety.

Evident throughout the process was the high level of public concern for increased enforcement on the fishing and hunting grounds. Alaskans from all areas of the state, particularly those involved in the commercial fishing and guiding industries, called for additional enforcement officers during seasons of peak activities.

Much concern also was voiced about "cross utilization" of fish and wildlife troopers to perform general law enforcement duties. Bidding procedures for protection officer vacancies, cross utilization and other new policies by the Department of Public Safety were perceived by many of those who testified or submitted written comments as being detrimental to a well-trained force of highly motivated, fish and wildlife protection professionals.

The Department of Public Safety worked closely with the committee throughout the hearing process, and provided important information on the subjects of discussion. Materials and testimony from the Department showed that cross utilization has diverted only a small amount of protection officers' field time from fish and game cases. Some testimony was presented during the hearings in support of the Department's policy changes.

This report contains a summary of information and testimony gathered during the committee process.

A summary of the committee's recommendations is found on page 2. Detailed recommendations are provided on pages 9 and 10.

SUMMARY OF RECOMMENDATIONS

The House Special Committee on Fisheries adopted the following positions regarding fish and wildlife protection:

1. The level of enforcement on the fishing and hunting grounds must be increased to ensure adequate protection of our renewable resources.

2. The ratio of supervisory to field personnel in the Division of Fish and Wildlife Protection (FWP) should be reduced by conversion of vacant supervisory positions into seasonal and year-round field enforcement positions.

3. The Department of Public Safety (DPS) should work closely with fish and wildlife user groups to develop cooperative programs designed to increase public involvement in resource protection.

4. The Department must maintain a clear separation between the primary responsibilities of fish and wildlife protection officers and general law enforcement troopers. The Division of Fish and Wildlife Protection should retain its full divisional status.

5. When state troopers outside the Division of Fish and Wildlife Protection "cross bid" for vacant fish and wildlife protection trooper positions, they should not be given a priority over other more qualified candidates.

6. DPS policies should be examined to determine how to improve the career path of fish and wildlife protection personnel. Detailed recommendations are found on pages 9 and 10.

7. Advanced fish and wildlife protection training should be developed for officers initially moving into enforcement positions. Area-specific training should be improved, and should include expanded utilization of local expertise.

8. Cross cultural training opportunities should be provided for all DPS personnel.

9. The operation of the Public Safety Academy should be examined for potential cost-saving and improved efficiency.

ENFORCEMENT COVERAGE

Hearings by the House Special Committee on Fisheries have revealed that the public is convinced that Alaska's fish and wildlife resources are threatened by the lack of adequate enforcement on the fishing and hunting grounds. The message that Alaskans want more officers in the field was very clear and consistent throughout three days of teleconferenced testimony and in numerous written comments received by the committee.

The figures in Table One show that the staffing of the Division of Fish and Wildlife Protection (FWP) has not kept pace with increased pressure on Alaska's fish and wildlife resources. This is particularly true over the past seven fiscal years when personnel levels have remained remarkably stable in the face of dramatic increases in the state's population and numbers of hunters and fishermen:

> FWP had a staff of 142 in FY 80. The staff was increased to 147 by FY 86. 3.4% increase.
>
> Alaska's population grew from 419,700 in FY 80 to 523,048 in FY 84. 24.6% increase.
>
> The state issued 349,009 sport hunting, fishing and trapping licenses in FY 80, and 436,709 in FY 85. 25.1% increase.

Commercial fishing permits used in state waters climbed by 55.6% between FY 76-84 (from 11,705 to 18,214). In addition, efficiency of the commercial fleets has increased dramatically, and fishing grounds needing patrolling has expanded as Alaska fishermen shifted into offshore areas.

At the same time, the violation rate for fishing and hunting offenses has continued to climb:

> In FY 81, FWP officers made 1,821 citations from 50,433 contacts in the field. In FY 85, 2,901 citations were issued from 52,154 contacts. This represents a 27% increase in the violation rate.

Two other factors are important to consider in discussions of levels of enforcement coverage:

> FWP officers spent seven percent of their time on general law enforcement work during FY 85; and
>
> FWP has 28 full-time positions at the rank of sergeant or above, plus eight corporals, to supervise 66 full-time FWP troopers.

The result of these trends is that coverage in the field is being stretched exceedingly thin. Indeed, the commissioner's office told the Fisheries committee, "We all realize that enforcement in Alaska is minimal."

The calls for increased enforcement from the commercial fishing community have been particularly strong; concern was greatest regarding enforcement levels in Western Alaska and on our southern maritime border with Canada.

A special effort by DPS during the 1985 season to increase enforcement in the state's largest commercial salmon fishery, Bristol Bay, yielded promising results and a positive response from fishermen. By shifting officers from others areas and using seasonal personnel, FWP issued more than 170 citations and seized four vessels in Bristol Bay during 1985.

By the end of the fishing season, the Bristol Bay effort had yielded the state treasury $212,300 just in fines and forfeitures of fish, compared to the $180,000 in additional enforcement costs. A survey of permit holders by the Bristol Bay Native Association showed that fishermen were pleased by the increased efforts to enforce fishing regulations.

The area of fish and wildlife enforcement that appears to be suffering most with increased harvest pressure and lack of increased enforcement personnel is Alaska's rapidly growing recreational fishery. DPS has placed its lowest enforcement priority on sport fishing, in part because officers must concentrate on problems posed by the highly efficient commercial fleets during the salmon seasons.

The result has been very little sport fishing enforcement in Alaska, except in the highly popular Kenai and Susitna salmon sport fisheries.

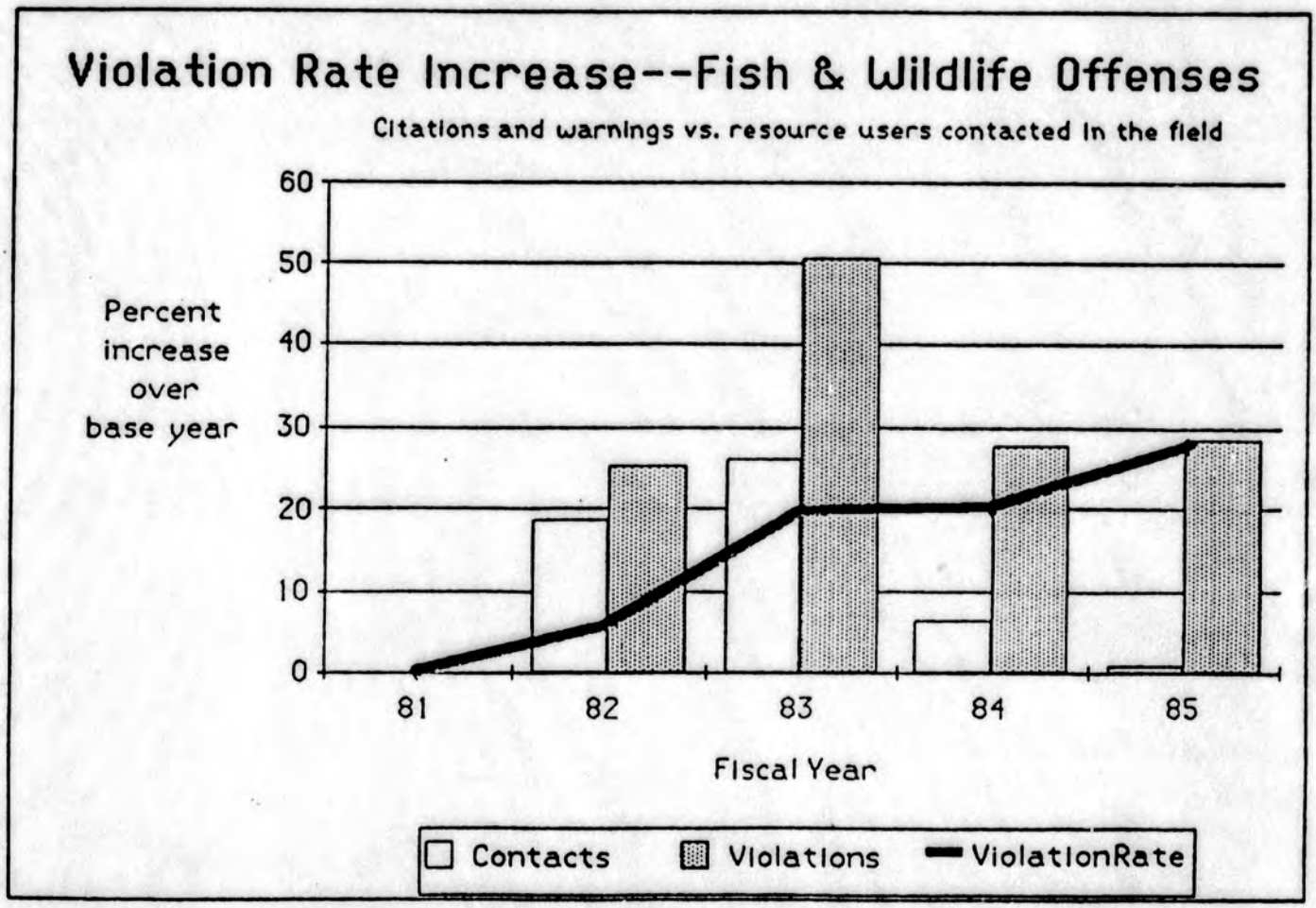
The Fisheries committee also discussed at some length the possible use of Village Public Safety Officers (VPSOs).

There appears to be little support for the use of VPSOs in fish and wildlife enforcement among the regional non-profit organizations which help the state administer the programs. Testimony before the Fisheries Committee and a DPS poll indicate that people involved in the program believe that local acceptance of the VPSOs would be undermined if they got involved in fish and wildlife enforcement. However, contact with municipal governments, village councils and Native corporation leadership would be useful in addressing local participation in the enforcement effort.

TABLE 1
FISH AND WILDLIFE PROTECTION BUDGET AND PERSONNEL RELATED
TO MEASURES OF PRESSURE ON FISH AND WILDLIFE RESOURCES

FISCAL YEAR	NUMBER OF PERSONNEL	FISH & WILDLIFE PROTECTION BUDGET	STATEWIDE POPULATION	NUMBER OF CONTACTS STATEWIDE	NUMBER OF CITATIONS STATEWIDE	NUMBER OF LIMITED ENTRY PERMITS FISHED	NUMBER OF SPORT FISHING, HUNTING, TRAPPING, LICENSES & TAGS
1976	81	5,087.3	409,800			11,705	202,656
1977	72	5,181.3	418,900			13,252	219,242
1978	100	6,765.8	411,600			15,819	257,277
1979	111	7,875.0	413,700			18,082	266,990
1980	142	8,172.1	419,700			17,944	349,009
1981	143	10,655.4	435,200	50,433	1,821	17,833	400,320
1982	156	12,534.1	460,837	59,760	2,680	18,158	445,171
1983	156	13,542.6	495,290	62,780	3,307	19,026	364,948
1984	145	13,704.4	523,048	54,831	2,827	18,214	401,787
1985	145	13,398.9		52,154	2,901		436,709
1986	147	13,412.0					

Prepared by the House Research Agency, March 1986.



STRUCTURAL CONCERNS

Three years ago, the Department of Public Safety (DPS) began an effort to achieve more efficient utilization of personnel and to increase the professionalism of its fish and wildlife protection staff. This effort included an upgrading of FWP enforcement officers to trooper status, more intensive training of fish and wildlife protection officers in general law enforcement skills and duties, and the "cross utilization" of troopers in the two divisions.

A great deal of public concern during the House Special Committee on Fisheries hearings focused on these policy changes. Many of those who testified criticized these policies which they saw as undermining the professionalism of FWP officers, interfering in the "career path" of individuals interested in being "game wardens" or "fish cops," and eventually leading to a complete integration of fish and wildlife enforcement personnel into the state troopers.

The new policies have resulted in a lessening of the structural lines separating FWP "brown shirt" officers from the "blue shirt" troopers involved in general law enforcement.

Before the reorganization, "brown shirt" recruits went side-by-side with "blue shirt" recruits through the Public Safety Academy, but received about five weeks of specialized Title 16 training. After graduation, the "brown shirt" recruits would move directly into FWP.

There were no formal DPS policies on "cross utilization" of blue and brown shirt officers, although there was general cooperation between the two divisions.

Today there are no "brown shirt" recruits. All DPS recruits go through identical training at the academy. Graduates accepted into the Department go through about three months additional training and a one-year probationary period as a "blue shirt" trooper. Following the one-year probation, troopers are eligible to bid on openings within FWP.

A binding arbitration ruling affected this "career path" with the determination that all members of the Public Safety Employees Association (PSEA) would be allowed to bid on "brown shirt" openings on the basis of seniority.

However, a recent memorandum of understanding between PSEA and DPS modified the arbitration ruling to allow FWP troopers to have priority in bidding for "brown shirt" positions, followed by seniority bidding by "blue shirts."

While the recent memorandum of understanding improves the "career path" for fish and wildlife troopers, the public and members of the Fisheries Committee expressed much concern about the difficulty facing new recruits or fish and wildlife protection officers wishing to make a career of fish and wildlife protection.

There appears to be little opposition to the one-year probationary period. However, there is a very strong public perception that fish and wildlife enforcement is a very specialized field requiring recruitment of officers who want to be fish and wildlife professionals. There is very strong public sentiment against integration of Division of Fish and Wildlife Protection into the Division of Alaska State Troopers.

The Fisheries Committee concluded that development of a better career path for enforcement officers is a critical step DPS must undertake. The Committee believes that candidates for FWP trooper positions should be selected on the basis of their individual qualifications rather than seniority as a state trooper, and that seasonal personnel should have the opportunity for career advancement.

The Fisheries Committee has reviewed DPS documentation regarding "cross utilization." According to this material, seven percent of FWP patrol and investigative time was devoted to general law enforcement and traffic cases. A breakdown of casework also shows that most of this effort was concentrated during the "off season" months for fish and game activities.

However, it also appears clear that "cross utilization" may be a one-way street with state troopers spending little time enforcing fish and game laws.

Testimony and discussion by the committee supported the philosophy that the Department policy and structure must ensure that fish and wildlife enforcement remain the top priority of the FWP Division. It is clear that if the separation of divisional responsibility is not maintained, that declining revenues will completely eliminate the "lower priority" enforcement goals. For example, if sport fish enforcement must compete with burglary and murder for officer time, the result is obvious.

T R A I N I N G

Concerns about training also were raised during public testimony to the Fisheries Committee.

Prior to the reorganization, fish and wildlife enforcement recruits received about five weeks of intensive training in Title 16 responsibilities and skills important to fish and game protection, such as courses on survival, marine navigation, identification of fish and wildlife species and methods of preserving evidence in fish and game cases.

The Public Safety Academy now provides a 42-hour fish and wildlife protection course to all recruits. This offering may be expanded in future academy classes with the addition of 16-20 hours of cold water survival training. New FWP troopers also are provided with "mini-modules" covering commercial fishing, trapping, guiding, hunting and sport fishing.

While the increased exposure to general law enforcement training and the hands-on experience gained through the one-year probationary period improves law enforcement skills of FWP officers, the loss of specific, intensive fish and wildlife training undermines the specialization.

The Fisheries Committee and members of the public also expressed concern at the elimination by the Public Safety Academy of cross cultural training designed to familiarize all officers with Alaska's large Native community. While some aspects of the cross cultural training have been incorporated in individual courses at the Academy, DPS personnel receive no other cross cultural orientation.

Much interest was expressed by commercial fishing groups and Native organizations in the possibility of working closely with DPS to provide opportunities for enforcement officers to become more familiar with commercial fishing operations and the needs of the Native community.

Another issue related to training raised during the committee process was the DPS policy of paying wages or stipends to trainees at the Public Safety Academy. In addition to receiving free tuition, room and board, trainees receive monthly stipends of $1859. DPS policy requires reimbursement of the stipend if the trainee voluntarily decides to not pursue s position with the Department. The committee questioned the practice of paying a stipend to someone who is not guaranteed a job with DPS.

RECOMMENDATIONS

1. The level of enforcement on the fishing and hunting grounds must be increased during periods of peak activity to ensure adequate protection of our most important renewable resources.

2. The ratio of supervisory to field personnel in the Division of Fish and Wildlife Protection should be reduced by converting vacant, non-essential supervisory positions to seasonal fish and wildlife enforcement positions limited to Title 16 enforcement and, when appropriate, fish and wildlife protection troopers. The goal is to increase presence on the hunting and fishing grounds during seasons of peak activities within the context of declining revenues.

3. The Department of Public Safety should increase work with fish and wildlife user groups on cooperative programs designed to increase public involvement in resource protection and supplement enforcement efforts of Department personnel. The Wildlife Safeguard Program should receive more publicity to increase public awareness of the program. DPS also should work with fishermen's organizations to devise a program to increase cooperation within the fishing fleets in the reporting of violations.

4. The Division of Fish and Wildlife Protection should retain its full divisional status. There should be a clear separation in the primary responsibilities between fish and wildlife protection officers and general law enforcement troopers. Except in one-trooper posts, FWP officers should engage in general law enforcement duties only when they clearly do not interfere with Title 16 responsibilities, or in life-threatening situations.

5. DPS should renegotiate the memorandum of understanding with the Public Safety Employees Association to provide a bidding system that eliminates the priority for general law enforcement troopers to bid on FWP vacancies on the basis of seniority. The Committee recommends the following bidding priorities: (a) FWP troopers, (b) experienced fish and wildlife enforcement officers or individuals with law enforcement credentials and documented fish and wildlife expertise, such as wildlife management degrees, commercial fishing or guiding background and game warden experience, (c) general law enforcement troopers without such backgrounds, and (d) other applicants.

6. DPS policies should be reviewed to improve the career path of fish and wildlife protection personnel. The Committee believes DPS can achieve greater efficiencies with increased utilization of seasonal fish and wildlife enforcement officer positions, but these positions presently are dead-end, seasonal jobs (generally three months a year) with no opportunity for advancement. There should be more six to eight month slots with some hope for full-time employment as a "brown shirt" trooper after academy training.

7. FWP should institute advanced Title 16 training for all officers initially moving into FWP trooper positions. Area-specific training available to enforcement personnel should be strengthened by utilizing local expertise, such as orientation programs involving the Marine Advisory Program or community colleges, local fish and game advisory committees, commercial fishing organizations and Native groups.

8. DPS should provide cross cultural training opportunities for all personnel through cooperative efforts with Native organizations or Alaska Department of Fish and Game's cross cultural program.

9. DPS should study the Public Safety Academy to determine whether cost-savings and improved efficiency could be achieved without significant deterioration of basic law enforcement training for Public Safety personnel and local municipalities. Some specific areas which should be explored include elimination of stipends paid to non-Department personnel and increased fees for training provided to non-Department personnel. Any savings realized will be channeled into the hiring of additional fish and wildlife enforcement field personnel.

A T T A C H M E N T S

Summary of Public Testimony
Summary of Written Comments from Public

Fish and Wildlife Enforcement Oversight Hearings

The testimony from these hearing has been sorted into a definable outline of evidence presented by persons who testified during the three days of the hearings. In addition to the verbal testimony, Representative Peter Goll, Chairman of the Special Committee on Fisheries, urged participants to send or call in additional testimony.

Comments from Pat Hunsacker of Willow and Janet Thompson of Port Lions supported those requesting fish and wild life enforcement be kept as a separate division and not merged into the troopers. There was concern expressed the Department of Public Safety was trying to do away with the "brown shirts" entirely, and put all enforcement into blue.

The subject of increasing the budget was pursued in terms of expanding the u[illegible] of wildlife protection personnel in rural areas. Dean Paddock speakin[illegible] on behalf of the Bristol Bay Driftnetters Association said, "My association supports allocation of additional funding and strongly supports the retention of a healthy, separate entity trained to work in the wildlife resources."

On the positive side, there was testimony from Oscar Dyson and George Johnson in Kodiak saying the current structure was fine, and that the enforcement was the best ever. There was rather even testimony the fish and wildlife officers needed the trooper training and cited such reasons as more complicated enforcement needs. Bob Blake, representing United Fishermen of Alaska and Cordova District Fishermen's Union said, "Fish and wildlife officers I have contacted feel the basic training at the academy is beneficial, but the they need to break away from the troopers after that point."

Testimony from Bristol Bay indicated the targeting in their area by the increased enforcement made for a better season in 1985, but the major violators were still not being caught.

Representatives from the administration of Public Safety urged persons witnessing violations to obtain as much information about the incident and to call the local protection officers as soon as possible. They described the new Alaska Fish and Wildlife Safeguard program patterned on the Crime-Stoppers with a 24 hour toll-free number and payment for information leading to the arrest or citation of fish or wildlife violators. People who wish to be involved can make tax-deductible donations to the reward fund.

Many of the persons testified to the observation of violations on and around Prince of Wales Island, near False Pass and the Chignik areas, as well as the aforementioned Bristol Bay. Such violations were illegal fishing by sportsmen and visiting trollers; use of spotter planes, helicopters, and high powered lights at night for herding fish; and the illegal leasing and sale of commercial fishing permits. John Skan and Jim Martinez testifying from Prince of Wales Island saying there was never enough Fish and Wildlife Protection Officers.

The subject of training was addressed by a large number of the respondents with such comments as the brown shirts not being familiar with fisheries or subsistence problems; inadequate cross cultural training; and a lack of motivation by officers for the welfare of the wildlife. From Fairbanks, Lee Goodman stated, "A lot of the enforcement problems in rural Alaska is state personnel who are not familiar with fisheries and subsistence use."

The denial of a clear career path for the wildlife protection officer and failure of Public Safety to appreciate the professionalism of their career were cited as examples of training problems. Jim Timmerman representing the Bristol Bay Native Association said they would like to see the officers get more training on vessel equipment including the use of the Loran.

The use of bidding was cited as destructive to the dedicated fish and wildlife enforcement recruit by a majority of the persons testifying. Lonnie Anderson from the Kake Advisory Committee testified their main concern on the bidding was, "It appears the people with any experience get the best jobs while the outposts get what's left over." Bidding was explained by Deputy Commissioner James Vaden, and defended by John Taylor of the Public Safety Employees Association. Under questioning, Mr. Taylor said he did support additional fish and wildlife training and a separate career path.

There was testimony requesting the legislature to investigate what was perceive as infighting in the department of public safety; to prioritize so protecting ducks would get equal importance as arresting drunk drivers; and to assure the leadership of the fish and wildlife protection division would be hired from within the ranks.

Throughout the testimony was a suggestion of "low morale" among the fish and wildlife protection officers affecting their preception of their job and their relationship with the administration.

Billy Miller, Jim Skogstad and David Hanson testified from Hope on the economic importance of protecting the fish and wildlife resources. Also Dave Schrader from Kodiak said, "With the decline in oil revenues, we need to support alternative industries such as the commercial fishing industry. Regulation enforcement is critical to protect resources and promote an orderly harvest of those resources." Summing it up, Ken Dierdorf, a McGrath trapper, said, "... it won't be long before we find fish and game constitutes the true permanent fund in the state."

House Special Committee on Fisheries
Oversight Hearings on Fish & Wildlife Enforcement

Excerpts from written testimony:

1. In Southeast enforcement was not steady enough. ...boundary line enforcement was sporadic, making it tempting to jump the line. The quality of range markers and lines was uneven, and is some cases non-existent. More fishermen should appear at Board of Fish meetings. Fishermen felt enforcement too severe for Acts of God with no criminal intent. or inadvertent offenses such as going to sleep. People interested in fish and game protection might be discouraged if they had to be troopers first. ...seasonal workers could be deputized to do enforcement as required. ...funding was a consideration in tying the two together, and that fisheries enforcement was ensured funding...

2. The fish and game resources are clearly a part of the Alaskan character and heritage we should always defend and enhance. ...the management of our fish and game resources are in jeopardy if certain trends are not soon reversed. ...there is movement within the Department of Public Safety to obscure the distinctions between state troopers and fish and wildlife officers. At present a person interested in a career in fish and wildlife enforcement must first wear trooper blue for three years before they may even begin to aspire to the color of their preference, game warden brown. ...these policies must be reviewed and revised or our fish and wildlife resources will ultimately pay the price.

3. In the Bering Sea the inadequate level of enforcement, does create economic incentives for fishermen to break the law. Local fishermen in the western Alaskan herring fisheries feel that there have been numerous incidences of fishermen participating in several of the herring fisheries in flagrant violation of the regulation. For the past two years I have seen no attempt to enforce the exclusive registration regulation on the fishing grounds in Norton Sound herring fishery. ....inconsistent enforcement of fishing regulations. ...several stories of over zealous officers diligently pursuing minor subsistence violators while neglecting major violation enforcement. Attendance at the Fish and Game Advisory Committee meetings by enforcement personnel would improve the relationship between fishermen and enforcement. There would be greater understanding of both enforcement and the fisheries.

4. One of the most important problems facing fish and game enforcement during the 1986 season will be in the Alaska Peninsula-Aleutian Islands fishery. The Board of Fisheries has put a cap on the harvest of chum salmon which is caught incidentally with the sockeye salmon. Once the chum ceiling is reached, the entire fishery is shut down. Since the chums are worth a fraction of what sockeyes are worth, there will e an incentive for fishermen and processors to either dispose of chums, or to list them as other species so as to keep the sockeye fishery open. The board instituted the chum cap because of dangerously low chum runs in parts of Western Alaska. ...a major enforcement effort will be needed in this area.

5. In the Cook Inlet there is not enough enforcement presence for the almost 600 fishing boats. There should be one or two more vessels and radio contact with the observer plane and the fleet. Loran, with weak and inconsistent signals, has not worked well in Cook Inlet. ...there are consistent pleas from sport fishermen for more enforcement on the Kenai River.

Excerpts from written testimony:

6. In the Bethel area a lack of consistency and the degree of commitment by FWP officers have been a constant public complaint from those users who witness violations not cited by FWP. An example of this is the Nelson Island herring fishery. FWP officers are suppose to check each permit holder in the large Togiak herring fishery, recording the vessel identification number, captain's license, and crew member names. This listing was to preclude a crew member in Togiak from becoming a captain or reusing a Togiak vessel in a northern exclusive use registration area. In 1985, this procedure was not followed by FWP. Numerous reports from fishermen indicated that nomads were in the area. Violations that were documented, and turned over to ADFG, the FWP, and CFEC were never investigated. This has undermined the creditability of the State's regulatory and enforcement system.

7. There is no market for summer chums, but commercial fishing is justified by ADFG since summer chums are an underutilized stock. Access to a market has spawned a black market roe fishery in Y-4. Open abuse has been reported to Fish and Fame Advisory Committee meetings, and before the Alaskan Board of Fisheries, yet FWP has done mothing to curtail the illegal operation.

8. Fall chums are a threatened species in the Yukon River. The Board regularly received reports that subsistence caught eggs of Fall Chums have routinely entered the commercial egg processing industry in a fishery where a market for the flesh does not exist. FWP has failed after numerous years of complaints to undertake any enforcement action to curtail this activity.

9. There were numerous reports that fishermen in the North Aleutian Peninsula fisheries repeatedly went beyond the 3 mile territorial sea of the State of Alaska to intercept Bristol Bay and Arctic-Yukon-Kuskokwim salmon. One American seine boat was observed with gear in the water more than 40 nautical miles from the North Aleutian Peninsula. Numerous complaints were received this year because FWP had removed all its officers from the North Aleutian Peninsula to target Bristol Bay.

10. Close supervision of the fishery to prevent wide-spread discarding of less valuable chums by the False Pass fisheries will prevent a serious conservation problem from developing.

11. From 800 responses from Bristol Bay salmon gillnet permit holders, 629 fishermen recorded known violations. Of these violations, 500 were fishing outside the line, 113 were fishing more than 3 nets, 123 were setnetters who were drift fishing, and 95 were drift fishermen who were setnetting. Results of the survey, by the Bristol Bay Native Association, indicate that the level of enforcement in Bristol Bay increased during the 1985 salmon season, but there is still a need for improvement.

12. Presently the Division of Fish & Wildlife Protection does not officially exist. They are all State Troopers. There is no statute that mentions or describes FWP, or the duties of the Division. Wildlife Officers have always cooperated with the State Troopers, even when the FWP was part of the Department of Fish & Game, and should continue to do so.
...suggested FWP should be changed to Wildlife Officers.

Excerpts from written testimony:

13. The current policy of the Alaska State Troopers providing game law enforcement in Kotzebue is not working because the Troopers are overloaded with criminal cases. If we are ever to make progress toward scientific management of wildlife on a sustained yield basis, as the Alaska Constitution mandates, we must be willing to enforce those laws. The best way to enforce those laws is to station a DPS Fish and Wildlife Protection Officer in Kotzebue.

14. There should be no "slack" time for the FWP officers. In the winter in Southeast, there are intense fisheries such as winter herring, dungeness, tanner and King crab, salmon trolling, abalone and trawl fisheries, as well as deer, goat, bear, wolf and moose hunting. This is in addition to the winter trapping season, and the fact these officers need to take their vacations during the winter. We need to keep professional, dedicated, motivated wardens working with these resources.

15. Very few Blues transferring to Brown have been qualified for the position filled, they just have the seniority to get the position, and won it over a qualified Brown shirt. When Jay Hammond became governor, he asked what he could do to raise the morale of FWP officers. The officers stated they wanted an identity of their own. They turned in their State Trooper badges and were given Fish and Wildlife Protection Officer badges. Now, again, they have State Trooper badges.

16. Lack of enforcement by both Fish and Game and the FWP create frustration between legal and illegal fishermen because the legal fishermen don't want to become informers on the illegal fishermen, but they resent having to abide by the laws, only to discover that many of the illegal fishermen, when caught and cited, turn around and buy extra gear and go out fish again. They are even foolish enough to boast over the VHF that they will make enough money to pay the fine and the fine was worth their while.

17. Some recommended solutions would be: take the permits away for the duration of the summer. If only the boat and its gear are taken, the fishermen can get another boat and gear and go back out. ...we fishermen have to monitor ourselves, and help enact laws or regulations that protect our present and future fishing industry. If we don't control our fishing industry ourselves, we are going to be asking ourselves the eternal question, "Where are our fish?"

18. ...fish and game law enforcement is a full-time job. A fish and wildlife officer must start with an image. The specialized training, public relations, public education and unique equipment are necessary to accomplish the complicated task of Alaska's fish and game enforcement. Our State has a sport fish/tourism income of a reported 700 million dollars, complex commercial fishing, hunting and guiding activities spread out over an area so large, it is impossible for even our present enforcement staff to adequately patrol.

19. ...police training is an important aspect of being a fish and game enforcement officer. Additional training as a fish and game officer is also necessary. It is very hard to make a case involving red, brown, or tanner crab if you can't tell the difference.

Excerpts from written testimony:

20. Having been closely associated with the problem as a Fish and Game Department management biologist, it is my perception that much of the difficult cam be described as DELAYED MAINTENANCE. This is precisely what has happened in Bristol Bay Commercial Fisheries enforcement. In the 25 years since statehood, the job has become more difficult, not only in the field but also in the constraints under which administrators must now operate. In spite of this, the FWP officers deserve commendation for the job which was done in Bristol Bay during 1985. It wasn't perfect, but it was head and shoulders above anything that has been done since Statehood. ...there has been a shortage both of preventative enforcement and enforcement directed toward apprehending the gross violator whose violation does not fall into the category of the obvious, the easily apprehended, the run-of-the-mill infraction. Commercial fishermen are looking foreward to the arrival of knowledgeable enforcement of the existing laws and regulations.

21. It would be a serious omission to close any discussion of enforcement in the Bristol Bay watershed without reference to the fact that for years this fantastic sport-fishing area has largely been ignored during the main sport fishing season. ...gross violations occur here, also. In many places, effort has risen to a level which threatens serious consequences if we ignore such flagrant disregard for biological considerations much longer.

22. ...I went along on a boat patrol on the Yukon River. I talked to many people, both native and non-native, operating fish camps. I was told, in reference to FWP,"They are only here during the height of fishing season when everyone is watching out for them. Where are they in the fall when the jet boats full of moose antlers are going up the river?" They are probably trying to make appearances in other "hot spots" while poaching continues almost unchecked.

23. Many states have progressive fish and game enforcement divisions, almost all within the Fish and Game Departments. The enforcement officers are usually college educated in resource management first, then trained in law enforcement. Enforcement is recognized as an integral part of the whole wildlife scheme, and the officers often take part in research and management activities. There is a professional community of wildlife law enforcement officers developing in this country with increased emphasis on upgrading the profession. ...Alaska is missing out on that.

24. It is time for us to take a good look at the Division of Fish and Wildlife Protection. If moving them back to the Department of Fish and Game would correct the current problem, then do it. If divorcing them from the Department of Public Safety and making them a separate department on their own is a more viable alternate, then do that. At the present time, the state with the most to offer in the way of fish and wildlife resources is the state doing the least to preserve and protect these resources.

25. If our game wardens are converted to troopers and if game biologists are not allowed to manage game, ALASKA magazine will start running out of wildlife subject material in the future as the resource deteriorates.

26. The dual role program is a new concept that will, given a chance, provide continuing levels of law enforcement and resource protection in rural Alaska by combined use of personnel and logistical support equipment in the face of declining state revenues.

M E M O R A N D U M March 18, 1986

TO: Representative Peter Goll

FROM: Rodger Painter

SUBJECT: Fish and Wildlife Enforcement Resolution

IN THE HOUSE BY THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE - By request

HOUSE CONCURRENT RESOLUTION
IN THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE - SECOND SESSION

Relating to fish and wildlife enforcement

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

WHEREAS Alaska's fish and wildlife resources are vitally important to the state's economy; and

WHEREAS fish and wildlife are ~~the~~ a mainstay of the diets of rural Alaskans, and represent important sources of protein to many other residents; and

WHEREAS hunting and fishing are important cultural and recreational activities to Alaskans from all walks of life, and are integral to the Alaskan lifestyle; and

WHEREAS the management and conservation of Alaska's fish and wildlife resources are only as good as enforcement of hunting and fishing regulations; and

WHEREAS the personnel levels in the Division of Fish and Wildlife Protection have not kept pace with increases in the state's population and growth of the commercial fishing and guiding industries, and the corresponding increases in pressure on Alaska fish and wildlife resources; and

WHEREAS Alaskans throughout the state have expressed strong concern about the level of enforcement on the hunting and fishing grounds; and

WHEREAS the development of new policies by the Department of Public Safety has resulted in ~~a~~ diminishing of the structural lines separating officers involved in fish and wildlife protection and troopers involved in general law enforcement; and

WHEREAS the new policies also have resulted in reduced resource conservation training for officers moving into fish and wildlife protection positions; and

WHEREAS these policies and bidding procedures giving general law enforcement troopers the ability to bid on openings in the Division of Fish and Wildlife Protection on the basis of seniority have made it difficult for individuals to enter and puruse a career in fish and wildlife protection; and

WHEREAS during extensive public hearings by the Legislature, Alaskans voiced overwhelming concern regarding the trends toward diminishing the separate identity of fish and wildlife protection officers from general law enforcement troopers; and

WHEREAS the Department of Public Safety has eliminated training designed to acquaint its officers with Alaska's aboriginal cultures and the dependence of Alaska Natives on the customary and traditional harvest of fish and wildlife; and

WHEREAS an examination of personnel rosters in the Division of Fish and Wildlife Protection reveals there are 28 full time positions at the rank of sergeant or above, plus eight corporals, supervising 66 full time fish and wildlife protection troopers; and

WHEREAS declining oil revenues requires state agencies to make more efficient use of existing resources;

BE IT RESOLVED that the Alaska State Legislature supports increased fish and wildlife protection presence on the hunting and fishing grounds; and be it

FURTHER RESOLVED the Alaska State Legislature respectfully requests the Commissioner of the Department of Public Safety to closely examine methods of reducing the ratio of supervisory to field personnel, including recommitting funding dedicated to vacant, nonessential supervisor positions to fund increased numbers of fish and wildlife enforcement officers who have only Title 16 enforcement responsibilities, to accomplish the goal of shifting additional personnel to field work; and be it

FURTHER RESOLVED the Commissioner of the Department of Public Safety is requested to work ~~closely~~ with fish and wildlife user groups on cooperative programs that would supplement enforcement efforts by ~~department personnel~~ and increase public involvement in ~~reducing poaching~~; and be it

FURTHER RESOLVED that the Alaska State Legislature strongly opposes policy development by the Department of Public Safety that would ~~lead to~~ a diminish~~ing of~~ the separation of responsibilities between fish and wildlife protection officers and general law enforcement troopers; and be it

FURTHER RESOLVED the Commissioner of the Department of Public Safety is ~~respectfully~~ requested to pursue changes in bidding procedures and develop ~~new~~ policies that will provide an improved career path for individuals ~~who desire to make~~ a career of fish and wildlife enforcement ~~and~~ result in the selection of fish and wildlife protection officers who have the best expertise and training in that field; and be it

FURTHER RESOLVED the Alaska State Legislature respectfully requests the Commissioner of the Department of Public Safety to provide basic and continuing training programs utilizing existing local resources that ensure protection officers have solid understanding of the specific resource protection and Title 16 enforcement duties

necessary for the post of assignment and to ensure the highest possible level of excellence in Title 16 enforcement; and be it

FURTHER RESOLVED the Commissioner of the Department of Public Safety is requested to reinstitute specific cross cultural training opportunities for all departmental personnel; and be it

FURTHER RESOLVED the Alaska State Legislature respectfully requests the Commissioner of the Department of Public Safety to provide a report to the Fifteenth Alaska Legislature on the actions taken in response to the concerns expressed in this resolution no later than January 30, 1987.

COPIES of this resolution shall be sent to the Honorable William Sheffield, Governor of Alaska; the Honorable Robert Sundberg, Commissioner of the Department of Public Safety; and Mr. Robert Henderson, Director of the Division of Fish and Wildlife Protection.

M E M O R A N D U M March 12, 1986

TO: Representative Peter Goll

FROM: Rodger Painter

SUBJECT: Fish and Wildlife Enforcement Report Outline

1. Introduction/overview

2. Levels of enforcement coverage in the field
   (a) Comparisons of Division of Fish and wildlife Protection budget and personnel levels with state's population and growth in commercial fisheries for the past ten years. Violation rates.
   (b) Amount of "brown shirt" time spent on "blue shirt" duties.
   (c) Percentage of personnel in supervisory positions versus field personnel
   (d) Importance of fish and wildlife resource protection during time of declining oil revenues

3. Structural concerns with the Department of Public Safety
   (a) Background on reorganization of the Department and the cross utilization issue.
   (b) Summary of public concerns voiced during testimony (brown vs. blue shirts), morale problems in the Division of Fish and Wildlife Protection.
   (c) Posting/cross bidding and career paths.

4. Training.
   (a) Fish and wildlife training before and after reorganization.
   (b) Cross cultural training
   (c) Public concerns voiced on training.
   (d) Utilization of the academy for training of Public Safety personnel and payment of stipends.

5. Recommendations.

Note: To avoid publication of a massive document, I would recommend that the committee report not include the tremendous amount of backup materials we have accumulated. These should be bound separately for distribution to a more limited audience. We probably have about a foot high pile of pertienent materials, including written public comments, information supplied by Public Safety, minutes, Alaska Magazine articles, BBNA's survey of Bristol Bay fishermen, etc.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 28, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Fish and Wildlife Enforcement Hearing Schedule

At the conclusion of Thursday's public hearing on fish and wildlife enforcement, many additional citizens indicated they want to testify on the issue and the committee has considerable ground left to cover in discussions. Unfortunately, a scheduling conflict has arisen that forces me to cancel our March 6 hearing date.

I intend to attempt to complete the public testimony at our Tuesday, March 4, hearing. The committee will then recess until 8:45 a.m. the following day when we will meet with the Department of Public Safety and members of the House and Senate Finance Committees to discuss budget-related issues. This discussion will be concluded by 10 a.m.

While I realize that some of you may have scheduling conflicts, your participation in Wednesday's budget-related discussions is important.

Finalization of committee action and recommendations will be scheduled as soon as possible. I would appreciate any ideas you have regarding a committee response to the issues that have been raised.

STATE OF ALASKA

DEPARTMENT OF PUBLIC SAFETY

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH N
JUNEAU, ALASKA 99811
PHONE: 465-4322

February 26, 1986

The Honorable Ronald Larson
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Representative Larson:

Attached, is a vessel analysis prepared by the Division of Fish and Wildlife Protection. This analysis was prepared as partial response to the Division of Legislative Audit Special Report on Marine Enforcement.

The issues discussed in this analysis should assist in your understanding of vessel operations.

A copy of this analysis has also been provided to your counterpart in the Senate, and to the assigned fiscal analyst.

Sincerely,

Robert J. Sundberg
Commissioner

Attachments

cc: Tom Maher, Fiscal Analyst
Finance Sub-Committee Chairman

12-L2LH

Fish & Wildlife Protection

Vessel Analysis

Colonel Robert M. Henderson

Director

January 23, 1986

ANALYSIS OF ALTERNATIVES

PATROL VESSELS VIGILANT AND WOLDSTAD

Alternative/action affecting both vessels – see also legislative draft

An analysis of the crew requirements for the P/V Woldstad and P/V Vigilant indicated that some of the commissioned personnel time could be productively used in other Division tasks during certain periods. In response to this finding, and pursuant to the agreement to implement immediately any short-run improvements, crew assignments for these two vessels have been changed already.

The specific changes and analysis are detailed below.

(* denotes commissioned personnel)

P/V Woldstad:

(Prior to April 1, 1985)		(After April 1, 1985)	
*Captain	PCN 12-3107	*Captain	PCN 12-3107
*Sergeant	PCN 12-3025	Engineer	PCN 12-3159
*Trooper	PCN 12-3130	Asst. Bt. Ofc.	PCN 12-3156
Engineer	PCN 12-3159	Asst. Bt. Ofc.	PCN 12-3155
Asst. Bt. Ofc.	PCN 12-3156		
Asst. Bt. Ofc.	PCN 12-3155		

P/V Vigilant:

(Prior to April 1, 1985)		(After April 1, 1985)	
*Lieutenant	PCN 12-3157	Engineer	PCN 12-3113
*Sergeant	PCN 12-3108	Asst. Bt. Ofc.	PCN 12-3133
*Trooper	PCN 12-3109	Asst. Bt. Ofc.	PCN 12-3110
Engineer	PCN 12-3113		
Asst. Bt. Ofc.	PCN 12-3133		
Asst. Bt. Ofc	PCN 12-3110		

The troopers pulled off these vessels were assigned other law enforcement supervisory and patrol duties based on shore, and a rotation system was established to include these personnel and other shore-based personnel on an "as needed" basis to man the vessels when they depart for enforcement patrol duty.

The retention of the vessels' skippers as commissioned personnel by reason of practicality, cost effectiveness, and efficiency was necessary and remains so.

The primary use of these vessels is for the enforcement of state laws and regulations. It is reasonable and necessary to expect that the individual in charge be an experienced law enforcement officer with a rank commensurate with those responsibilities inherent with supervision of personnel, decision of patrol needs, safety of crew, and responsibilities for high value equipment.

It is fortunate that the Marine Section has evolved sufficiently that we have qualified, ranking officers with extensive law enforcement experience. These officers are trained, experienced seamen and skippers and are respected by the fishing industry.

The replacement of these men by non-commissioned skippers would only require duplication in the wheelhouse. An additional commissioned officer would be needed for those incidents requiring enforcement decisions, regulation interpretation, patrol techniques, proper search and rescue decisions compatible with Department procedures, and to serve as a more knowledgeable witness for court testimony regarding violations. In addition, it is likely that civilian skippers would be taken into the Inland Boatmen's Union similar to State Ferry skippers. This would then require two skippers for each vessel due to the contract requiring 3 months on - 3 months off for each individual. This would result in an increased expenditure for more salary and benefits costs.

There are no positions other than the Engineers and deck hands (Asst. Boat Officers) which could be better filled by civilians. All other positions for sea duty patrol require law enforcement experience.

ALTERNATIVE TO THE USE OF THE P/V VIGILANT

Replace P/V Vigilant with two power scows and a 51 foot patrol vessel

The P/V Vigilant, at its currently budgeted usage of 70 sea days per year, can be functionally replaced by two scows permanently stationed in Bristol Bay, and a 51 foot Delta Marine vessel stationed in Sand Point.

There are two advantages to replacement of the P/V Vigilant.

1. Patrol advantages to alternate utilization of power scows in place of the P/V Vigilant for Bristol Bay

   a. The ability to carry four (4) patrol skiffs per scow versus the total of two (2) now carried by the Vigilant.

   b. The ability to retrieve and launch skiffs for patrol would be enhanced. Due to the Vigilant's design, skiffs cannot now be launched in rough water.

   c. Due to deck space each scow would have the ability to handle and store more shackles of fishing gear. The kind and number of violations in Bristol Bay normally require the seizure of large amounts of gear.

   d. Scows will be more efficient for search and rescue work due to shallow water capabilities. Much of this work takes place close to shore.

   e. Ability to power directly into shore and off-load seized nets during low tide. Currently, the Vigilant must wait for room at the City dock or a cannery dock for off-loading. This offloading necessarily occurs during the fishing periods when our patrol efforts should be on the fishing grounds.

   f. Shallow draft would allow safe entry into rivers at Nushagak, Kvichak, Naknek, Egigik, Ugashik, and Port Moller. The power scows can be allowed to go dry in protected waters or during good weather, meaning enforcement efforts would be less restricted by local tide conditions.

2. Lower yearly operating cost for the two power scows and 51 foot vessel

Comparison of operating costs, P/V Vigilant vs. Power Scows

The replacement of the P/V Vigilant by two scows located in Bristol Bay and replacement of the P/V Compliance at Sand Point by a 51' Delta Marine will effect an estimated annual operating budget savings of $97,390, a biannual capital budget savings of $90,000.

The cost comparison is based on current projections of 70 sea days for the Vigilant and a projected 2.5 months of operations for each of the scows. Costs for the Vigilant and projections for the Scows and the Delta Marine are taken from FY86 budget projections, except for Risk Management charges, which are taken from the significantly higher FY87 assessment. Costs are for crew and operating costs and do not include enforcement personnel.

The Compliance and Delta Marine are assumed to have comparable costs, except for increased diesel and maintenance requirements for the Delta Marine.

Other assumptions are listed under the respective budget categories, below.

		Vigilant	Pwr. Scows
Pers Svs	Vigilant: Skipper, 30% annual base & ben.; Engineer & 2 Asst.Boat Officers, annual salaries. Scows: 2 Skippers (Sgts), 21% annual base w/benefits; 2 Engineers & 2 A.B.O.'s (seasonals), 4 months, each. Delta Marine: same crew and sea days as Compliance.	210,283	196,543
Travel	Includes operations & admin, travel & per diem.	6,000	6,900
Othr Svs	Note: Major Maintenance is discussed below, under Capital Bdgt.		
	Communications, Space & Utilities	20,300	8,000
	Minor Repairs, includes electronics	11,000	4,000
	Insurance and other services charges	25,450	18,500
Supplies	Food	8,000	9,000
	Diesel and lubricants	32,500	11,600
	Parts & Supplies	8,000	1,000
	Misc.	11,200	500
Eqpmnt	Repair & replacement items over $500	21,700	1,000
Total one-year operating budget costs:		$354,433	$257,043

Capital Biannual major maintenance and repairs for major vessels has been projected at $90,000 each. This is a cost figure averaged from several years of yard work. It would not necessarily be the cost for any random two year period. The scows are not projected to require regular major maintenance.

Other The hull valuation of the Vigilant is currently $1,000,000 for Risk Management purposes. For this analysis the sale (surplus) value of the Vigilant is assumed to be at the full hull valuation. Surplus of the Compliance is expected to result in $25,000 of income to the state. Purchase of both power scows is expected to cost $850,000, and the 51' Delta Marine, $572,400.

ALTERNATIVES TO THE USE OF THE P/V WOLDSTAD

Alternative 1 -
Use of power scows to patrol the 30 day herring fishery at Togiak

The use of the power scows for patrol of the Togiak herring fishery in Bristol Bay involve the same advantages described for the salmon fishery (see P/V Vigilant alternative, page 3).

An additional advantage is the release of the PV Woldstad for that 30 day period. The Woldstad could thus be used to patrol the crab fishery in the Adak area and closures of the crab fishery not previously worked, which are marine areas for which the Woldstad is particularly suited.

who thought up idea of power scows? experience

Alternative 2 -
Use large aircraft instead of the vessel for crab patrol

The closest comparison to our operation is the United States Coast Guard, since they are also charged with fisheries enforcement in waters off Alaska. They use long range Lockheed C-130 aircraft, which have four turbine engines for safety, and which cost approximately $15,000,000 each.

Using an aircraft of shorter range, lower speed, or lacking the sophisticated instrument flying equipment that these aircraft have, would severely limit the ability to patrol on days when weather is marginal. Because weather frequently is bad either at the aircraft base location, or at the intended patrol area, patrol would be quite sporadic.

The C-130 aircraft are used for patrols in the Westward area waters, and are based in Kodiak. Patrols frequently last nine hours. During heavy fishing periods, at least two of these aircraft would be in use most of the week. The charter, or "market" cost to operate this aircraft is approximately $3600 per hour, or $32,400 for a normal patrol day.

The cost for only two aircraft, operated only 100 days per year each, would be approximately $6,480,000, exclusive of the cost of any commissioned personnel or observers from Fish and Wildlife Protection. This amount exceeds the FY 86 operating budget request for both the Marine Enforcement Section and the Aircraft section. Both of these sections are, under current conditions, supporting many functions in addition to commercial fisheries patrol in the Westward area.

Fish and Wildlife Protection uses aircraft with the vessels, where the aircraft can efficiently and safely be used for surveillance or spotting of vessels and gear.

Fish and Wildlife Protection does not believe that the necessary patrol work could be done with aircraft alone to save the cost of the vessels.

It is true that we use aircraft to aid in fisheries patrol. However, there are problems with the use of aircraft without an accompanying vessel. It is necessary to be able to identify the fishermen on the boat to be able to charge someone in court successfully. From the air, that is nearly impossible. Sometimes that can be accomplished at a later time through investigation, but it is more practical and cost-effective to be able to call in a vessel to board the violating fishing boat, establish identities, and take statements.

In the shellfish fisheries, a vessel is a necessity. All the airplane can do is perhaps identify the numbers on buoys and identify vessels at sea. They have no way of establishing what is on the other end of the line below the buoy, or what the vessel is doing. Essential shellfish patrol activities include pulling pots and boarding vessels.

Aircraft are also too dependent on good weather. If our enforcement work depended solely on aircraft, there would be no enforcement presence whenever the weather was foggy, windy, or unflyable for any other reason. Needless to say, this is a frequent state of the weather in fishing areas. Strict reliance on aircraft would render an enforcement program meaningless.

Alternative 3 -
Use aircraft with the vessel for crab patrol -

It is both practical and desirable to use aircraft to supplement and enhance the patrol capabilities of the P/V Woldstad. At the present time Division aircraft are not completely suitable for this mission, but there is a plan which may result in a turbine-powered twin being available for longer range and offshore patrol duty.

Because of its speed and higher vantage point compared with a vessel, the right aircraft could be of considerable assistance in locating vessels and/or fishing gear.

Current Division aircraft lack carrying capacity, de-icing equipment, and power reserve for making patrols more effective, and at the same time, safer for enforcement personnel.

Alternative 4 -
Charter or lease similar size and type of vessel

The suggestion of leasing vessels for all patrol functions has many drawbacks. One is that operating costs for the P/V Woldstad are less than charter costs for a similar but less specialized vessel.

Comparison of costs, P/V Woldstad vs. lease

Fish and Wildlife Protection obtained prices from Kodiak vessel owners to lease one of their vessels for patrol. Prices listed were quoted in 1985.

100' vessel: $2000 to 2500 per day, plus fuel (500 to 800 gals. per day).
120' vessel: $4800 per day plus fuel.

Fuel cost is approximately $1.00 per gallon.

These prices include a crew of 4 (Captain, Engineer, and two Asst. Boat Officers). The cost of enforcement personnel required to be on board during all patrol periods is not included.

Actual operating expenses for the P/V Woldstad during Fiscal Year 1985 totaled $456,667.

Salaries used as the basis for this figure include four personnel, to make comparison with the above figures meaningful. One Captain, as currently assigned, is considered at 70% of his salary, since he has duties in addition to direct day-to-day operation of the vessel. Personnel costs for two Asst. Boat Officers and one Engineer are included, also in comparison with the above charter crew.

Based on actual vessel operating patrol days (175 during FY-85), the cost averages only $2,610 per day.

This total does not include any appreciable outlay for maintenance, since major maintenance is required only once in each two year period and was deferred during FY-85. Estimated expenditures could add approximately $520 per day for repair and replacement, including parts, supplies and equipment.

This would total $3,130 per day for the expected longer term operating cost for the P/V Woldstad.

Additional considerations

Enforcement programs would be difficult to adjust within the season because state procedures require that these vessel needs be put to bid. If we bid for a vessel between certain dates, we would have the vessel for those dates. Many of the season openings and closings are made by emergency order,

with only several hours or days notice. Because of this lack of notice, we might have to pay for a vessel we don't need, or be unable to obtain one in time.

Another aspect of own vs. lease should be addressed. During the present slow crab fishing period in the Westward area, suitable and safe vessels may be available for lease. But during better fishing times it is less likely that the Department would be able to lease an acceptable safe vessel. If such a vessel were available it probably would not be for the lease figures quoted above, but would be available only at a premium during a time of peak demand.

Connected with the own vs. lease comparison is the time lag that is inevitable if this program is re-directed. It is faster to covert from owning to leasing than the reverse. If vessels were not available to lease, or became too expensive to lease, the process of obtaining vessels, modifying them, or having them built involves significant additional delay in the normally lengthy process of obtaining funding. If this occurred, the fisheries would be unprotected during a period when no suitable vessels were available.

When a need arises for a search and rescue, there is no time to begin looking for a vessel and crew that are sea-worthy, available, and ready to go. There would be occasions every year when a search and rescue would not be launched because of the unavailability of a ready vessel.

If we did not have our vessels and we could not lease a vessel either because of lack of funds or lack of an available vessel, there could be unpredictable effects on the resource and on the fishermen. A few individual fishermen who have no respect for the law could get all the fish, or irreversible damage to the resource could occur. Some fishery populations are very susceptible to being wiped out.

Alternative 5 -
Charter or lease different size or type of vessel

The P/V Woldstad is a specially-designed law enforcement patrol vessel which was built to our specifications by the low bidder; similarities to a crabber are primarily the ability to pick and stack crab pots. The P/V Woldstad is a very economical vessel to own and operate for its size.(See figures under alternative 3, page 10)

It operates very efficiently at speeds from 7 to 15 knots due to its CPP system. It can respond to emergencies completely beyond the range of smaller vessels, or those built for a different purpose.

Other vessels offered to the State have been completely inadequate replacements for the P/V Woldstad.

They are not equal to the P/V Woldstad in sea-keeping ability, and would require at least the following capabilities (added cost unknown) for use in existing and future fisheries:

a. Equipment to pick commercial fishing gear efficiently and store for duration of patrol -- i.e., shellfish pots, gillnets, purse seines, and long lines for inspection and seizure;

   1. Ability to pick king crab pots at the rate of 12 per hour -- P/V Woldstad can pick 15 to 20.

   2. Ability to carry 80 7'x7' crab pots.

b. Equipment to efficiently launch and retrieve patrol skiffs;

c. Ability to transport skiffs to 25' on deck, transport 32' seasonal endurance vessels, and 24' moving vans;

c. Search and rescue capability;

d. Firefighting capability;

Additional factors that must be taken into account for maximum effectiveness

- Maximum range.
- Insulation for winter use.
- Ability to provide adequate berthing, mess, and accomodations for 4 to 9 additional people for periods up to 60 days.

- Ability to handle icing conditions--this element of design and use has been a major factor in the loss of vessels in North Pacific waters in recent years.

- Sophisticated communications and navigational equipment--this has proven important in search and rescue, in vessel and crew safety, and in carrying out the assigned fishery missions.

- Towing equipment and ability.

- To insure the safety of our personnel and limit our liability, these vessels would have to be U.S. Coast Guard licensd to carry passengers for hire upon all waters of Alaska up to 200 miles offshore and the Master, Mate, and Engineer would have to be similarly licensed.

Alternative 6 -
Amend regulations to allow placement of observers aboard crab vessels

The Division of Fish and Wildlife Protection strongly supports the current program of observers on catcher-processor vessels. The Division was recently instrumental in making sure that an additional $100,000 resulting from a fisheries case was made available for use in the observer program.

This alternative considers the additional step of requiring or allowing observers on board all other crab fishing vessels.

Fish and Wildlife Protection does not consider an observer program to be a good replacement strategy for the P/V Woldstad. There would probably be considerable industry resistance to the program. Some objections might center on the lack of crew space on an average fishing vessel. This is not as much of a consideration on the catcher-processors (where an observer program is allowed by current regulations). Catcher-processors have quarters and eating facilities for many more people, and the addition of one does not take 10% to 20% of their total crew space.

Cost factor for observers

Assumptions:
The observer is a Fisheries Technician III.
This observer is employed for a total of approximately three months (90 days).
Average cost per day includes benefits and sea pay.
All food and sleeping space is at industry expense(no per diem or meal allowance to be paid to observers.

Cost per day = $187.22
Cost per day for observers aboard ten vessels = $1872
Cost per vessel monitored = $16,849

As many as 350 vessels may be participating in the fishery at any given time. Observers aboard only ten vessels would probably have a negligible enforcement or preventive effect. If all these vessels, or even one-third, were to have observers aboard, the cost would be much higher than current expenses for the P/V Woldstad, and with an undetermined benefit.

Considering both cost and potential benefits, this type of program is not an effective enforcement alternative to the P/V Woldstad.

Alternative 7 -
Regulation change preventing storage in closed areas during closed seasons

This alternative would allow aircraft patrol of the closed areas. Without use of a large patrol vessel, no proof could be attempted that buoys had crab pots (or illegally fishing crab pots) attached. The regulation would have to forbid deployment of unmarked buoys, and the deployment of marked buoys of the type used commonly on crab gear.

A regulation change would not totally relieve the need for a large patrol vessel. If buoys were observed, or if pots were actually fishing in violation, a vessel would still be required to pick up the buoys or pots.

Alternative 8 -
Federal enforcement of fisheries outside the three-mile limit

It should be recognized that the "three-mile" limit includes waters more than three miles from land, since the limit is defined by lines that go from headland to headland. On a deeply indented coastline, this includes large bodies of water.

This alternative would require the same use of a vessel within closer coastal areas for Alaska fishing. The vessel would be required to be able to travel in bad weather, and to go to any area needed at almost any time fishing was possible. The ability to pull pots and stay on the fishing grounds in bad weather would still be required.

STATE OF ALASKA

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FISH & WILDLIFE PROTECTION

BILL SHEFFIELD, GOVERNOR

Robert J. Sundberg
Commissioner

5700 EAST TUDOR ROAD
ANCHORAGE, ALASKA 99507
PHONE: (907) 269-5509

February 24, 1986

Representative Peter Goll
Chairman, Special Committee on Fisheries
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

I would like to bring to your attention the programs conducted by Fish & Wildlife Protection in three area fisheries:

A. Nelson Island and Norton Sound Herring;
B. Upper Yukon Chum Salmon Roe;
C. Alaska Peninsula Salmon.

Two of the fisheries have generated more public concern during the 1985 season, whereas the Upper Yukon fishery has apparently been the subject of discussion for several years longer.

This explanation should enable you to evaluate more clearly any comments on the Division's programs concerning these fisheries.

A. Nelson Island and Norton Sound Herring

FWP boarded herring boats in the 1985 Togiak fisheries and documented these boardings. FWP also boarded herring boats in Norton Sound and recorded the boardings.

As a result of these boardings cross-checking was conducted and five people have been positively identified as fishing and making deliveries in more than one area. These cases are currently in Nome and criminal complaints are being prepared.

Six more names have been identified as probably fishing both Togiak and Norton Sound. An investigation is currently underway to substantiate this allegation.

A local Trooper spent one day at Toksook Bay, and boarded 23 vessels. Prior commitments and judicious use of limited available overtime were important factors in this scheduling. In addition, it was the first year for this fishery and we didn't know exactly what effort would be required. Given unlimited enforcement resources, a first-year fishery would be overestimated and over-staffed, to avoid any negative impact on the fishery.

Since our resources are more limited, and there are competing priorities, inevitably some fisheries will suddenly require more resources than are available.

Future strategy

In discussions with Kim Francisco, ADF&G Biologist for the Nunivak Island and Nelson Lagoon areas, he anticipates a doubling of effort in 1986, or about 350 vessels in the area mentioned. The guideline harvest level is anticipated to be about 1,000 short tons for both areas combined. Faced with that large an increase and the inability to effectively monitor the fleet with land based personnel, the Division is considering plans to have one of the larger vessels start in Togiak and follow the fleet up the coastline.

Once the fleet is aware they are going to be monitored by the same people in all the areas, the risk of apprehension will be so great that better compliance can be expected. There will probably be some scheduling conflict due to crab fishing at the same time in Norton Sound, and the need for large vessel patrol of that fishery.

This is a type of patrol that could be efficiently conducted with power scows, which could stay along the western coast all year. This would also avoid the time and expense of having vessels travel from Kodiak to cover fisheries which can occur in a somewhat interrupted time sequence.

Summary, Nelson Island and Norton Sound

The apparent intent of the Board of Fisheries was to permit only those people domiciled within an area to participate. However, any person can serve as a crew member in any number of registration areas, so long as that person does not function as a C.F.E.C. permit holder in one area and subsequently crew in another or vice versa. The Division may be able to show through fish tickets that this has happened, but a violation will otherwise be difficult to spot or prove.

Vessel boardings were conducted in the area, violations were detected, and cases are being presented for prosecution.

B. Upper Yukon Chum Salmon Roe

During 1975, 1976, and 1977, the legislature legalized the sale of subsistence roe in the Arctic-Yukon-Kuskokwim fishery. This was changed when Alaska Department of Fish & Game research determined that this action could be detrimental to the fishery resource. Since before the Summer and Fall of 1978, Fish & Wildlife Protection has been aware of potential problems with illegal sale of roe, and has taken steps to prevent and control any problem. Increasing concern and effort from Fish & Wildlife Protection can be shown by a series of documents dating from 1977.

Due to the very nature of the Yukon/Tanana fisheries, existing regulations are difficult to enforce. Conditions that contribute to the difficulty are:

- **concurrent seasons for commercial and subsistence**
- **openings and closures within different subdistricts**
- **difficulty in identifying subsistence roe from commercial roe**
- **difficulty in monitoring subsistence gear when fishing**
- **lineal distance of Yukon/Tanana fishery (stretches over 1,000 river miles)**

Enforcement will continue to be particularly difficult with a mixed commercial and subsistence fishery. It would take many more Troopers and Fish and Wildlife Enforcement Officers continuously monitoring the fishing gear, fishermen, and processors, to stop all of the illegal buying and selling.

One possible approach would be to have a department representative (ADF&G or FWP) inspect and seal all eggs before shipment by any holder of an intent to operate. Whether this could be accomplished to the satisfaction of all parties is open to question.

There may be some waste of flesh by commercial fishermen. One commercial fisherman last season reportedly took 20,000 legal chum salmon, sold the eggs, and split and hung the fish on racks. Rainy weather caused a large percentage of those fish to spoil. What the fisherman had done was within the law.

Enforcement strategy

An undercover operation over a two-season period was conducted by the Statewide Investigation Section, which resulted in charges

against two commercial processors buying subsistence caught fish and roe.

Each season, FWP efforts are aimed first at the June-July-August Yukon fishery. I Detachment has an FWEO (seasonal) in Galena who generally works alone. His patrol area extends from Kaltag to Ruby/Nowitna and is covered by river boat. The upper Yukon, Tanana to Stevens Village, is generally a July/August/September fishery patrolled by a boat-equipped FWEO. He is accompanied by an FWP Trooper working out of two tent camps - one near Tanana and one below the Yukon/Dalton Bridge. The August/September fishery generally requires a substantial reduction in patrol hours due to the commencement of hunting season.

Generally, the Yukon is a slow fishery during late August and September. Our efforts are switched to the Tanana, which has a heavy run of fall chums, where the Division is again dealing with simultaneous fisheries, which, as mentioned above make it more difficult to monitor illegal activities. With the existing situation, even obtaining reliable data on the scope of the problem is difficult.

C. Alaska Peninsula Salmon

The Division of Fish & Wildlife Protection had two high endurance vessels (P/V Woldstad and P/V Vigilant), one medium endurance vessel (P/V Trooper) and two seasonal vessels (P/V Compliance and a 17' Whaler) involved in the Alaska Peninsula fisheries during the 1985 season.

The Division logged a total of 104 vessel days in patrolling these fisheries, of which 17 vessel days (58 person days) were spent in the North Peninsula area between Unimak Pass and Cape Menshikof. The remainder of the 87 vessel days (1566 person days) were spent in the South Peninsula area between Kodiak Island and Unimak Pass.

From Detachment Headquarters in Kodiak, the Division patrols the Kodiak Island salmon fishery as well as the salmon fishery for most of western Alaska, including the North and South Alaska Peninsula fisheries and the Bristol Bay and Togiak fisheries.

South Peninsula

The P/V Woldstad, with a crew of six, spent 15 days patrolling the South Peninsula area between Cape Igvak and Unimak Pass from June 11-25. The vessel also spent two days in this area on July 16-17.

The P/V Vigilant, also with a crew of six, spent a total of 27 days patrolling the South Peninsula area:

June 17-18 Kodiak Island to Dutch Harbor patrolling the opening at Unimak Island;

July 23-25 False Pass to Kodiak Island;

August 1-21 Kodiak Island to False Pass, with the majority of this time spent on the Shumagin Islands fishery.

The P/V Trooper, with a crew of four, spent eight days patrolling the South Peninsula from Kodiak Island to False Pass. Openings in the False Pass and Cape Igvak fisheries were covered during June 17-21 and July 23-25.

The P/V Compliance spent 21 days patrolling the South Peninsula area from Kupreanof Point to False Pass between May and August. These patrols focused on the False Pass - Shumagin Island fishery.

The Division also patrolled for 14 days in the Shumagin Island fishery with a 17' Whaler from May to September.

The Division used two personnel and a 32' vessel from the Peninsula fishery in Bristol Bay during 1985. The P/V Compliance was to be in the Ugashik District of Bristol Bay from June 27 through July 4, at the request of the Alaska Dept. of Fish & Game. The vessel was scheduled to return to the Port Moller area until approximately July 10, then continue to the South Peninsula area. However, due to the large number of vessels and violations in the Ugashik area of Bristol Bay, it was necessary to keep the P/V Compliance there until July 22, at which time the vessel returned to patrol the South Peninsula fishery.

It should be noted that the fishery in the South Peninsula area is normally not open during the time we planned to have the P/V Compliance on the North Side.

The Sand Point Post was closed in August of 1980 and the fishery was patrolled out of Kodiak until the summer of 1984, when this post was reopened.

North Peninsula

In the North Peninsula fishery the P/V Vigilant spent four days between Unimak Pass and Cape Menshikof. These patrols were June 20-21, and July 22-23.

The P/V Trooper spent four days in the area between False Pass and Cape Menshikof, on June 21-22 and July 22-23.

The P/V Compliance spent nine days in the area with most of this time being spent near Port Moller. The patrols were June 21-27 and July 22-23.

Summary, Alaska Peninsula

Attempts to use a Grumman Goose aircraft in these fisheries were severely hampered this season by unusually poor weather conditions.

We had a total of 23 personnel involved in these fisheries for a total of 1644 person days spent on patrol in these areas.

As a result of this effort, charges have been filed against 26 fishermen, mostly for fishing in closed waters or during a closed period. Five fishermen were arrested and their 48' seiner, skiffs, nets, fish, etc. were seized. This was a result of being caught fishing in closed waters only a few hours after having been told by FWP that the area was closed. We also issued a number of written and verbal warnings for various minor violations.

The Division put more effort in the Alaska Peninsula fisheries in the 1985 season than we have for the past several seasons.

If I can be of additional assistance or furnish further information, please do not hesitate to call.

Thank you for your consideration of these issues.

Sincerely,

Robert M. Henderson

Col. Robert M. Henderson
Director

FISH AND WILDLIFE PROTECTION
BUDGET AND PERSONNEL INFORMATION
FY 77 - FY 86

)	FY 86 AUTHORIZED	FY 85 ACTUAL	FY 84 ACTUAL	FY 83 ACTUAL	FY 82 ACTUAL	FY 81 ACTUAL
'FORCEMENT	9824.8	9099.4	8955.9	8943.2	8523.1	7005.1
'RECTOR'S OFFICE	271.6	268.8	761.9	694.7	822.9	753.6
'RCRAFT	870.4	997.3	942.6	1035.4	1065.8	952.5
'RINE ENFORCEMENT	2445.2	3033.4	2710.0	2869.3	2122.3	1944.2
Totals	13412.0	13398.9	133704.4	13542.6	12534.1	10655.4
') TOTAL INCOME from sh seized and given processor by Dept. posited of AV'd to GF	N/A	$51.6	40.1	$24.0	$179.8	$139.8

) PERSONNEL BY COMPONENT: AUTHORIZED POSITIONS (AU) - PERMANENT FULL- TIME POSITIONS (PF) - PERMANENT PART-TIME POSITIONS (PP)

	AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL		
	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP
'FORCEMENT	147	111	36				145	110	35	145	110	35	157	107	50	145	107	38	156	106	50	156	106	50	156	106	50	156	106	50	143	93	50	143	93	50
'RECTOR'S OFFICE	4	4	Ø				4	4	Ø	4	4	Ø	11	11	Ø	11	11	Ø	12	12	Ø	12	12	Ø	12	12	Ø	12	12	Ø	11	11	Ø	11	11	Ø
'RCRAFT	6	6	Ø				12	11	1	10	10	Ø	12	11	1	11	10	1	12	11	1	12	11	1	12	11	1	12	11	1	12	11	1	12	11	1
'RINE ENFORCEMENT	18	18	Ø				23	21	2	23	21	2	23	21	2	24	22	2	24	22	2	24	22	2	24	22	2	24	22	2	19	17	2	19	17	2

) (4) BY MONTH, FISCAL YEAR: FILLED AND VACANT COMMISSIONED OFFICERS ONLY

	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant
'ly	102	7	102	10	104	12	108	8	100	3	97	0
'gust	102	7	105	6	106	10	107	9	99	16	100	1
'ptember	102	7	104	7	106	10	107	9	100	15	-	-
'tober	101	8	104	7	106	10	106	10	100	15	100	6
'vember	101	8	104	7	106	10	106	10	108	7	102	5
'cember			104	7	105	10	106	8	108	11	101	6
'nuary			103	8	106	9	105	10	108	11	97	6
'bruary			103	8	106	9	104	11	107	12	101	6
'rch			102	9	105	10	104	11	107	12	-	-
'ril			102	9	105	10	108	7	112	7	105	4
'y			102	9	106	9	106	9	109	10	105	4
'ne			102	7	102	10	104	12	110	6		

(1)	FY 80 ACTUAL	FY 79 ACTUAL	FY 78 ACTUAL	FY 77 ACTUAL	FY 76 ACTUAL
ENFORCEMENT	5063.6	5384.8	4557.8	3607.6	3336.2
DIRECTOR'S OFFICE	695.5	560.4	603.9	466.0	482.8
AIRCRAFT	831.1	805.9	700.9	617.8	501.4
MARINE ENFORCEMENT	1581.9	1123.9	903.2	489.9	766.9
Totals	8172.1	7875.0	6765.8	5181.3	5087.3
(2) TOTAL INCOME from fish seized and given to processor by Dept. Deposited or AV'd to GF	$14.4	N/A	N/A	N/A	N/A

(1) PERSONNEL BY COMPONENT: AUTHORIZED POSITIONS (AU) - PERMANENT FULL- TIME POSITIONS (PF) - PERMANENT PART-TIME POSITIONS (PP)

	AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL		
	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP
ENFORCEMENT	111	87	[24]	*142	88	54	111	87	[24]	111	88	[23]	100	86	[14]	100	86	[14]	72	72	Ø	72	72	Ø				81	72	[9]
DIRECTOR'S OFFICE	12	12	Ø	12	12	Ø	11	11	Ø	12	12	Ø	14	14	Ø	14	14	Ø	14	14	Ø	14	14	Ø				15	15	Ø
AIRCRAFT	11	10	[1]	11	10	[1]	11	10	[1]	11	10	[1]	11	10	[1]	11	10	[1]	9.3	8	[1.3]	9.3	8	[1.3]				8.3	8	[.3]
MARINE ENFORCEMENT	17	17	[3]	19	17	1+1	20	17	[3]	20	17	[3]	13.8	13	[.8]	13.8	13	[.8]	14	14	Ø	14	14	Ø				9	9	Ø

*[ ] designate "temporary", rather than permanent part-time positions

(3) (4) BY MONTH, FISCAL YEAR: FILLED AND VACANT COMMISSIONED OFFICERS ONLY

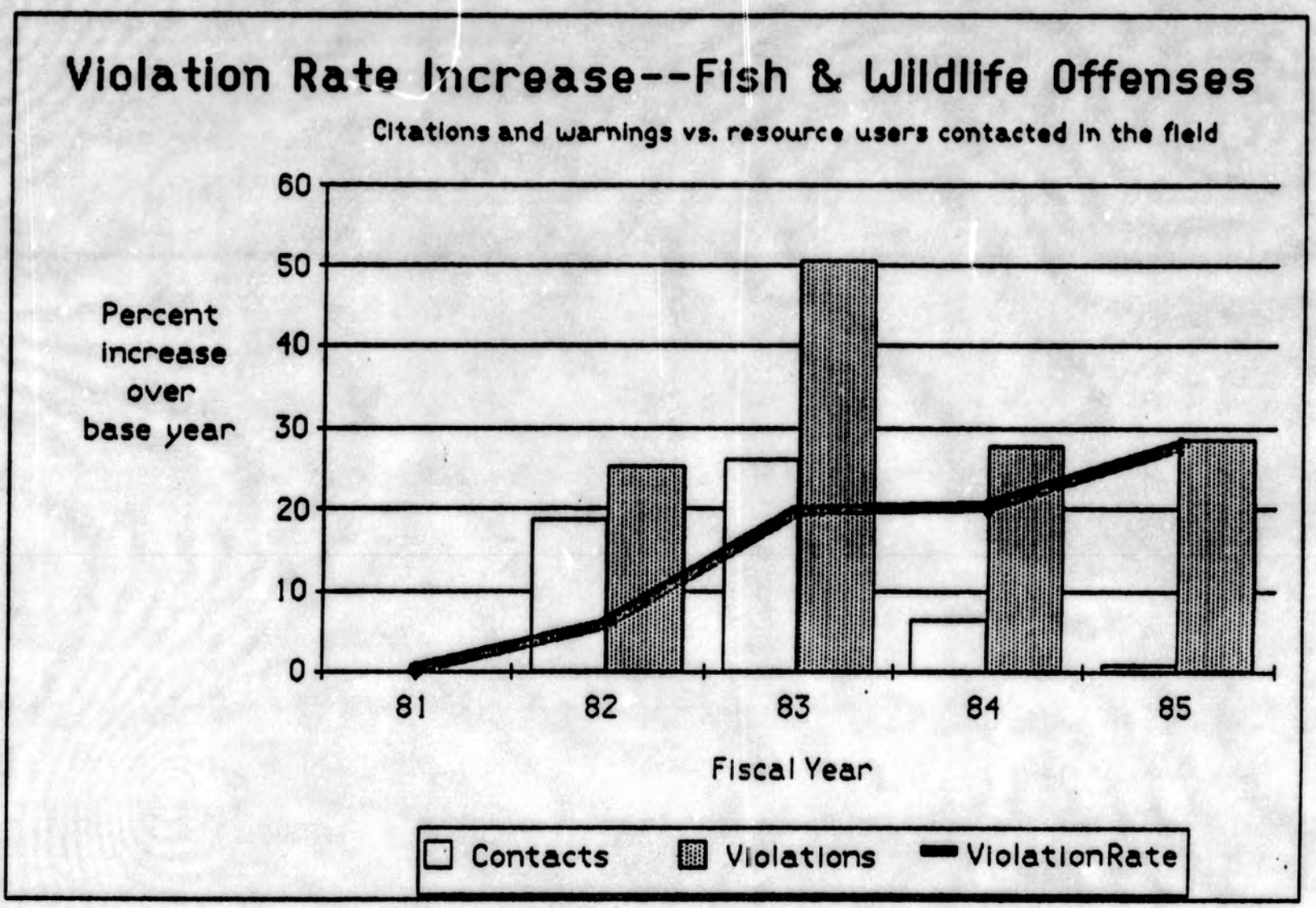
	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant
July	93	11	89	11	76	18	-	-		
August	90	11	90	11	83	13	-	-		
September	91	10	89	13	82	14	72	11		
October	91	10	89	13	90	6	72	11		
November	94	9	89	13	-	-	72	11		
December	91	10	-	-	88	8	-	-	89	7
January	87	10	91	8	89	8	70	13		
February	91	10	-	-	88	8	69	14		
March	89	12	93	8	87	9	69	14		
April	-	-	93	12	90	7	75	8		
May	91	10	-	-	92	5	76	7		
June	-	-	92	12	-	-	78	5		

(1) Data Source: Short Form Free Conference Committe Report, FY 77 - FY 86

(2) Data Source: DPS, Administrative Services, Accounting

(3) Data Source: "Monthly Summary of Personnel Changes"

(4) Data not shown for Seasonal employees; records do not indicate information requested.


Violation Rate Increase--Fish & Wildlife Offenses
Citations and warnings vs. resource users contacted in the field
Percent increase over base year
60
50
40
30
20
10
0
81
82
83
84
85
Fiscal Year
Contacts
Violations
ViolationRate

CY85 BRISTOL BAY SALMON FISHERY ESTIMATED COSTS
JUNE 15 - AUGUST 15, 1985

PERSONNEL (Costs prorated, based on actual time spent in fishery enforcement.)

	NUMBER	SALARY COSTS	PREMIUM/OT COSTS	TOTAL	CY84 (EST.)
Supervisory:					
1 Capt., 2 Lt.'s 2 1/Sgt.'s	5	$ 32,703	$ 768	$ 33,470	1 Lt. 1 1/Sgt. $13,388
Other Commissioned Officers:					
2 Sgt.'s, 1 Cpl., 15 Trp.'s	18	107,622	58,841	166,463	2 Sgt's 9 Trp's 101,727
Seasonal Personnel	6	70,007	10,860	30,867	3 15,450
Civilians:	4	$ 15,819	$ 7,280	$ 23,099	2 $ 11,549
TOTAL:	33	$176,151	$77,749	$253,900	$142,114

VESSELS (estimated operational costs - w/o crew)	DAY	# DAYS	TOTAL	
P/V Vigilant	$2,060	39	$ 80,340	$80,340
P/V Trooper	875	39	34,125	
P.S. #1	600	61	36,600	36,600
Compliance	600	41	24,600	24,600
2 Whalers	200 (ea)	39	15,600	7,800
6 Skiffs (included in P/V costs)				
TOTAL VESSEL OPERATIONAL COSTS (includes maintenance)			$191,265	$149,340

AIRCRAFT	FLYING HOURS	COST	
Grumman Goose @ $400/hour	50.3	$20,120	
2 Cessnas @ $200/hour	10.0	2,000	
2 Cubs @ $72/hour	97.4	$ 7,013	$7,013
TOTAL:	157.7	$29,133	$7,013
OTHER TRANSPORTATION COSTS:		$16,928	$10,345
TOTAL (EST.) COSTS:		$491,226	$308,812

Alaska Statewide Fines for Wildlife and Fishery Offenses

Total fines assessed by courts (dollars)

Calen. Year	Game	Sp. Fish	Com. Fish	Total
1974	52,880	36,110	66,312	165,702
1975	60,180	40,420	166,626	275,326
1976	78,950	63,838	278,621	428,998
1977	78,040	81,925	268,292	442,077
1978	68,590	85,371	305,163	484,377
1979	53,435	75,580	372,776	511,894
1980				
1981	107,825	108,810	528,142	769,362
1982	122,823	126,125	986,997	1,289,793
1983	203,205	207,140	1,076,626	1,528,121
1984	177,470	158,023	632,085	1,018,480

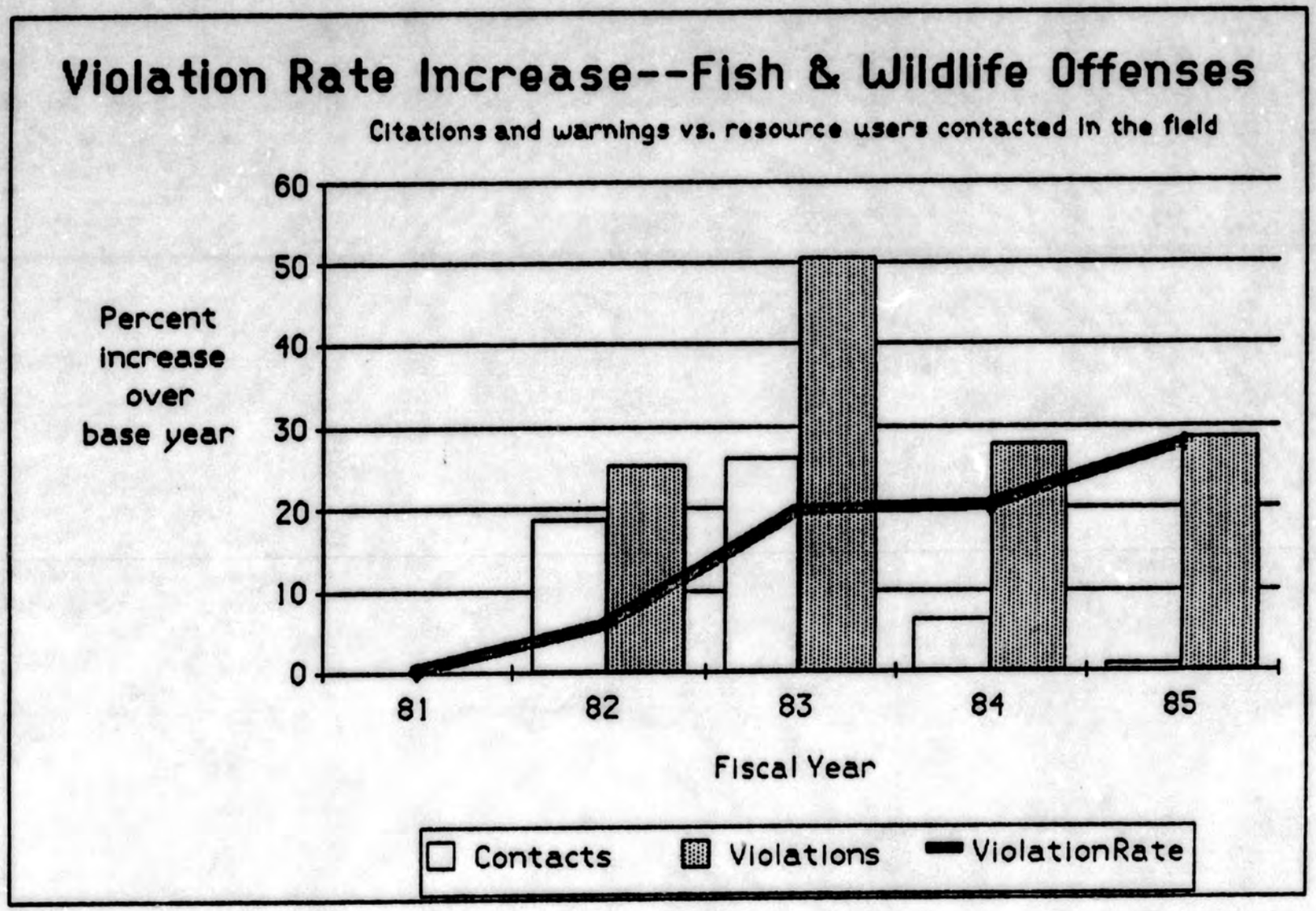
Net fines assessed by courts (dollars)

Calen. Year	Game	Sp. Fish	Com. Fish	Total
1974	22,627	24,495	47,362	102,379
1975	32,180	24,760	70,661	132,696
1976	45,065	46,433	149,140	245,072
1977	42,880	56,845	128,073	235,543
1978	42,170	58,326	159,755	284,484
1979	30,820	49,045	237,405	324,198
1980				
1981	62,950	61,700	290,267	430,463
1982	72,535	74,195	598,648	784,606
1983	122,020	114,865	561,901	825,201
1984	102,720	82,653	342,687	554,635

Δ Totals include additional offenses such as licensing and guiding

Δ Net fines are actual fines to be paid by the defendant, while the remainder is suspended based on probation

CMP 1/1/86


Violation Rate Increase--Fish & Wildlife Offenses
Citations and warnings vs. resource users contacted in the field
Percent increase over base year
60
50
40
30
20
10
0
81
82
83
84
85
Fiscal Year
Contacts
Violations
ViolationRate

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

February 21, 1986

MEMORANDUM

TO: Representative Andre Marrou

FROM: Nancy Pease Nancy Pease
Legislative Analyst

RE: Volunteer Wildlife Enforcement Agents
Research Request 86-106

At your request, we are providing information on Montana's program for commissioning volunteers as wildlife enforcement agents.

Pat Young/JNU 465-2814

As you know from your conversation with a former Montana resident, Montana apparently had a program thirty years ago to train volunteers from the community as plainclothes fish and game enforcement agents. Elmer Davis, a 22-year employee of the Enforcement Division of Montana's Fish, Wildlife & Parks Department (MFWP), was unable to recall this program. Mr. Davis stated that, at one time, forest rangers were deputized as game wardens. From the mid-1960s to the present, Montana has trained volunteers who are nonenforcement employees of the Fish, Wildlife and Parks Department as ex officio game wardens.[1]

Volunteers for Montana's ex officio warden program must complete one week of intensive training, which the MFWP conducts once each year either at Montana's police academy or at a camp. The training program is led by fish and game wardens and by representatives of the legal system, usually including an attorney general, a state prosecutor and a judge. The program covers legalities and physical procedure for wildlife law enforcement, including:

- fish and wildlife laws;
- officer liability;
- court decisions;

---

[1]Until recently, all biologists with the Alaska Department of Fish and Game (ADFG) were deputized as fish and wildlife protection officers. Since a change in job classifications three years ago, ADFG biologists must opt to receive training for law enforcement.

- search and seizure;
- arrest;
- writing of citations;
- legal preparation of court cases; and
- mock violations, mock arrests and mock trials.

Upon completion of the training program, the ex officio wardens are given peace officer status. The ex officio wardens are not issued wardens' uniforms; they are issued badges. Ex officio wardens who wear the standard field uniform for all Montana's Fish, Wildlife and Parks personnel create a visible law enforcement presence in the field. Some of the most successful ex officio wardens are issued two-way radios. Ex officio wardens are neither encouraged nor discouraged to carry firearms. If they wish to carry firearms, they must qualify quarterly by passing the regular wardens' firearms handling exam.

Most ex officio wardens are field personnel, such as game biologists. However, Mr. Davis states that Montana Fish, Wildlife & Parks management and office staff also volunteer as ex officio wardens and are accepted for training whenever space in the training program allows. Members of the general public are not trained as ex officio wardens.

According to Mr. Davis, the ex offico wardens do not catch a large number of fish and game law violators. However, their visibility and presence in the field may be an important deterrent to potential violators. Mr. Davis states that, in addition to preventing fish and wildlife violations, the program has unified the research/management and law enforcement branches of the Fish, Wildlife and Parks Department by giving field researchers and office staff an appreciation for the difficulties of law enforcement. However, the program has evoked some management complaints that ex officio wardens divert too much time to enforcement in lieu of their regular duties.

You also asked if other states use volunteers for fish and game law enforcement. As of 1984, twenty states had commissioned a total of 1,243 volunteers to assist with enforcing game violations. According to Gordon Robertson of the International Association of Fish & Wildlife Agencies, the powers and responsibilities delegated to these volunteers varies from state to state. At your request, we will provide details on volunteer warden programs in other states.

I hope this information is helpful.

NP

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 20, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Fish and Wildlife Enforcement Hearings

The House Special Committee on Fisheries will conduct hearings on fish and wildlife protection at 8:30-10:00 a.m., February 25 and 27. We will be soliciting public testimony on both days from all sites on the teleconference network. All legislative information offices are now scheduled to participate in the teleconference, and I have given permission to add any other site upon request.

I have identified three primary areas of concern that we will address during the hearing process: (1) enforcement coverage; (2) training; and (3) general law enforcement responsibilities. Other issues are likely to be raised during public testimony and committee discussion; attached are some of the comments we have received to date (attachment #1).

Enforcement Coverage

Information provided by the Department of Public Safety indicates that the personnel levels in the Division of Fish and Wildlife Protection have decreased slightly over the past five years (attachment #2), while the violation rate has increased. According to department statistics, 9.8 percent of the people contacted in the field during FY85 were found to be in violation of fish and game laws, compared to a 7.7 percent violation rate in FY81.

Considering recent increases in the state's population base and expansion of Alaska's commercial fisheries, the slight decline in personnel suggests that enforcement coverage has actually decreased.

Training

The last training session for troopers at the Public Safety Academy in Sitka offered a 42-hour course in fish and

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1239 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

wildlife protection. Academy Director James Lansbery said this section probably will be expanded to 67-73 hours during the next class with the addition of cold water survival training. Captain Lansbery stressed that much training pertinent to fish and wildlife enforcement is covered in other courses.

Additional training is given once a trooper is assigned to a fish and wildlife protection post through numerous "mini-modules" covering issues such as sport fishing, trapping and commercial fishing.

When officers were specifically trained as troopers or fish and wildlife protection officers, the academy offered about five weeks of specialized training in fish and wildlife enforcement.

Also eliminated from the Academy cirricula in recent years has been a course in "cross cultural" training designed to familiarize all law enforcement officers with the Alaska Native culture.

General Law Enforcement Responsibilities

I have received much concern from the public regarding the involvement of fish and wildlife protection officers in general law enforcement duties (attachment #3). According to figures by the Department of Public Safety, fish and wildlife protection officers spent 7% of patrol and investigative hours on general law enforcement and traffic responsibilities in FY85. Commissioner of Public Safety Robert Sundberg said cross training of general law enforcement troopers and fish and wildlife protection officers is critical, in part, because of the large number of one-man trooper posts and the seasonal nature of fish and wildlife responsibilities (attachment #4).

Another concern raised by the sharing of responsibilities by the troopers and fish and wildlife protection officers has been posting of personnel. Under a ruling by an arbitrator last year, the Department was forced to bid all position openings by seniority. This meant, for instance, troopers with no wildlife enforcement experience would have preference over qualified protection officers. A recently signed memorandum of understanding between the department and the employees bargaining unit (attachment #5) now allows protection officers first priority on openings within the unit, followed by seniority bidding by troopers.

STATE OF ALASKA

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FISH & WILDLIFE PROTECTION

BILL SHEFFIELD, GOVERNOR

Robert J. Sundberg
Commissioner

5700 EAST TUDOR ROAD
ANCHORAGE, ALASKA 99507
PHONE: (907) 269-5509

February 10, 1986

Representative Peter Goll
Chairman, Special Committee on Fisheries
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

Col. Henderson asked me to send you this update of his reply to your letter of December 5, 1985, concerning fish and wildlife enforcement.

I have enclosed two pages of notes and two pages of capital budget summary. Please insert all of these pages in the Appendix just before the operating budget summary pages.

Sincerely,

Charles M. Preston

Lt. Charles M. Preston
Asst. to the Director

Notes on questions 6 and 7 — historical budgets and revenues

Capital budget

Records of capital appropriations earlier than Fiscal Year 1981 were not readily available at the Department level, or were thought to be of questionable accuracy. Consequently, only six years of capital project funding were reported, rather than ten, as with the operating budget. This report does extend far enough back, however, to include the most recent major capital item, which is the funding for the P/V Woldstad in FY-81.

One of the capital projects for FY-85 was Aircraft Engine Replacement, for $525,300. This project was to improve the safety and effectiveness of department aircraft patrols, including off-shore fishery patrols.

The funding was to have provided replacement of current piston engines on a Grumman Goose aircraft with turbine engines. The turbine engines would have increased speed, payload capacity, and single engine performance (a safety factor, especially over water).

Estimates obtained from vendors now indicate that the complete cost would be $618,500 to $700,000. The project would take up to two years to complete, due to turbine engine order delay and conversion complexity.

A preferred alternative is to have the intended "Aircraft Engine Replacement" changed to "Aircraft Replacement". This would allow purchase of a used, twin-engine, turbine aircraft, which can be used in much the same way as the converted Grumman.

The appropriation in question is found in SLA 84, Chapter 24, page 60, line 19. A copy of the page cited is included in the appendix.

If the requested change is approved, the Division's mission capability would be improved. Missions would include fishery patrols.

Revenues

The two page summary of historical operating budgets and authorized personnel also show figures for confiscated and forfeited fish. The total income figure for each year should be used as a general guide only, since some revenues were credited directly to the court system, and are not included in the totals.

CAPITAL PROJECTS/FISH AND WILDLIFE PROTECTION

COMPONENT	LOCATION	ALLOC.	APPROP.	SLA/CH	PG/LN	CLOSE OUT/COMMENTS
FY 86						
Major Vessels Repair	Statewide		94.6	85/96	11/16	
Statewide Equipment	Statewide		25.7	85/96	11/17	
FY 85						
Statewide Equipment	Statewide		100.8	84/24	60/14	Project completed 12/85
Vessel Seizure Costs	Kodiak		160.0	84/24	60/15	
Three 22' Patrol Skiffs	--		108.0	84.24	60/1	Project completed - 4 boats purchased
Two Patrol Boats	Sand Point Homer		240.0	84/24	60/17	4 boats purchased
Aircraft Hangar Improvement	Anchorage		132.4 (enc.)	84/24	60/18	
Aircraft Engine Replacement	Kodiak		525.3	84/24	60/19	Reappropriation request change intent to "aircraft replace"
FY 84						
Major Maintenance	Kodiak		162.2	83/107	73/15	Continue
Patrol Vessels	Cordova					
Marine Enforcement Warehouse	Kodiak		99.9	83/107	17/16	Project completed 9/84
FY 83						
Navigation System for Grunman Goose	Kodiak/Anc.	58.1	500.0	82/25		Close out 9/84
Statewide Equipment	Statewide	80.0		82/25		Close out 8/84
Patrol Boats	Seward Haines Valdez	362.0		82/25	14/5	Close out 6/85; amended 83/106 pg 4 ln 4 to 2 patrol boats
Office & Equipment	Bristol Bay			82/141		

COMPONENT	LOCATION	ALLOC.	APPROP.	SLA/CH	PG/LN	CLOSE OUT/COMMENTS
FY 82			552.7			
Patrol Vessels	Craig	282.0		81/82		Close out 6/85
Statewide Equipment	Statewide	130.0		81/82	70/21	Close out 6/85
Grumman Navigational Sys.	Dutch Harbor	50.0		81/82	140/22	Close out 6/85
One C-185 Aircraft	Fairbanks	90.7		81/82	140/23	Close out 6/85
Vessel Seizure Funds	Kodiak		100.0	81/82	140/25	
Two 28'-32' Patrol Boats	Haines					
	Petersburg		282.0	81/82	140/21	Close out 7/74
Vessel Seizure Funds	Statewide		100.0	81/82		
FY 81						
Floating Boat House	Ketchikan		40.0	80/173	14/2	Close out 4/83
121' Patrol Vessel	Kodiak		4218.0	80/91		Close out 6/83
Statewide Equipment	Statewide		100.0	80/120		
38'-42' Patrol Vessel	Sitka		267.5	80/120		
Grumman Goose Overhaul	Anchorage		77.7	80/120		
Grumman Navigation Sys.	Kodiak		55.0	80/120		

Sources: CP3 Status of Currently Authorized Capital Projects, FY82-FY87, Budget Section, DPS
Memorandums
RSA's

DEPARTMENT OF FISH & GAME (CONT.)				
		APPROPRIATION	APPROPRIATION	FUND SOURCES
	ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS
NOME WAREHOUSE (ED 22)		212,000	212,000	
FAIRBANKS OFFICE REPAIRS (ED 20)		110,000	110,000	
SHETTISHAM HATCHERY COMPLETION (ED 4)		3,819,000	3,819,000	
HABITAT DIVISION DATA MANAGEMENT (ED 99)		265,000	265,000	
SHELLFISH & GROUNDFISH ASSESSMENTS (ED 99)		253,000	253,000	
* * * * * *	* * * * * *			
* * * * * * DEPARTMENT OF PUBLIC SAFETY	* * * * * *			
* * * * * *	* * * * * *			
EDUCATION				
FISH AND WILDLIFE PROTECTION				
STATEWIDE EQUIPMENT (ED 99)		100,000	100,000	
VESSEL SEIZURE COSTS (ED 99)		160,000	160,000	
THREE 22' PATROL SKIFFS (ED 99)		108,000	108,000	
TWO PATROL BOATS (ED 99)		240,000	240,000	
AIRCRAFT HANGAR IMPROVEMENTS (ED 7-15)		132,400	132,400	
AIRCRAFT ENGINE REPLACEMENT (ED 27)		525,300	525,300	
LIFE AND PROPERTY PROTECTION				
DRIVER TESTING EQUIPMENT (ED 7-15)		35,000	35,000	
CRIME IDENTIFICATION AND APPREHENSION				
DALTON HIGHWAY HOUSING (ED 95)		800,000	800,000	
COLDFOOT HANGAR (ED 95)		372,600	372,600	
DISPATCH CONSOLE - SOLDOTNA (ED 5)		85,000	85,000	

February 1, 1986 meeting

Dorothy Fossman opened the meeting to public remarks on Enforcement Procedures & Practices on commercial fishing boundary lines. (Tape Recorded Session).

Dave Nanney explained that several letters from Peter Goll indicated that his House Fisheries Committee has a long-time interest in whether or not the funding is adequate for the enforcement effort on the fishing grounds, is the training sufficient for the personnel, and is the switch-over to troopers vs. the previous Fish & Wildlife Protection Officer with specialized training proving successful. Dave also suggested general questions might also be discussed like the adequacy of boundary markers, the adequacy of enforcement effort on those boundaries, uniformity of enforcement effort (is there a standard operating procedure). He also suggested that anyone desiring to testify before the legislative committee should let him know and he would give them the timing.

Dorothy Fossman re-iterated that the Committee was interested in hearing input on whether there are problems on markers, citations, line problems, or enforcement procedures in general.

Coy Taylor felt that enforcement was not steady enough, only every three or four weeks, that northern boundary lines could be set much closer to the rivers earlier, that the southern lines were very important and that enforcement there is very sporatic, making it tempting for some fishermen to jump the line. He said that when enforcement does show up it is "with five million dollars worth of equipment where a guy with a skiff could maintain good enforcement on that line." He stated that in this area Al Hassen has a tough job with northern and southern lines 30 miles apart.

Terry Pardee stated that he was bothered that enforcement officers were not present.

Dorothy Fossman stated that the meeting was advertised in the newspaper, on the T.V., and on the radio, and that Ray Staska had to leave town, so he couldn't be present.

Coy Taylor felt that Ray Staska should be present because he sets the northern lines.

Dorothy Fossman stated that Ray and Al Hassen could give only limited testimony due to the trial status of Dave Nanney.

Terry Pardee mentioned that a member of the Committee involved with litigation might limit enforcement's remarks, but that it would be appropriate for them to be present.

Dorothy Fossman re-iterated that Ray Staska was unable to be present.

Terry Pardee stated that things stated in the meeting could put people in an adversarial role with the state, and that the remarks sould be information rather than evidenciary.

Dorothy Fossman stated that the meeting could influence proposals of the Committee for next year and that was mainly what the meeting was supposed to be for, for proposals on markers, lines, etc.

Coy Taylor stated that in . Taku there are highly visible double markers that can be easily lined up. He said that in Haines in the fall we don't have that, and that there is no illumination.

Jim Symanski said that he was in favor of range markers, to be set where ever practicable, because it helps clarify the lines a lot.

Carl Johnson stated that range markers were important to clarify lines like at Glacier Point, though they might not always be feasible.

Terry Pardee stated specific lines, properly marked were important A 4'x 8' sheet of plywood, weatherproofed, with proper colors, metal strips for radar reflectance, and lighting. He felt the cost would be low and that fishermen would help with the cost.

Norm Blank stated that when he worked for the Department that they used orange blinking lights, and that metal reflectors would be a good idea.

Dorothy asked how many fishermen had problems with the Pt. St. Mary line and how were the markings. Were the problems due to currents She said there were lots of violations down there.

Carl Johnson said that the tides were a problem.

Carmen DeFranco asked why a line and not a zone.

Terry Pardee stated that a zone is too arbitrary, what size should it be? A fixed point, posted, made it easier for an enforcement officer. He said loran was used in some areas now to fix location

John Hagen questioned the Fish & Game policy of holding back the fleet to southern lines early, then opening the fleet to the river later.

Dorothy suggested he talk to Ray Staska, that he could explain.

John felt that there was little reason, but it was Juneau policy.

Terry Pardee felt that Ray should be present, that he has a lot to say about the lines here, and that perhaps Ray feels he has been too conservative in the past. Last season managing by computor model might have been a problem, he stated. He felt the Board of Fish and Game had not been supportative on the Berner's Bay line proposal last year.

Dorothy Fossman stated that more fishermen should appear at Board of Fish meetings and that travel expenses could be helped by the committee. She stated that there was a mixed stocks problem at Pt. St. Mary especially with kings.

Coy Taylor stated that bringing the line back to Sherman point would solve several problems.

Terry Pardee expressed concern over lack of fishermen representation at the Board of Fish meetings to back up their representatives.

Dorothy stated that she had lots of success this year before the Board in spite of a lack of support.

Carl Johnson said that he testified several years ago and the Board was not paying attention.

Dorothy stated that the new Board is excellent and that they pay close attention to the testimony.

Ken Gross stated he was arrested for going across the line, with a strong wind that came up, and unexpected numbers of fish, and that it was more like an act of god with no criminal intent. He said that the enforcement officers came out and said he had his ticket so he could take his time reeling in. He felt with a warning he could have done something to prevent the violation and that they were trying to justify the big ship in the harbor rather than giving the fishermen a chance in adverse conditions. He stated that in court it was a guilty or not guilty situation and that in court the statement he filled out at the time of violation was not brought up but was only for the Fish & Game reference so filling out the forms is a waste of time. He stated he doesn't feel good about the Fish and Game effort and the judge never got to see his form.

Dorothy stated that it seems the protection officer is always right and she wondered how many times in court the fisherman was right.

Bob Becker stated that you don't expect a cop to stop you on the road and say your going 55 and go another mile an hour and your getting pinched. He said that Ken's argument is for range markers, because you can't tell if your over the line. He said the skiff

mounted troopers have an "ace in the hole" because they can line up on one marker and look to the other and run their skiff out to you in a straight line and peel off to you to show you you are over. He said it is a strict law, but the range markers are the one item we should stand together on and go for.

David Land stated that with one marker you can't see if you are lined up, but with two markers you can because when the double marker lines up you can see it.

Dave Nanney stated that surveyors don't even try to get on a line in between two points because you can't do it, there is an ambiguous diamond shaped zone which is most pronounced in the middle where anywhere inside of it you might appear to be on the line. With single markers there are visibility problems, but with larger range markers you know within a foot if you are on the line and it eliminates the ambiguous zone. Fish and game would also benefit as they have the same problem really being sure and it becomes your word against theirs although you might have been doing the very best job you could.

Carl Johnson stated that he had gotten a ticket when he was over the line with pop weed in his net, that he had made the mistake, it was his fault. He felt warningswere a problem because some would get warnings and some tickets.

Dorothy stated there was a fisherman warned abou setting his net early and he wouldn't take it back in and he was sentenced and fined.

Dave Nanney mentioned that another question within the judiciary and among legislators is the type of offence on lines, eg. the act of god or inadvertent offence vs. obvious pirate fishing. Also the guy that goes asleep and drifts over the line, as with a recent higher court case, where a fisherman in Bristol Bay drifted over the line while asleep and was found not guilty of a severe criminal offense because there was no provable criminal intent. He explained the limited liability type of offense vs. the 1 yr. in jail, $5,000 max. fine catagory of offense with criminal intent, and that it is a question still being addressed in Juneau.

Norm Blank stated when in court you can plead guilty, or have a trial before the Magistrate, or have a jury trial, and that you have those options, depending on how serious you think it is.

Dorothy stated it sounds like we should have some proposals going in on markers for the next Board of Fish hearings.

Coy Taylor mentioned steadier enforcement.

Dave Nanney stated that the Advisory Committee had submitted a proposal several years ago on the same question but that the Board of Fish had not approved it. He said it was the standard way to get desired changes.

David Land asked if enforcement officers had to be troopers. He felt that it might discourage people interested in fish and game protection if they had to be a trooper.

Norm Blank explained that due to circumstances they required training in trooper functions, eg. evidence, law, etc. and that they were all under the Department of Public Safety.

Ron Josephson said that he had training in enforcement as a member of the Department of Fish and Game, and that seasonal workers could be deputized to do enforcement as required.

Terry Pardee stated that in remote areas Fish and Wildlife enforcement officers were the only enforcement around and that the

department had to bring everyone under standardized training as to law enforcement capabilities.

Bob Becker stated that funding was a consideration in tying the two together, and that fisheries enforcement was ensured funding by tying them together and that it was well accepted at the time.

Carmen DeFranco stated that he understood that a range marker system was desired by fishermen, and possibly Loran.

Terry Pardee stated that proposals would have to be specific and should stick to our own area.

Carmen DeFranco stated that the Coast Guard all over has been using range markers "from day one" and that seems to be the only way.

Pardee said taking care of the local area was most important.

Dave Nanney said that if it is a good idea, it will blossom, and that range markers have slowly been put in place in spite of the previous rejection by the Board. He said we can work with Ray Staska on the posting of range markers, and although he wasn't present he was well aware of the issue and could be worked with.

Dorothy reminded the audience that any individual could send proposals in to the Board of Fish and that many do this. She asked for any other remarks on the hearing, and being none, she went on to the next item of business.

Letter to Committee: Dorothy read a short letter from Jerry Myers of Skagway thanking the Committee for their efforts on his request for king salmon eggs for the student hatchery program.

Organization of Committee: Dorothy opened an executive session of the Advisory Committee to selection of officers and the setting of terms of office. Jerry Myers nominated Dorothy Fossman for Chairperson, Craig Loomis nominated Carmen DeFranco for Vice-Chairman, Craig Loomis nominated Dave Nanney for Secretary-Treasurer. Jerry Myers moved that the nominations be closed and that a unanimous ballot be cast for the nominees and Bob Becker seconded the motion all in favor, motion carried.

Terms of office were then set for the entire committee being the following:

Jerry Myers	3 years	Dorothy Fossman	2 yrs.	John Frey	1 yr.
Craig Loomis	3 years	David Nanney	2 yrs.	Tom Ward	1 yr.
Norm Blank	3 years	Carmen DeFranco	2 yrs.	Bob Becker	1 yr.
		Jeff Graham	2 yrs.		

All present except Jeff Graham, John Frey, Tom Ward

Ron Josephson mentioned that committee support of planned Sockeye Salmon mitigation projects was important as there were sockeye loses in the U.S.- Canada Treaty on salmon. He also stated that the Area Biologist position was open in the Juneau area and that he was applying for that position.

Jerry Myers moved that the Committee write a letter in support of Ron Josephson for the Juneau Area Biologist position and Dorothy Fossman seconded the motion, all in favor, motion carried.

Adjournment: There being no further business before the Advisory Committee, the meeting was adjourned at 1:30 p.m; Feb. 1, 1986.

David Y. Nanney, Jr.

David Nanney, Sec./Treas.

A SPECIAL REPORT ON THE DEPARTMENT OF PUBLIC SAFETY DIVISION OF FISH AND WILDLIFE PROTECTION MARINE ENFORCEMENT SECTION

October 5, 1984

Audit Control Number

12-4208-85-S

Commissioner, Department of Public Safety — Robert J. Sundberg

Deputy Commissioner, Department of Public Safety — James D. Vaden

STATE OF ALASKA

AUDIT DIVISION
POUCH W
JUNEAU, ALASKA 99811

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

October 5, 1984

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

A SPECIAL REPORT ON THE
DEPARTMENT OF PUBLIC SAFETY
DIVISION OF FISH AND WILDLIFE PROTECTION
MARINE ENFORCEMENT SECTION

October 5, 1984

Audit Control Number

12-4208-85-S

Gerald L. Wilkerson

Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit

TABLE OF CONTENTS

	Page
Purpose of the Report	1
Organization and Function	3
Findings and Recommendations.	5
Appendix:	
A. Schedule of Vessel Activity	11
Agency Response:	
Department of Public Safety	13

PURPOSE OF THE REPORT

In accordance with the provisions of Title 24 of the Alaska Statutes and a special request of the Legislative Budget and Audit Committee, we reviewed the Department of Public Safety, Division of Fish and Wildlife Protection, Marine Enforcement Section, to determine the activity of the patrol vessels, Woldstad and Vigilant.

(Intentionally left blank)

ORGANIZATION AND FUNCTION

The Department of Public Safety's Division of Fish and Wildlife Protection is charged with the responsibility of enforcing fish, game, and guiding laws promulgated by the State of Alaska. Fish and Wildlife Protection officers are stationed at 34 different posts throughout the State and perform vehicle, aircraft, and vessel patrols, as well as investigations and search and rescue.

The Marine Enforcement Section presently has 18 vessels comprised of two high endurance vessels, two medium endurance vessels, and fourteen smaller vessels. The two high endurance patrol vessels, the P/V Woldstad and the P/V Vigilant, are capable of patrolling year round and during adverse weather conditions. The Woldstad, due to its size and capacity, may stay at sea for the longest time and, therefore, can reach outlying areas in the Bering Sea and Aleutian Islands.

(Intentionally left blank)

FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The Division of Fish and Wildlife Protection should review the operations of the patrol vessels, Vigilant and Woldstad, to ensure that they are being effectively utilized under the current enforcement plan and analyze alternative approaches to enforcement.

We reviewed the daily activity of the Marine Enforcement Section's patrol vessel (P/V) Vigilant during FY 82, FY 83, and FY 84 and the P/V Woldstad during FY 83 and FY 84. We utilized vessel log books and activity reports to identify daily locations and activities of each vessel. These activities were then summarized into "patrol days" and "non-patrol days" as seen in Appendix A.

Patrol activities include crab, salmon, and herring patrols, as well as village visits, search and rescue, and other marine enforcement activities. Non-patrol activities include moorage in the home port of Kodiak, as well as dry dock repairs in Seattle.

The P/V Vigilant was engaged in actual patrol activities for a total of 103 days during FY 82, 97 days during FY 83, and 93 days during FY 84. Days of non-patrol activities totalled 262 in FY 82, 268 in FY 83, and 273 in FY 84.

The P/V Woldstad began operations in Alaskan waters in August of 1982. The Woldstad spent 136 days on patrol during FY 83 and 160 days on patrol in FY 84. Total days of non-patrol activities were 184 and 206 days, respectively.

According to the Division, a reasonable standard for measuring the effectiveness of the two major vessels' patrol activities is a norm of 180 days of patrol a year per vessel. Elements considered by the Division in setting this standard include:

1. Preventative and major maintenance requirements.

2. Crew morale and turnover resulting from extended absence from their home port.

3. Major vessels cannot operate without a full crew. While some crew members can be temporarily replaced, others cannot.

4. Employee leave and training requirements.

5. Mandatory court appearances by crew members.

The Division has also stated that a major challenge in meeting the 180 day standard is scheduling coordination with the Department of Fish and Game on fishery openings and closings. Vessel patrols cannot always be reprogrammed on short notice.

Considering the 180 day standard, our review showed that the P/V Vigilant has not been within an acceptable range of the standard. The P/V Woldstad, during its first full year of activity (FY 84), was on patrol 160 days or 89% of the standard.

In addition to ensuring the P/V Vigilant and the P/V Woldstad are effectively utilized under the current enforcement plan, we recommend that the Division should formally analyze the positive and negative aspects and associated costs of alternatives to the current enforcement approach. The analysis of the various alternatives should be made available to the Administration and the Legislature for review and consideration.

Recommendation No. 2

The Division of Fish and Wildlife Protection should improve its budget projections for the Marine Enforcement Section.

Our review of the Division's Marine Enforcement Section budgets for FY 82, FY 83, and FY 84 disclosed that certain assumptions employed in estimating vessel operating costs were not supported by actual performance data. For example, anticipated requirements for diesel fuel for the P/V Vigilant were based on 250 sea days for FY 82 and FY 83, and 220 sea days for FY 84. Actual days at sea for the Vigilant during the three fiscal years were 118, 112, and 93, respectively. The following table compares budgeted costs with actual costs for the P/V Vigilant:

P/V Vigilant - Diesel Fuel Costs

FY	Budget	Actual	Difference
1982	$207,100	$58,094	$149,006
1983	$216,000	$58,586	$157,414
1984	$190,100	$34,413	$155,687

These overestimated budgets are also due to other variables, such as unrealistic per gallon fuel costs and bulk rate discounts. Overall, the Marine Enforcement Section over-budgeted diesel fuel for all its vessels as follows:

MARINE ENFORCEMENT SECTION - DIESEL FUEL COSTS

FY	Budget	Actual	Difference
1982	$459,800	$200,800	$259,000
1983	$682,100	$262,632	$419,468
1984	$716,800	$221,018	$495,782

Other budget components such as sea pay and various supplies were also based on unrealistic planned levels of activity.

Budgeting for variable costs necessitates accurate estimates based on performance data. In preparing its annual budgets, the Division of Fish and Wildlife Protection should place an emphasis on analyzing historical data to ensure that budget estimates more closely approximate actual performance.

(Intentionally left blank)

APPENDIX

(Intentionally left blank)

APPENDIX A

DEPARTMENT OF PUBLIC SAFETY
DIVISION OF FISH AND WILDLIFE PROTECTION
MARINE ENFORCEMENT SECTION
SCHEDULE OF VESSEL ACTIVITY
For Fiscal Years 1982, 1983, and 1984

	F Y 1982		F Y 1983		F Y 1984	
	Days	Percent	Days	Percent	Days	Percent
P/V Vigilant						
Crab Patrols	44	12.0%	56	15.4%	45	12.3%
Bristol Bay Salmon Patrol	30	8.2	27	7.4	33	9.0
Togiak Herring Patrol	29	8.0	14	3.8	-	0.0
Village Visits	-	0.0	-	0.0	4	1.1
Search and Rescue	-	0.0	-	0.0	1	.3
Vessel Seizure - Dutch Harbor	-	0.0	-	0.0	10	2.7
Seattle Maintenance	46	12.6	50	13.7	-	0.0
In Port - Kodiak	216	59.2	218	59.7	273	74.6
Total P/V Vigilant	365	100.0%	365	100.0%	366	100.0%
Patrol Activities	103	28.2%	97	26.6%	93	25.4%
Non-Patrol Activities	262	71.8	268	73.4	273	74.6
Total P/V Vigilant	365	100.0%	365	100.0%	366	100.0%
P/V Woldstad						
Crab Patrols			81	25.3%	99	27.0%
Southern Peninsula Salmon Patrol			12	3.8	-	0.0
Togiak Herring Patrol			27	8.4	45	12.3
Village Visits			16	5.0	16	4.4
Seattle Maintenance			-	0.0	25	6.8
In Port - Kodiak	Note 1		184	57.5	181	49.5
Total P/V Woldstad			320	100.0%	366	100.0%
Patrol Activities			136	42.5%	160	43.7%
Non-Patrol Activities			184	57.5	206	56.3
Total P/V Woldstad			320	100.0%	366	100.0%

Note 1: P/V Woldstad began patrol operations on August 15, 1982.

(Intentionally left blank)

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

OFFICE OF THE COMMISSIONER

POUCH N
JUNEAU, ALASKA 99811
PHONE:

465-4322

November 15, 1984

RECEIVED
NOV 19 1984
LEGISLATIVE AUDIT

Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit
Pouch W
Juneau, Alaska 99811

Dear Mr. Wilkerson:

RE: Special Report on the Department of Public Safety, Division of Fish & Wildlife, Marine Enforcement

Thank you for the opportunity to reply to your CONFIDENTIAL preliminary audit report. Since several of our comments made in response to your preliminary letter have been incorporated into your report, our reply will be brief.

Recommendation No. 1:

The Division of Fish and Wildlife Protection should review the operations of the Patrol Vessels, Vigilant and Woldstad, to ensure that they are being effectively utilized under the current enforcement plan and analyze alternative approaches to enforcement.

Agree. Major vessel operations will be reviewed and short-run improvements will be implemented immediately, where practicable. The Division of Fish and Wildlife Protection, Marine Enforcement will complete an analysis of alternative approaches to enforcement during FY 86.

Recommendation No. 2:

The Division of Fish and Wildlife Protection should improve its budget projections for the Marine Enforcement Section.

Agree. Assumptions about vessel operating costs have been changed effective with preparation of the FY 85 budget which included $587,000 for diesel fuel costs. This is a reduction of $129,800 from the amount budgeted the previous year. When the FY 86 budget request is presented to the legislature, it will show a further reduction based upon historical data available for budget preparation. Other costs such as sea pay and various supplies are also budgeted on more likely estimates of enforcement activity.

12-L2LH

However, funds ought to be budgeted for planned vessel patrols even though all of those patrols may not be needed by fisheries management. Should the need occur and sufficient funds were not available to protect the renewable fisheries resource, fisheries managers would be inclined to limit or cancel the planned opening because of insufficient enforcement.

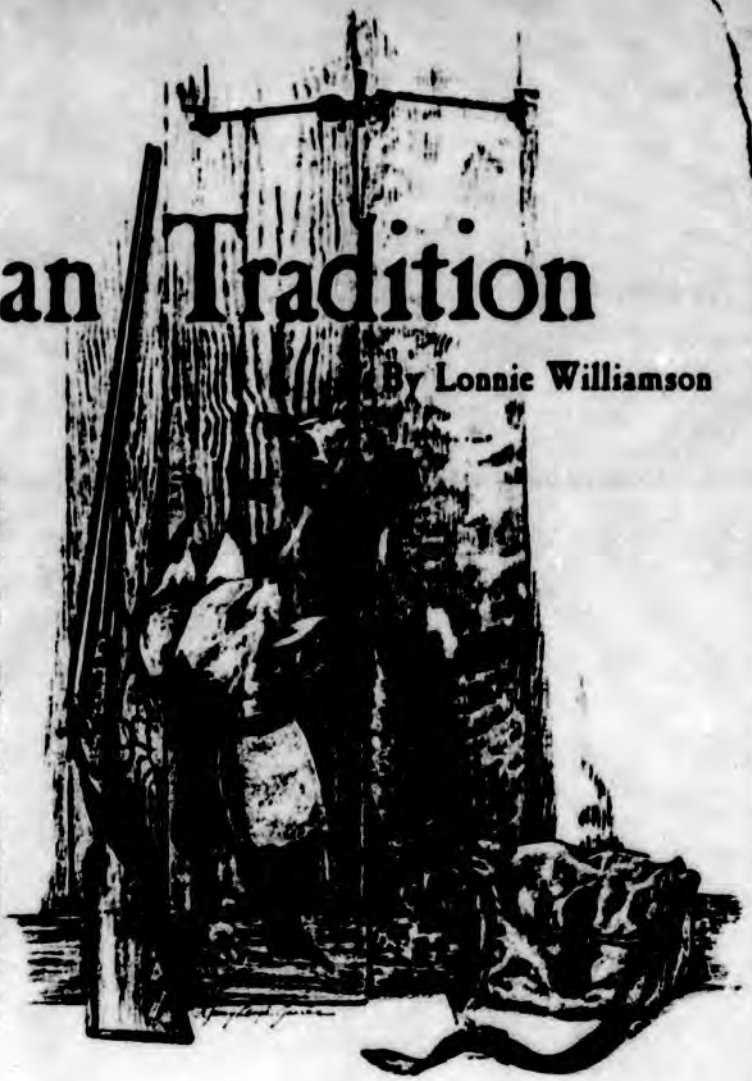
Your analysis is appreciated.

Sincerely,

Robert J. Sundberg
Commissioner

cc: Colonel Robert M. Henderson, Director, Fish & Wildlife Protection

Hunting– An American Tradition



By Lonnie Williamson

Three barefooted and shirtless boys broke through a thicket of young pines on a dead run and dove headlong into a chest-high briar patch alongside an old abandoned farmhouse. They crow-hopped through the blackberry thicket with amazing speed and jumped a wide ditch, landing in a dusty red-clay road. A half-mile sprint from there they were safe in the loft of Joe Sanders' barn.

It was a hot day in Jackson County, Georgia. The mad dash uphill from the Oconee River produced plenty of sweat to mix with blood oozing from scratches made by the red-tipped blackberry briars. The kids, all 12 years old, lay back in Sanders' new-mowed hay to assess the damage. Their feet were cut and bruised, and their upper bodies were raw. There were hundreds of claw-like briars sticking into their flesh. Little blue circles were forming around each one. Bloody sweat ran down the boys' bellies and puddled in their navals. The wounds burned like fire. A bucket of cool water would help douse the pain, but Sanders' well was on the back porch. The boys dared not leave the safety of the barn because game wardens were out there, and maybe close by.

Could the Garcia Decision cripple wildlife law enforcement?

It was night when my buddies and I slipped outside the barn and trudged five miles home to clean up and lie to our mothers about what had happened.

Seining the Oconee River on a steamy July afternoon had seemed like a great idea, even though it was against the law. The water always was muddy from cotton-field and dirt-road runoff. The only fishes abundant in the turbid flow were catfish and carp. But the river was cool and seemed like a good friend. Besides, game and fish laws for some reason weren't like other laws in Jackson County during the 1940s and early 1950s of my youth. Hardworking dirt farmers and sawmillers who wouldn't take 10 cents from a Rockefeller thought nothing about stealing a sack of catfish or rabbits from the general public. And the young towheads in my age group had no problem living with that philosophy.

Seining back then was community recreation, with an assortment of kin and neighbors taking part. The older men would hold the seine while the younger men and boys drove fish, snakes, muskrats, turtles, and whatever else was under the banks and fallen trees into the netting. Everybody converged around the seine at drive's end and lifted.

Fish and turtles were dropped into a burlap bag that usually was dragged along by someone afraid of snakes and reluctant to poke their arms and legs under the riverbanks. The snakes generally slithered through the netting and created a comical, lively dance around the seine as they invariably escaped across someone's legs. No one was interested in muskrats, and they paddled away frantically, diving under something at the first opportunity. It was all great fun, made even more so by the promise of fresh, fried catfish and grits for supper.

So we three striplings had gone seining with the menfolk that July day in 1951. Everyone was having a good time. We were catching fish and enjoying a cool break from the stifling heat. The fish sack was about half-filled when two game wardens appeared on a sandbar and announced their intention to arrest the whole lot.

Everybody in the river froze except the guy holding the sack. He eased the bag underwater and started releasing the fish very slowly. I knew an exodus was at hand.

The wardens finished their preliminaries and asked that we all join them on the sandbar for a discussion of names and addresses. With that, one of the seine holders replied in a very matter-of-fact voice: "Mr. Officer, you're welcome to this seine, but we've got to go." The river exploded. Men and boys popped onto the bank opposite the wardens like penguins boarding an iceberg. Someone

yelled: "Hit the woods and spread out! I'll get the truck! Get home the best way you can!"

One of the wardens was an older fellow; he stood anchored to the sandbar and yelled "Halt!" as we fled the scene. The other, evidently a young recruit, decided that he could wade the river and catch one of the violators. He probably could have if he had chosen the right one. But he happened to pick the three youngsters, probably because we were running together and making the most noise.

The warden didn't have a chance. A 200-pound uniformed officer toting a revolver and used to getting around in a state pickup is no match in a footrace through the piney woods with three barefoot, skinny, scared farm boys.

The "comp time" alternative is at best a halfway measure.

That encounter with law and order was a sobering experience to lads of our age. It convinced us that we were doing wrong, despite tradition. It's something I would rather forget, but can't. Needless to say, neither my buddies nor I went seining again.

It's been a long time since that educational summer day. The Oconee River runs mostly clear now. Pine plantations and fescue pastures have replaced the cotton fields, and most of the dirt roads have been paved. There are large-mouth bass in the river, and more game wardens walk the sandbars to check licenses and ticket violators. There also have been some attitude adjustments among the three briar-patch boys. They grew to respect and support game wardens, conservation officers, and other wildlife law enforcement people. Love for the animals and knowledge of their plight tend to cause that. Furthermore, legal hunting and fishing are much more relaxing.

In the modern, razzle-dazzle world of computerized, statistical analyses of wildlife populations and habitat, many people tend to forget that law enforcement is a basic ingredient of wildlife management. In fact, it was the first ingredient.

The organized system of wildlife management in America today actually began in the mid-1800s. Sportsmen, offended by the uncontrolled killing of wildlife, created numerous game protection associations around the country. By 1900, at least 374 of these self-styled societies had been formed.

This movement spawned state and federal wildlife agencies as well as game laws and regulations. Then came the call for officers to enforce the new rules. Many were hired, and wildlife management was underway. Law enforcement would be the primary focus of game management until the 1930s, when habitat protection and enhancement gained equal status.

Today (according to an independent study by W. Bill Morse, western representative of the Wildlife Management Institute), there are more than 7,100 law enforcement officers working for state fish and wildlife agencies. They make up 32.5% of the agencies' employees and receive 29.7% of the budgeted funds (more than $275 million in 1984). Today's officers reflect this interest and investment. They are better trained and more efficient than their predecessors. However, there are problems, and efforts are underway to solve them.

A 1984 report by the Wildlife Management Institute contained five recommendations for improving state wildlife law enforcement: 1) establish a uniform, computerized record system nationwide so that all information would be readily available to any state; 2) improve planning so that enforcement goals would jibe with agency goals; 3) improve officer safety through in-service training and better supervision; 4) keep enforcement and ecological divisions of agencies in close contact to avoid separatism; and 5) increase pressure on activities that destroy habitat, such as illegal dredge and fill operations.

This is all well and good. But who is going to pay the bill? Better educated, trained, and equipped officers cost more money. The lion's share of enforcement costs is paid by hunting and fishing license receipts. Most state wildlife agencies do not have the authority to increase license fees. They must rely on the legislatures for those increases, which is a hit-and-miss proposition at best. State wildlife budgets have yet to recoup the tremendous losses in real dollars suffered from double-digit inflation during the late 1970s. And to make matters worse, the U.S. Supreme Court has complicated matters.

In February 1985, the Supreme Court issued what is known as the "Garcia Decision." That ruling required that all state and municipal governments abide by overtime pay provisions in the federal Fair Labor Standards Act (FLSA). In essence, that statute requires that employees be paid time-and-a-half for hours in excess of 40 per week.

Realizing the ramifications of this move, wildlife program administrators almost panicked. They visualized the huge overtime bills that would be incurred during peak hunting and fishing seasons, and they had no money with which to pay. Many anticipated a significant reduction in their enforcement effort. Their concerns drifted to Washington, D.C., and Congress has provided a measure of relief.

Urge your state legislature to increase funds for wildlife officers.

President Reagan signed legislation in November 1985 that partially overrode the Supreme Court decision. The new language allows wildlife agencies to give employees time off in lieu of overtime pay. Workers must get one-and-a-half hours of "comp time" for each hour of overtime worked. But any way you cut it, there will be less wildlife law enforcement for the dollar in future years.

The new amendment to FLSA gives state wildlife program administrators until next fall to comply. The big decision between now and then will be whether to reduce law enforcement activities or find more money to continue the current effort. And where will that additional funding come from?

This situation does not reflect negatively on the officers, unions, admi strators or any other group. It is but more evidence of a changing world. No one ever said that success is problem-free.

So far, all groups concerned, except the state legislatures, have reacted in a positive manner to the new era and its new problems. Perhaps it is time for these governing bodies to help by providing the needed funds. Reasonable license fee increases and general revenue support to continue improving wildlife law enforcement programs are not nearly as hard to swallow as grits without fried catfish. ■

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: Feb. 25, 1986 Fish/Wildlife Hearings

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Roland Shanks		ADF&G	Yes	4100
James Vinden	Pouch N 99811	D. of P.S	Yes	4322
Robert Sandberg	Pouch N 99811	D. P.S.	Available for questions	4322
Michael C Kolivosky	5700 Tudor Rd Anch	Alaska State Troopers	yes	269-5511
Robert Henderson	5700 Tudor Rd Anch	Fish + Wildlife Protection	yes	269-5511
John Skan	Box 55 Klawock, AK	Klawock Heenya	yes	755-2[illegible]

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-[illegible]33

HEARING DATE: March 4, 1986 Fish + Wildlife Continued

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Dean Paddock	Bx 312 Jno 99802	Bristol Bay Driftnetters Assn	Yes	789-1411
Jack Cadigan		UFA	Yes	6-2820
KATHY NILES		Public Safety	No	5-4336
JOHN TAYLOR	Box 85 Moose Pass 99631	P.S.E.A.	IF NEEDED	288-3640
Traci Bills	Box Am Juneau	OMB	No	3568
Ron Somerville	3780 McGinnis JNU	Self	No	789-3450
Bob Blake		UFA - CDFU	yes	

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: March 5, 1982 Fish/Wildlife

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
JOHN TAYLOR	Box 85 Moose Pass 9963	PSEA	IF NEEDED	224-3995
Robert Henderson	Anchorage	DPS	yes	269-5509
Dean Paddock	Box 312 Juneau 99802	Bristol Bay Drift netters Assn	If Needed	789-1411
Terry Otness	Box U	San Paul Fisher	No	3791
Jim Vinden	450 Whittier St. 99811	DPS	yes	4322

Alaska State Legislature

House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: April 3 Special Fisheries Fish + Wildlife Enforcement

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Comm. Sandberg				

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 11:12
FROM: LIODJT
SUBJECT: 2/25 FINAL STATS
PRINT DATE: 02/25/86 TIME: 11:12

********** DELTA FINAL STATS **********

SPONSOR: HOUSE SPEC COM ON FISHERIES

SUBJECT: FISH AND WILDLIFE ENFORCEMENT OVERSIGHT

DATE: FEBRUARY 25, 1986

SITE: DELTA

LOCAL MODERATOR: LIZ SARVER

NO PARTICIPANTS

EAGLE:

UNABLE TO TESTIFY DUE TO LACK OF TIME:

1. ROGER DUNBAR, P.O. BOX 143, EAGLE, AK 99738

OBSERVED:
1. DON CHASE, P.O. BOX 64, EAGLE, AK 99738
2. STEVE ULVI, P.O. BOX 94, EAGLE, AK 99738
3. RON SUTTEN, P.O. BOX 64, EAGLE, AK 99738
4. BRUCE COLLINS, P.O. BOX 74680, FAIRBANKS, AK 99701

DELTA: TESTIFIED: 0
OBSERVED: 0
TOTAL: 0

EAGLE: UNABLE TO TESTIFY DUE TO LACK OF TIME: - 1
OBSERVED: - 4
TOTAL: - 5

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 11:14
FROM: LIOKOD
SUBJECT: KODIAK FINAL STATS
PRINT DATE: 02/25/86 TIME: 11:14

*** FINAL T/C STATS ***

DATE: TUESDAY, FEBRUARY 25, 1986
SITE: KODIAK L.I.O.
SPONSOR: HOUSE SPEC. COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE OVERSIGHT
LOCAL MODERATOR: LORNA STEELMAN

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
1. TOM SCHWANTES	BOX 1911, KODIAK 99615	487-2754
2. STEVE REYNOLDS	BOX 1005, KODIAK 99615	486-4121
3. SCOTT GIBBENS	BOX 4214, KODIAK 99615	486-8360
4. DAVE HENLEY	BOX 1545, KODIAK 99615	486-3858
5. DAVID SHRADER	412 WILLOW, KODIAK 996 15	486-5819
6. BOB LOCHMAN	BOX 2023, KODIAK 99615	487-2546
7. DAVE WOODRUFF	105 MARINE WAY, KODIAK 99615	486-5746

TESTIFIED: 0
OBSERVED: 7
TOTAL: 7

TIME START: 8:40AM
TIME END: 10:40AM

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 10:53
FROM: HARRY MANDREGAN
SUBJECT: FINAL STATS T/C 02/25/86
PRINT DATE: 02/25/86 TIME: 10:54

*** FINAL T/C STATS ***

DATE: FEBRUARY 25TH, 1986
SITE: ANCHORAGE, ALASKA
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH & WILDLIFE ENFORCEMENT OVERSIGHT
LOCAL MODERATOR: HARRY TRACY MANDREGAN

TESTIFY:

NAME/REPRESENTING	ADDRESS	PHONE

OBSERVE:	NAME/REPRESENTING	ADDRESS	PHONE
1.	JOSEPH W. CAMPBELL	3835 HAMPTON	269-5751
2.	GOO GALLIS	5922 PROSPERITY ANCHORAGE	338-2589

TESTIFIED: 0
OBSERVED: 2
TOTAL: 2

TIME START: 8:30 AM
TIME END: 10:33 AM

DELIVER TO: LTCJ

ORIGINAL
SENT: 02/25/86 TIME: 11:04
FROM: LIODLG
SUBJECT: 2\25\86 F&W ENFORCEMT OVERST
PRINT DATE: 02/25/86 TIME: 11:06

FINAL STATS

DATE: 2\25\86
SITE: DILLINGHAM
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE INFORCEMENT OVERSIGHT
LOCAL MODERATOR: INEZ WEBB

DILLINGHAM

TESTIFIED:
1.) CALVIN SKONBERG, FARWEST CORP. BOX 2527, KODIAK, AK. 486-5900 (MAY BE 486-5700)
2.) JIM TIMMERMAN, BRISTOL BAY NATIVE ASSOC , BOX 189, DILLINGHAM, AK. 99576 842-5257

UNABLE TO TESTIFY:
1.) LEE GOODMAN, BERING SEA FISHERMENS ASSOC., 817 W. 19TH, ANCHORAGE, AK. 279-6519

OBSERVED:
1.) ROM KMIECIK, DEPT OF PUBLIC SAFETY, FISH AND WILDLIFE PROTECTION, PO BOX 223, DILLINGHAM, AK. 99576 842-5351

TESTIFIED: -2-
OBSERVED: -2-
TOTAL: -4-

NAKNEK

OBSERVED:
1.) RONALD HOOD, BOX 277, KING SALMON, AK. 99613 246-3339
2.) DICK DYKEMA, BOX 272, KING SALMON, AK. 99613 246-3307

TESTIFIED: -0-
OBSERVED: -2-
TOTAL: -2-

EOM

DELIVER TO LTCJ

ORIGINAL
SENT: 02/25/86 TIME: 10:40
FROM: LIOPSG
SUBJECT: SPEC.COMM.FISH-T/C
PRINT DATE: 02/25/86 TIME: 10:43

*** FINAL T/C STATS ***

DATE: FEB. 25, 1986
SITE: PETERSBURG
SPONSOR: SPEC. COMM. ON FISH
SUBJECT: FISH & GAME PROTECTION
LOCAL MODERATOR: DOROTHY PENTTILA

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
--NONE-		
2. LEW BRANTLEY		

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
1. SUE RAFFLEY (KFSK RADIO)	BOX 149	772-3808
2. LEW BRANTLEY	BOX 238	772-4737
3. BRIAN LYNCH	BOX 1247	772-3801

TESTIFIED: 0 TIME START: 8:30
OBSERVED: 3 TIME END: 10:40
TOTAL: 3

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 11:26
FROM: EVELYN JOHNSON
SUBJECT: FINAL T/C STATS
PRINT DATE: 02/25/86 TIME: 11:40

**** FINAL T/C STATS ****

DATE: FEBRUARY 25, 1986
SITE: KETCHIKAN LIO
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE ENFORCEMENT OVERSIGHT
LOCAL MODERATOR: BONNIE POTTER

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

NO PARTICIPANTS IN KETCHIKAN

TESTIFIED: 0
OBSERVED: 0
TOTAL: 0

TIME START: 8:30 AM
TIME END:

AME/REPRESENTING ADDRESS PHONE

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

NO PARTICIPANTS IN KETCHIKAN

TESTIFIED: 0
OBSERVED: 0
TOTAL: 0

TIME START: 8:30 AM
TIME END:

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 11:33
FROM: LIOBET
SUBJECT: FINAL STATS
PRINT DATE: 02/25/86 TIME: 11:33

FINAL STATS

T/C: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE ENFORC. OVERSIGHT
DATE: 2-25-86
SITE: BETHEL

IN BETHEL NO PARTICIPANTS

****
*
* DELIVER TO: LTCJ
*
*
*
* ORIGINAL
* SENT: 02/25/86 TIME: 10:17
* FROM: LIODLG
* SUBJECT: 2\25\86 F&W ENFORCEMENT OVERST
* PRINT DATE: 02/25/86 TIME: 10:22
*
****

**********FINAL STATS
****

DATE: FEBUARY 25, 1986
SITE: DILLINGHAM
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE INFORCEMENT OVERSIGHT
LOCAL MODERATOR: INEZ WEBB

****
DILLINGHAM

TESTIFIED:
1.) CALVIN SKONBERG, FARWEST CORP. BOX 2527, KODIAK, AK. 486-5900 (MAY BE 486-5700)
2.) JIM TIMMERMAN, BRISTOL BAY NATIVE ASSOC. BOX 189, DILLINGHAM, AK. 99576 842-5257

OBSERVED:
1.) RON KMIECIK, DEPT. OF PUBLIC SAFETY, FISH AND WILDLIFE PROTECTION, PO BOX 223, DILLINGHAM, AK. 99576 842-5351

UNABLE TO TESTIFY:
1.) LEE GOODMAN, BERING SEA FISHERMENS ASSOC., 817 W. 19TH, ANCHORAGE, AK. 279-6519

TESTIFIED: -2-
OBSERVED:-2-
TOTAL: -4-

****

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 14:37
FROM: LIOSOL
SUBJECT: FINAL STATS
PRINT DATE: 02/25/86 TIME: 14:38

* * * FINAL STATS * * *

DATE: 2/28/86 2/25
SITE: SOLDOTNA
SPONSOR: HOUSE SPEC. COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE ENFORCEMENT OVERSITE

OBSERVED:
1.CHUCK RODGERS/FWP 265 WEST WILSON LN,SOLDOTNA99669
262-4573
2.JIM EVENSON/UCIDA BOX 324,KENAI,99611 776-8060
3.PHIL GILSON/FWP BOX 3594,SOLDOTNA,99669 262-3124

TOTAL OBSERVED: 3

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 13:28
FROM: TCGLN
SUBJECT: FINAL STATS
PRINT DATE: 02/25/86 TIME: 13:33

LEGISLATIVE TELECONFERENCE NETWORK

F I N A L S T A T S

DATE: 02-25-86
SITE:MODERATOR: GLENNALLEN-REBA
SPONSOR: H S C ON FISHERIES
SUBJECT: FISH AND WILDLIFE ENFORCEMENT

0 TESTIFIED
0 OBSERVED
0 TOTAL

TC BEGAN: XX:XX
TC ENDED: XX:XX
MODERATOR AIN XXXXXXX

NAME-REPRESENTING ADDRESS-PHONE

WE DID NOT SIGN ON.

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/26/86 TIME: 10:00
FROM: LIOVAL
SUBJECT: TC FISH & WILDLIFE
PRINT DATE: 02/26/86 TIME: 11:40

*** FINAL T/C STATS ***

DATE: FEB. 25, 1986
SITE: VALDEZ
SPONSOR: H SPEC COMM ON FISHERIES
SUBJECT: FISH & WILDLIFE ENFORCEMENT
LOCAL MODERATOR: PAT VON BARGEN

TESTIFIED: 0

NAME/REPRESENTING	ADDRESS	PHONE

OBSERVED: 0

NAME/REPRESENTING	ADDRESS	PHONE

TESTIFIED: 0
OBSERVED: 0
TOTAL: 0

TIME START: 8:30 AM
TIME END: ?

NOT ON LINE

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/26/86 TIME: 10:05
FROM: LIOVAL

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 10:16
FROM: LIOBAR
SUBJECT: FINAL STATS
PRINT DATE: 02/27/86 TIME: 10:47

****FINAL STATS****FINAL STATS****FINAL STATS****FINAL STATS*****

BARROW LIO
2/25 AND 2/27/86
HOUSE SPECIAL COMMITTEE ON FISHERIES
FISH AND WILDLIFE ENFORCEMENT
---------- TESTIFY/OBSERVE

BARROW PARTICIPANTS:
1)NO ONE

TESTIFIED: 0 OBSERVED: 0 TOTAL: 0

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 14:39
FROM: FALEENE BIGGS
SUBJECT: FINAL STATS--HAINES LTC
PRINT DATE: 02/25/86 TIME: 14:39

*** FINAL T/C STATS ***

DATE: TUESDAY, FEBRUARY 25, 1986
SITE: HAINES LTC
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH & WILDLIFE ENFORCEMENT OVERSIGHT
LOCAL MODERATOR: ALETA ADKINS

OBSERVED:

1. DAVE NANNEY, P.O. BOX 387, HAINES, AK 99827 766-2763
2. EDNA HALES, P.O. BOX 256, HAINES, AK 99827
3. REBECCA HALES, P.O. BOX 256, HAINES, AK 99827

TESTIFIED: 0
OBSERVED: 3
TOTAL: 3

TIME START: 8:30
TIME END: 10:00

END OF PAGE

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 12:25
FROM: TCMAT
SUBJECT: FNL STTS-CRDVA 2/25 FISHERIES
PRINT DATE: 02/25/86 TIME: 12:25

*** FINAL T/C STATS***

DATE: 2/25/86
SITE: CORDOVA
SPONSOR: H SPEC CMTE FISHERIES, ETC
SUBJECT ENFORCEMENT OVERSIGHT
LOCAL MODERATOR BARCLAY JONES-KOPCHAK

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE

(TWO WHO WERE UNABLE TO TESTIFY TODAY WANT TO THURSDAY)

OBSERVED:

	NAME/REPRESENTING	ADDRESS		PHONE
1.	GERALD MCCUNE	POB 572 CORDOVA	99574	424-3447
2.	JEFF GUARD	POB 815 CORDOVA	99574	424-7750
3.	STANLEY SAMUELSON	POB 936 CORDOVA	99574	424-7714
4.	RONEL STEPHENS	POB 843 CORDOVA	99574	424-7600

TESTIFIED: 0
OBSERVED: 4
TOTAL: 4

TIME START: 8:30 A
TIME END:

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/25/86 TIME: 12:11
FROM: EVELYN JOHNSON
SUBJECT: FINAL T/C STATS
PRINT DATE: 02/25/86 TIME: 12:12

*** FINAL T/C STATS ***

DATE: FEBRUARY 25, 1986
SITE: WRANGELL LTC
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: ENFORCEMENT OVERSIGHT
LOCAL MODERATOR: MABEL FENNIMORE

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

1. BOB RODRIGUES, BOX 1847, WRANGELL 99929 874-2228
2. JIM GOVE, BOX 531, WRANGELL, 99929 874-2381

TESTIFIED: 0
OBSERVED: 2
TOTAL: 2

TIME START: 8:30 AM
TIME END: 10:00 AM

Legislative Information and Teleconference Networks

SIGN-IN SHEET

Date: 2/25

Site/Location: Juneau

Sponsor/Subject: Spec Committee on Fisheries Fish + Wildlife Enforcement oversight

Name/Representing	Address	Phone	Here to Testify	Here to Observe
Rep Goll				
Navarre				
Binkley				
Jenkins				
Thompson				
Marron				
Witness: Commissioner –				
Deputy Com. Vadan				
Director Henderson				
Roland Shanks Dept of Fish + Game				
Colonel Henderson				
John Sean from Klawok				
Observers: ~~18~~ 24				
Calvin Skonberg - Chignik				
486-5900				

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/26/86  TIME: 12:48                               *
* FROM:          TCFBX                                               *
* SUBJECT:       2\25 - HSC FISHERIES - T/C                          *
* PRINT DATE:    02/26/86  TIME: 12:49                               *
*                                                                    *
**********************************************************************
```

FINAL T/C STATS

DATE: 2\25\86
SITE: FAIRBANKS, AK MODERATOR PAULA GRAY

SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE ENFORCEMENT OVERSIGHT

NAME/REPRESENTING	ADDRESS	PHONE
TESTIFIED:		
1. BRANDON ANDERSON	P.O. BOX 82301, FBKS, 99708	479-3320
OBSERVED		
1. TERRY JORDON	73 RANGEVIEW DR, FBKS, 99705	488-2970
2. TED RUDDELL	521 PANORAMA DR, FBKS, 99701	457-7560
3. RON SILAS	201 1ST. AVE, FBKS, 99701	452-8251
4. OSCAR FRANK	201 1ST. AVE, FBKS, 99701	452-8251
5. MITCH DEMIENTIEFF	1300 COLLEGE, FBKS, 99709	479-6211
6. PHILIP TITUS	GEN DEL.,MINTO, 99758	NONE

TESTIFIED: 1 TIME START: 8:30 A.M. TIME END: 10:00 A.M.

OBSERVED: 6
TOTAL: 7

```
*****************************************************************
*                                                               *
* DELIVER TO: TCJNU                                             *
*                                                               *
*                                                               *
* ORIGINAL                                                      *
* SENT:          02/25/86  TIME: 14:37                          *
* FROM:          LIOSOL                                         *
* SUBJECT:       FINAL STATS                                    *
* PRINT DATE:    02/26/86  TIME: 11:35                          *
*                                                               *
*****************************************************************
```

* * * FINAL STATS * * *

25

DATE: 2/28/86
SITE: SOLDOTNA
SPONSOR: HOUSE SPEC. COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE ENFORCEMENT OVERSITE

OBSERVED:
1.CHUCK RODGERS/FWP 265 WEST WILSON LN,SOLDOTNA99669
262-4573
2.JIM EVENSON/UCIDA BOX 324,KENAI,99611 776-8060
3.PHIL GILSON/FWP BOX 3594,SOLDOTNA,99669 262-3124

TOTAL OBSERVED: 3

```
*****************************************************************
*                                                               *
```

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/25/86  TIME: 14:37                               *
* FROM:          LIOSOL                                              *
* SUBJECT:       FINAL STATS                                         *
* PRINT DATE:    02/26/86  TIME: 11:35                               *
*                                                                    *
**********************************************************************

                        * * * FINAL STATS * * *

DATE:   2/28/86
SITE:   SOLDOTNA
SPONSOR:  HOUSE SPEC. COMMITTEE ON FISHERIES
SUBJECT:  FISH AND WILDLIFE ENFORCEMENT OVERSITE

OBSERVED:
1.CHUCK   RODGERS/FWP        265   WEST   WILSON  LN,SOLDOTNA99669
262-4573
2.JIM EVENSON/UCIDA     BOX 324,KENAI,99611      776-8060
3.PHIL GILSON/FWP     BOX 3594,SOLDOTNA,99669      262-3124

TOTAL  OBSERVED:  3

**********************************************************************
*                                                                    *
```

TO Rep. Goll

C - 17

attn: Sharon

```
*****************************************
*                                       *
* DELIVER TO: TCJNU                     *
*                                       *
*                                       *
* ORIGINAL                              *
* SENT:          02/28/86  TIME: 17:08  *
* FROM:          LIODJT                 *
* SUBJECT:       2/27 FINAL STATS       *
* PRINT DATE:    02/28/86  TIME: 17:08  *
*                                       *
*****************************************
```

********** DELTA FINAL STATS **********

SPONSOR: SPEC COM ON FISH.

SUBJECT: FISH AND WILDLIFE ENFORCEMENT OVERSIGHT

DATE: FEBRUARY 27, 1986

SITE: DELTA

LOCAL MODERATOR: LIZ SARVER

UNABLE TO TESTIFY DUE TO LACK OF TIME:
1. JANE GOODMAN, P.O. BOX 1108, DELTA JCT., AK 99737
2. STEVE DEWAR, P.O. BOX 293, DELTA JCT., AK 99737 895-4543

OBSERVED:
1. DEAN CUMMINGS, P.O. BOX 862, DELTA JCT., AK 99737 895-4619
2. D.W. BUNSELEMEIER, P.O. BOX 465, DELTA JCT., AK 99737

EAGLE:

TESTIFIED:
1. ROGER DUNBAR, P.O. BOX 143, EAGLE, AK 99738

	UNABLE TO (DUE TO LACK OF TIME)	
DELTA:	TESTIFY :	2
	OBSERVED:	2
	TOTAL:	4
EAGLE:	TESTIFIED:	- 1
	OBSERVED:	- 0
	TOTAL:	- 1

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 15:55
FROM: EVELYN JOHNSON
SUBJECT: HYDER/UFO STATS
PRINT DATE: 02/27/86 TIME: 15:56

*** FINAL T/C STATS ***

DATE: FEBRUARY 27, 1986
SITE: HYDER, ALASKA (NOTE: UFO SITE)
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: ENFORCEMENT OVERSIGHT/FISH & WILDLIFE
LOCAL MODERATOR: DON HAGEN(GENERAL DELIVERY)99923

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

NOTE: ALL PERSONS WERE UNABLE TO TESTIFY.
1. LAWRENCE MAX
2. DAVID DOYLE
3. WILLIAM HEAPE
4. TONY TOPPA
5. DEAN MASHINTER

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

TESTIFIED: 5 UNABLE TIME START: 9:30 AM
OBSERVED: 0 TIME END: 10:45 AM
TOTAL: 5

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 10:50
FROM: EVELYN JOHNSON
SUBJECT: T/C STATS/FISHERIES
PRINT DATE: 02/27/86 TIME: 11:05

*** FINAL T/C STATS ***

DATE: FEBRUARY 27, 1986
SITE: KETCHIKAN LIO
SPONSOR: HOUSE SPECIAL COMM ON FISHERIES
SUBJECT: ENFORCEMENT OVERSIGHT/FISH AND WILDLIFE
LOCAL MODERATOR: BONNIE POTTER

TESTIFIED:

NOTE: UNABLE TO TESTIFY	NAME/REPRESENTING	ADDRESS	PHONE
1.	D. AUSTIN MCKINNEY	BOX 540, KTN 99901	225-6255

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
1. AL CAIN	ROUTE 1-BOX 394-E, KTN 99901	225-4076

TESTIFIED: (UNABLE)1
OBSERVED: 1
TOTAL: 2

TIME START: 8:40 AM
TIME END: 10:20 AM

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 11:13
FROM: HARRY MANDREGAN
SUBJECT: FINAL STATS T/C 02/27/86
PRINT DATE: 02/27/86 TIME: 11:15

*** FINAL T/C STATS ***

DATE: FEBRUARY 27TH, 1986
SITE: ANCHORAGE, ALASKA
SPONSOR: HOUSESPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE ENFORCEMENT OVERSIGHT
LOCAL MODERATOR: HARRY TRACY MANDREGAN

TESTIFY:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	JOHN DURKIN	BOX 140752 ANCHORAGE 99514	337-1593
2.	BOB PIAZZA	801 WEST FIREWEED LANE #201	276-6464

OBSERVE:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	CHRISTINE/GEORGE GALLIS	5922 PROSPERITY 99504	338-2589
2.	JOSEPH W. CAMPBELL	3835 HAMPTON DRIVE 99504	337-5755
3.	SCOTT W. JONES	5645 CHILKOOT CT. 99504	333-1168
4.	ROD MILLS	S.R.1-B, BOX 1721 E.R.,AK. 99577	694-2022
5.	LAMA BLISS (KIMO)	2700 EAST TUDOR	561-1313
6.	J.R. NUTGRASS/OPS-FWP	TUDOR RD. ANCHORAGE	269-5589
7.	KIMO TV CAMERA MAN		561-1313

TESTIFIED: 2
OBSERVED: 8
TOTAL: 10

TIME START: 8:30 AM
TIME END: 10:05 AM

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 11:04
FROM: EVELYN JOHNSON
SUBJECT: T/C STATS/FISHERIES/WRG
PRINT DATE: 02/27/86 TIME: 11:14

*** FINAL T/C STATS ***

DATE: FEBRUARY 27, 1986
SITE: WRANGELL LTC
SPONSOR: HOUSE SPECIAL COMM ON FISHERIES
SUBJECT: ENFORCEMENT OVERSIGHT
LOCAL MODERATOR: MABEL FENNIMORE

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
1. BOB RODRIGUES	BOX 1847, WRG 99929	874-2228
2. JIM GOVE	BOX 531, WRG 99929	874-2381

TESTIFIED: 0
OBSERVED: 2
TOTAL: 2

TIME START: 8:30 AM
TIME END: 10:20 AM

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 11:33
FROM: LIOKOD
SUBJECT: SAND POINT FINAL STATS
PRINT DATE: 02/27/86 TIME: 11:44

*** FINAL T/C STATS ***

DATE: FEBRUARY 27, 1986 - THURSDAY
SITE: SAND POINT TELECONFERENCE CENTER
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: FISH AND WILDLIFE OVERSIGHT
LOCAL MODERATOR: SUSANSPARGO

PARTICIPANTS:
NAME/REPRESENTING ADDRESS PHONE

"THESE PEOPLE WANTED TO TESTIFY BUT WERE NOT CALLED ON"

1. MARTIN SPARGO, BOX 35 SAND POINT, 99661, 383-3788
2. MARIE OSTERBACH, BOX 156 SAND POINT, 99661, 383-2363

TO OBSERVE ONLY:
NAME/REPRESENTING ADDRESS PHONE

1. DAN DUNAWAY, BOX 127 SAND POINT, 99661, 383-2066

TESTIFIED: 0
OBSERVED:
TOTAL: 3

TIME START: 8:30AM
TIME END: 10:05AM

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 12:04
FROM: TCMAT
SUBJECT: FNL STTS M-S 2/27 F&G
PRINT DATE: 02/27/86 TIME: 12:14

*** FINAL T/C STATS***

DATE: 2/27/86
SITE: M-S LIO
SPONSOR: H/SPEC CMTE
SUBJECT ENFORCEMENT OVERSIGHT
LOCAL MODERATOR JUDY MATHIS

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE
1. JACK JORDAN, F&G 453 SO. VALLEY WAY PALMER 99645 745-2131

TESTIFIED: 0
OBSERVED: 1
TOTAL: 1

TIME START: 8:30
TIME END:

```
**********************************************************************
*                                                                    *
* DELIVER TO:  TCJNU                                                 *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/27/86  TIME: 10:35                               *
* FROM:          TCGLN                                               *
* SUBJECT:       FINAL STATS - FISHERIES                             *
* PRINT DATE:    02/27/86  TIME: 10:50                               *
*                                                                    *
**********************************************************************
```

LEGISLATIVE TELECONFERENCE NETWORK

F I N A L S T A T S

****

DATE: 02-27-86
SITE MODERATOR: GLENNALLEN-REBA
SPONSOR: H S C ON FISHERIES
SUBJECT: FISH & WILDLIFE ENFORCEMENT

0 TESTIFIED
0 OBSERVED
0 TOTAL

TC BEGAN: XX:XX
TC ENDED: XX:XX
MODERATOR @IIN XXXXXXX

****

NAME-REPRESENTING ADDRESS-PHONE

****

DID NOT SIGN ON.

```
*****************************************************
*                                                   *
* DELIVER TO: TCJNU                                 *
*                                                   *
*                                                   *
* ORIGINAL                                          *
* SENT:          02/27/86  TIME: 10:28              *
* FROM:          ELAINE SUNDE                       *
* SUBJECT:       SPEC COMM FISH-2/27 FINAL          *
* PRINT DATE:    02/27/86  TIME: 10:50              *
*                                                   *
*****************************************************
```

TO MODERATOR
FR ELAINE, SITKA

FINAL STATS, 2/27 SPEC. COMM/FISHERIES

SITKA:

WAITING TO TESTIFY (WILL RETURN TUESDAY):
1. BRUCE LESTER, 747-3254

OBSERVING:
1. R. YOUNG, 747-3254

HAINES:

TESTIFIED:
1. DAVE NANNEY, BOX 387, HAINES

OBSERVING:
1. EDNA HALES, BOX 256
2. SIMONE CARDER, BOX 101, HAINES

KAKE :

TESTIFIED:
1. BILL CHENEY, MAGISTRATE, KAKE
2. ALBERT DAVIS, BOX 231, KAKE
3. LONNIE ANDERSON, KAKE

KLAWOCK:

TESTIFIED:
1. JAMES MARTINEZ, KLAWOCK

OBSERVED:
1. WILLIAM WOODS
2. ROBERT GEORGE JR.
3. (MODERATOR DID NOT GET 3RD OBSERVER'S NAME...WILL SEND LATER.)

TOTALS:
TESTIFIED = 5
UNABLE TO TESTIFY = 1
OBSERVING = 6

THERE WERE NO OTHER DISTRICT 2 VIS MODERATORS ON LINE.

---

* SENT: 02/27/86 1:46:11 *
* FROM: LIOKOD *
* SUBJECT: KODIAK FINAL STATS *
* PRINT DATE: 02/27/86 TIME: 11:27 *
*

***

```
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/27/86  TIME: 14:05                               *
* FROM:          TCFBX                                               *
* SUBJECT:       2/27 HSP FISH, ENFORCE                              *
* PRINT DATE:    02/27/86  TIME: 14:05                               *
*                                                                    *
**********************************************************************
```

FINAL T/C STATS

DATE: 2/27/86_____
SITE: FAIRBANKS_____MODERATOR__MAXINE_WALION___

SPONSOR:____HOUSE SPECIAL COMMITTEE ON FISHERIES_____
SUBJECT:____FISH & WILDLIFE ENFORCEMENT OVERSITE_____

NAME/REPRESENTING	ADDRESS	PHONE
TESTIFIED:		
OBSERVED		
1. OSCAR FRANK, JR.	320 2ND AVE, FBX 99701	452-8251
2. RON SILAS	201 1ST AVE, FBX 99701	452-8251
3. TERRY JORDAN	73 RANGEVIEW DR, FBX 99705	488-2970
4. TED RUDDELL	521 PANARAMA DR, FBX 99712	457-7500
5. BRANDON ANDERSON	P.O. BX 82301, FBX 99708	479-3320
6. JOE ABRAMS	2999 DYKE RD., NTH POLE, 99705	488-1534
7. TRUDY CAIN	2290 YANKOVICH, FBX 99709	452-1545

TESTIFIED: _____ TIME START: 8:30 AM TIME END: 10 AM__

OBSERVED: __7_____
TOTAL: _____

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 11:58
FROM: TCMAT
SUBJECT: FNL STTS CORDVA 2/27 F&G
PRINT DATE: 02/27/86 TIME: 11:58

*** FINAL T/C STATS***

DATE: 2/27/86
SITE: CORDOVA
SPONSOR: H SPEC CMTE
SUBJECT ENFORCEMENT OVERSIGHT
LOCAL MODERATOR BARCLAY JONES-KOPCHAK

TESTIFIED:

	NAME/REPRESENTING		ADDRESS		PHONE
1.	JERRY MCCUNE	POB 372	CORDOVA	99574	424-3447

OBSERVED:

	NAME/REPRESENTING		ADDRESS		PHONE
1.	ROY VANDERPOOL, F&W	POB 283	CORDOVA	99574	424-3138
2.	JEFF GUARD	POB 375	CORDOVA	99574	424-7750
3.	JOHN E GRAHAM	POB 1067	CORDOVA	99574	424-7396
4.	TABOR ASHMENT	POB 789	CORDOVA	99574	424-7327

TESTIFIED: 1
OBSERVED: 4
TOTAL: 5

TIME START: 8:30
TIME END:

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 11:47
FROM: TCMAT
SUBJECT: FNL STTS SWD 2/27 F&G
PRINT DATE: 02/27/86 TIME: 11:47

*** FINAL T/C STATS***

DATE: 2/27/86
SITE: SEWARD
SPONSOR: H/SPEC CMTE
SUBJECT ENFORCEMENT OVERSIGHT
LOCAL MODERATOR VICKY

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
1. JOHN TAYLOR, PSEA	POB 85 MOOSE PASS 99631	288-3640

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE

TESTIFIED: 1
OBSERVED: 0
TOTAL: 1

TIME START: 8:30
TIME END:

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/27/86 TIME: 13:44
FROM: LIOVAL
SUBJECT: T/C FISH AND WILDLIFE
PRINT DATE: 02/27/86 TIME: 13:57

*** FINAL T/C STATS ***

DATE: FEB. 27, 1986
SITE: VALDEZ
SPONSOR: H. SPEC. COMM. ON FISHERIES
SUBJECT: FISH & WILDLIFE ENFORCEMENT
LOCAL MODERATOR: PAT VON BARGEN

TESTIFIED: 0
NAME/REPRESENTING ADDRESS PHONE

OBSERVED: 0
NAME/REPRESENTING ADDRESS PHONE

TESTIFIED: 0
OBSERVED: 0
TOTAL: 0

TIME START: 8:30 AM
TIME END: ?

NOT ON LINE

****

FINAL STATS

HOUSE SPECIAL COMMITTEE ON FISHERIES-FISH AND WILDLIFE ENFORCEMENT OVERSIGHT

DATE: FEBRUARY 27, THURSDAY AT 8:30 - 10 AM

SITE: DILLINGHAM LIO

OBSERVED:

1. JIM TIMMERMAN, BRISTOL BAY NATIVE ASSOCIATION, DILLINGHAM, AK. 99576 - PH-842-5257

2. VAL ANGASAN, DILLINGHAM, ALASKA 99576

NAKNEK LTC

OBSERVED:

1. DICK DYKEMA, FISH AND WILDLIFE ENFORCEMENT, KING SALMON, ALASKA

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/28/86  TIME: 10:38                               *
* FROM:          LIOSOL                                              *
* SUBJECT:       FINAL STATS                                         *
* PRINT DATE:    02/28/86  TIME: 10:39                               *
*                                                                    *
**********************************************************************

                    * * * FINAL STATS * * *

DATE:  2/27/86
SITE:  SOLDOTNA
SPONSOR:  HOUSE SPECIAL FISHERIES COMMITTEE
SUBJECT:  FISH AND WILDLIFE ENFORCEMENT OVERSIGHT

TESTIFIED:
1.WENDELL JONES      BOX 844,SOLDOTNA,AK 99669      262-7175
2.DON ROBERTS      BOX 364,ANCHOR POINT,AK 99669
3.JIM EVENSON      BOX 324,KENAI,99611
4.BILL HOLT      RT.2 #715,KASILOF      283-7260

OBSERVED:
1.CHUCK RODGERS      43725 ROSS DR.,SOLDOTNA,99669      262-5547
2.PHILLIP GILSON      BOX 3594,SOLDOTNA,99669      262-3124
3.WELDON MARTIN      BOX 247,SOLDOTNA,99669      262-4573
4.MIKE POSCOVINS      845 SAND DOLLAR DRIVE,KENAI,99611
283-9523


TOTAL TESTIFIED:  4
TOTAL  OBSERVED:  4
          TOTAL:  8
```

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: February 27, 1986 Fish + Wildlife Hearings

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Jim Vadon	450 Whittier 99811	Dept. of Public Safety	Available	465-4322
Col Mike Kolivosky	5700 Tudor Rd 99503	Alaska State Troopers	for	269-5511
Col Robert Henderson	5700 Tudor Rd 99503	Fish + Wildlife Protection	questions	269-5511
Ed Grasser		Rep Ron Larson	Yes	3727
Dean Paddock	P.O. Box 194, King Salmon	Bristol Bay Drift net Hens Assn	yes	789-4411
Jack Cadigan	UFA	UFA	Yes	6-2820

ATTACHMENT NUMBER SIX

DETAILED COMMENTS SUBMITTED BY THE
DIVISION OF FISH AND WILDLIFE PROTECTION

29/9
VACANCIES
blue/BROWN
1.4 ALL BLUE (11)

BILL SHEFFIELD, GOVERNOR

Robert J. Sundberg
Commissioner

P.O. BOX 6188 ANNEX
ANCHORAGE, ALASKA 99502
PHONE:

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FISH & WILDLIFE PROTECTION

January 2, 1986

Representative Peter Goll
Chairman, Special Committee on Fisheries
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

Thank you for your recent letter concerning Fish & Wildlife Protection resources and performance.

It appears that you have several questions, which I would like to answer in the form of a summary, and then elaborate on the details. The summary is provided since some of the questions ask for a considerable amount of detailed information.

I hope that the enclosed report and appendix will answer the questions and concerns expressed in your letter.

If you have any further questions or if I can be of further service please do not hesitate to contact me.

Sincerely,

Robert M. Henderson

Col. Robert M. Henderson
Director

Reply to Representative Goll:
Chairman, Special Committee on Fisheries
Communication of December 5, 1985

Summary

1. Is there adequate enforcement on the hunting and fishing grounds?

This is primarily a question that depends on public policy and the perceived value of law enforcement vs. cost. Although this is a question that must be answered by your committee and other public officials, I can perhaps assist by giving my professional opinion, and by quoting some results of a public survey recently completed.

In my opinion there is generally adequate enforcement on a statewide basis. Even with three times the budget and personnel, not every area could have year-round complete enforcement coverage.

This Division must work with the Department of Fish & Game to provide adequate enforcement for Alaska wildlife and fisheries activities. For this reason I have made a special effort to communicate with, and cooperate with, the management of that department.

This effort began over two years ago with personal communications and meetings. Since the first budget I prepared for the Division, also more than two years ago, this cooperation has been the most important management goal of the Division.

2. Does Fish & Wildlife Protection have sufficient resources to deal with the state's population growth and needs of the seafood industry?

Yes. The Governor's budget will answer the Division's needs for Fiscal Year 1987, assuming Legislative support for certain modifications to current laws on commercial fishing penalties. While there are some specific possible uses for additional funding, such funding may not be as important in the overall picture as support for the legislation.

3. Have Division enforcement efforts been consistent?

Enforcement emphasis and priority must change as required by outside events. These events include new or different resource management priorities by the Department of Fish and Game, shifting state population, and changes in laws. This type of change is considered good management practice in all enforcement agencies.

During Fiscal Year 1985 the Division spent the following percentages of time in protection activities:

Percent of patrol time		Percent of investigative time	
Game	32%	Game	38%
Sport Fish	16%	Sport Fish	3%
Commercial Fish	37%	Commercial Fish	25%
Guiding	2%	Guiding	13%
	87		79

An additional 7% of patrol and investigative hours combined was devoted to general criminal law enforcement and traffic. Some of this time was "returned" by troopers from AST assisting in wildlife and fishery work.

4. Have Division personnel been adequately trained to deal with complex enforcement issues?

To meet the standards imposed by Alaska courts and the exceptionally high values of the wildlife and fisheries resources in Alaska, enforcement officers must be well trained. Successful prosecutions under Alaskan conditions require officers to have about seventy-five percent law-enforcement knowledge and skill and twenty-five percent outdoor and fish and game knowledge or skill.

The Department of Public Safety is currently training both Fish & Wildlife Protection and Alaska State Troopers Division personnel in specific fish and game enforcement techniques.

5. What were the results of the increased enforcement efforts in the Bristol Bay fishery?

People in the area noticed and appeared pleased by the additional enforcement.

Over 170 citations were issued, with 95 for fishing in closed waters. Four vessels were seized, and two have already been

forfeited to the state. By the end of the fishing period, 65 defendants had pled guilty or no contest. Total fines and forfeitures of fish were $212,300 by the end of the fishing period.

6. What are the total budget and personnel amounts for the Division for the past ten years?

The authorized funding in the operating budget for FY-86 is $13,412,000. In each of the past three years (FY-83 through FY-85) the amount actually expended from the operating budget has been approximately $13,400,000. The largest yearly increases in expended funds occurred in FY-81 and FY-82, with each year being approximately $2,000,000 higher than the year before.

In FY-76, operating budget expenditures totaled $5,000,000.

Authorized personnel figures for FY-86 show 139 permanent full-time and 36 seasonal employees. There are fewer positions in FY-86 than during the most recent preceding years.

In FY-76 there were 104 permanent full-time and 9 seasonal employees authorized.

Not all of these positions were filled in any year, of course, due to the assigned vacancy factors for each budget period.

7. What revenues do Division enforcement efforts bring into the state treasury, including confiscated fish, gear and vessels?

For cases initiated during Calendar Year 1984, total fines were $1,018,480. Of this total, $554,635 was actually to be paid, and the rest was suspended by the courts. Approximate fines for game were $177,000; for commercial fishing, $632,000; and for sport fishing $158,000.

Total fines were also over $1,000,000 for Calendar Years 1983 and 1982.

Total fines for cases initiated in FY-76 were $429,000.

These amounts do not include large civil settlements, such as the Baranof case, which was just settled after five years for a total of $200,000.

8. What is the Division's role in enforcement of habitat protection standards, especially relating to anadromous salmon streams?

Fish & Wildlife Protection regularly brings charges for pollution of, or interference with, streams, including anadromous fish streams. These cases are not discovered or brought to our attention in large numbers, but they involve violations of the law, and are enforced by the Division.

Reply to Representative Goll:
Chairman, Special Committee on Fisheries
Communication of December 5, 1985

Detailed answers to questions

1. Is there adequate enforcement on the hunting and fishing grounds?

I believe that there is adequate enforcement if considered on a statewide basis. Not every area in every season will receive full attention, as adjustments are made on the basis of priorities and changing conditions.

I regard it as essential that this Division work closely with the Department of Fish & Game. For that reason, since I assumed the position as Director, I have made special efforts to ensure that this took place.

Please see the appendix for letters to the Department of Fish and Game management and to Division personnel concerning the designation of high priority areas, hunts, or fisheries to be patrolled by Fish & Wildlife Protection.

The Division's most important management goal, from the first budget I prepared to the present one, states the following:

> Effective enforcement must be used to the maximum extent possible to protect fish and wildlife resources from major harmful impact.
>
> Certain species, in certain areas, are more in need of enforcement action to protect future stocks and accomplish Alaska's resource goals. I have asked officials of the Department of Fish and Game to assist in establishing these high priority areas. During this current fiscal year at least 30 priority areas, including special hunts, or fisheries, or geographic areas, will get special attention.

The following excerpts from Commissioner's Monthly Highlight Reports show that this extra cooperative effort is not just recent, but dates from 1983. Troopers at individual posts have been working closely with many area biologists for many years.

Commissioner's Monthly Highlight Report 12/5/83:
"B" Detachment - Juneau:
Our Detachment's primary activity during the month of November was the opening of the winter commerical king crab fishery in northern Southeast. **With the assistance of the P/V Trooper and two ADF&G vessels** plus Detachment vessels and aircraft our officers put considerable enforcement effort into this fishery. Over fifty commercial crab pots were seized and numerous citations were issued. The opening of the fishery went off smoothly and without any problems. Plans are now being formulated for coverage of the commercial tanner crab season beginning on February 10, 1984.

Commissioner's Monthly Highlight Report 3/2/84:
"B" Detachment - Juneau:
During the month of February "B" Detachment **Headquarters personnel met with all of the regional biologists for both the Sport Fish Division and Commercial Fisheries Division** at two separate meetings in Juneau. Both meetings were very beneficial towards improving working relationships and communications between ADF&G and FWP.

Commissioner's Monthly Highlight Report 11/2/84:
"B" Detachment - Juneau:
During October "B" Detachment's major enforcement efforts focused on the commercial king crab opening. **A minimum of four patrol vessels including the use of ADF&G's research vessel, Steller,** were utilized along with the Grumman Goose aircraft. Unlike in the past the opening went relatively smoothly and with a minimum of violations. Patrols will be continuing into the other months for coverage of the commercial king and dungeness crab fisheries and deer hunting and trapping patrols.

2. Does Fish & Wildlife Protection have sufficient resources to deal with the state's population growth and needs of the seafood industry?

I believe that the Governor's budget provides sufficient funding for FY-87.

Perhaps more important than any additional funding is legislative support for two changes to current penalties for commercial fishing offenses.

At the present time, most commercial fishing violations are misdemeanor crimes, involving potential imprisonment. If these

offenses simply had a high maximum fine, perhaps $15,000, and no possible jail time, the legal principle of "strict liability" would apply. This would assist in bringing cases to court in light of recent court decisions.

Limited entry permits could have a point system, similar to the present driver's license system. This would involve eventual loss of property rights in valuable permits for persistent violators, and take away some of their inducement to try to "beat the system" and then sell the permit.

Another important way of assuring adequate resources for enforcement is to make the best use of those available.
Another of my management goals is:

> Fish and wildlife resource laws must be enforced while maintaining the most effective cost/benefit ratio.

The workload distribution between regions of the state will be monitored to ensure the best use of personnel. Using techniques developed by a researcher in fish and wildlife enforcement, data is being gathered from all areas of the state to show how much activity there is in each area. Indicators used in the computer program include area population, road mileage, number of resource user days spent, total patrol area, and miles of navigable rivers.

The Division continues to support cross-training, which means that Troopers from AST are being trained to do wildlife work, and Troopers from FWP are receiving training in work normally handled by the Alaska State Troopers.

> Commissioner's Monthly Highlight Report 8/2/83:
> "E" Detachment - Kodiak:
> The two Fish and Wildlife Officers in Dutch Harbor are in a transition period preparing to assume AST duties in that geographical area, in addition the AST Officer in Sand Point is now assuming a dual role in that he is handling FWP cases in the area.

If the Department of Public Safety were to place commissioned personnel from both divisions in eighteen posts where now only one Division is represented, costs would exceed $1.5 million. By having the most appropriate division at those locations, but able to handle other work as needed, more attention can be given to the highest priorities statewide.

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1240 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

The Division is completing the process of converting seasonal positions to the more highly-trained and cost-effective Fish and Wildlife Enforcement Officers. Qualifications for these positions include law enforcement training and experience.

Another way of stretching resources is to gain public assistance for those offenses which take place in remote areas or with such care that the Division does not ordinarily become aware of them. This principle is behind Division support of Wildlife Safeguard.

Wildlife Safeguard, a program for collecting information about the most serious violations, is working well and is being assisted by the Division.

Wildlife Safeguard offers rewards for reports of major wildlife and fishery resource violations. These rewards are paid when a defendant is charged, and the money comes from public donations. The program is administered by a citizen Board of Directors, with the Division providing a toll-free telephone reporting system and investigating leads furnished by the public.

Activities of the Fish and Wildlife Safeguard program from January 1 to October 31, 1985.

We have logged 91 possible cases from information received on our Zenith 3377 hotline. This is not the total number of calls received. This number represents only those calls where a possible violation was involved. The other calls, which are not logged, are people asking questions on regulations, fishing forecasts, etc.

Wildlife Safeguard telephone calls:

Same day airborne	1
Illegal moose	23
Illegal bear	7
Illegal deer	2
Illegal sheep	3
Illegal caribou	3
Illegal sea otter	2
Illegal crab(Commercial fishing)	4
Illegal salmon(Commercial fishing)	2
Illegal halibut(Commercial fishing)	1
Illegal shrimp	3
False statement on license or permit	9
Motorized vehicle in closed area	1
Illegal waterfowl	1
Snagging(S/F)	3

Illegal wolves.....1
Illegal trapping.....1

There are currently 21 cases pending or still being investigated. We have six cases pending review by the state board and under consideration for a reward. So far $1,000 has been paid out in rewards for 1985 cases.

3. Have Division enforcement efforts been consistent?

Enforcement location, emphasis, and priority must change as required by outside events. These changes are dictated by improvement or decrease of certain species, whether particular populations are in critical need of protection, or where people believe increased enforcement is necessary for their economic well-being.

Personnel permanent and temporary locations are changed, and Division priorities shifted, as the need becomes clear. Management priorities based on information from the Department of Fish & Game are taken into account, as discussed in question 1, above.

The following activity table is derived from individual Troooper activity reports that are completed on a monthly basis.

Statewide Activity Comparison

All figures show percent of patrol or investigation hours worked by field personnel

	FY-81	FY-82	FY-83	FY-84	FY-85
Patrol					
Game	33.4	33.9	30.1	31.7	32.2
Sp.Fish	19.2	16.6	16.5	15.8	16.2
Com.Fish	31.8	35.2	43.1	37.7	37.3
Guiding	2.3	2.5	1.3	2.0	1.6
Investigation					
Game	42.7	36.7	35.2	32.4	37.5
Sp.Fish	3.3	3.4	2.8	3.2	2.5
Com.Fish	25.7	26.4	29.3	22.6	25.9
Guiding	19.7	27.7	16.7	14.7	12.5

Violation Rate Trend

During FY-85 there was a continuation of the upward trend in the violation rate for wildlife and fishery offenses. The violation rate was 27% higher in FY-85 than in FY-81 (9.8% vs. 7.7%). This rate is the percentage of people contacted who were found to be in violation and either warned or cited.

The significance of this upward trend is that it has continued every year since 1981. The figures are based on approximately 260,000 people contacted in the field, and account for more than 23,000 citations and warnings.

Although some of the increase may have resulted from improved performance by the Division or changes in reporting guidelines, it appears that there may be an actual increase in the violation rate. The violation rate can be considered as a "crime rate" figure for wildlife violations. Since so many wildlife violations are not discovered or reported by citizens, it could be misleading simply to use reported violations as with other types of crimes.

During the same years the number of resource user contacts has ranged from 61,000 to 48,000 per year. The number of violations has varied within a range of 3,700 to 5,600 per year. The violation rate, unlike total contacts or violations, has not gone down in any year when compared to the previous year.

Please refer to the graph of the violation rate increase in the appendix.

4. Have Division personnel been adequately trained to deal with complex enforcement issues?

Many cases handled by Division Troopers involve judgment about legal evidence, probable cause, search and seizure, laws of arrest, criminal procedure in general, and civil procedure.

Potentially expensive lawsuits can result from errors in any of these areas.

At least as important is that Alaska courts hold Fish & Wildlife Protection to higher standards of evidence and procedure than other courts in other states. If our law enforcement procedures are not at

least as good as in many major criminal cases, the prosecution will fail.

In numerous other states, conservation officers are not held to the same standards in search and seizure, or in interviewing suspects. A lower burden of care is considered to be appropriate because the penalties in many cases are lower, convicted defendants' livelihood is not affected, and the wildlife and fisheries do not constitute a major industry as well as providing recreation.

Specialized knowledge about wildlife and fisheries enforcement is necessary for the Division. Additionally, because Division troopers may be the only law enforcement officer for many miles, some general criminal background is necessary. This background is not just to enable criminal prosecutions, but for protection of the Trooper, who, because of his uniform, vehicle, badge, and gun becomes a threat to wanted criminals.

Current training for new State Troopers includes criminal and civil procedures at the Academy in Sitka, and also includes two and one-half weeks of specialized wildlife and fisheries instruction. Special training modules have been constructed by the Academy staff, and these are used during on-the-job training of troopers transferring to Fish & Wildlife Protection.

✓ Because specialized resource protection training is now given to all potential Troopers, more actual trooper-hours of training in these techniques is being given than in past years.

Division personnel assist in the training of troopers from AST to better enable them to handle resource violation cases.

The particular trooper mentioned in this excerpt transferred to the Division from the Alaska State Troopers. He will receive specialized training in Fish & Wildlife Protection duties most appropriate for his area.

> Commissioner's Monthly Highlight Report 2/4/85:
> "E" Detachment - Kodiak:
> The Sand Point FWP Trooper spent several days on the P/V Woldstad learning investigative procedures and receiving instruction on crab cases. He is finally occupying new office space shared with the AST Trooper in Sand Point. Included is a new jail facility that exceeds all federal requirements. This finally eliminates FWP's promise to the people of Sand Point to provide a full enforcement officer in their region and has been received with very positive results.

5. What were the results of the increased enforcement efforts in the Bristol Bay fishery?

There was lot of public interest in Bristol Bay this summer. I responded by bringing in more Troopers. Judging from public comment received in the Bay area, the expanded program was quite successful.

The Bristol Bay Native Association sent survey questionnaires to all salmon gillnet permit holders for Bristol Bay. There were 800 responses to the survey questionnaire. Funding for the survey was from the state.

Of the approximately 800 people who replied, 88% said that fish and wildlife enforcement people were "everywhere" or "sometimes around". 78% said that enforcement was better than last year. 57% of the respondents thought more enforcement was needed, versus 43% who did not.

Please check the appendix for a copy of survey results less comments, as the comments consist of numerous additional pages.

Our effort in Bristol Bay involved the following personnel and equipment:

1 Captain; 2 Lieutenants; 2 First Sergeants; 2 Sergeants;
1 Corporal; 15 Troopers; 6 seasonals; 4 civilian employees;

P/V Vigilant (100 foot vessel); P/V Trooper (65 foot vessel);
P.S.#1; Compliance; 2 Whalers; 6 skiffs;

1 Grumman Goose (twin engine amphibious aircraft; 2 Cessnas;
2 Supercubs.

This increased attention resulted in an approximate cost of $491,000. This is an additional cost of about $180,000 compared with enforcement efforts in 1984.

For additional details on cost data please see the Bristol Bay section in the appendix.

6. What are the total budget and personnel amounts for the Division for the past ten years?

Please see the appendix for the detailed tables of budget actual expenditures and personnel levels.

7. What revenues do Division enforcement efforts bring into the state treasury, including confiscated fish, gear and vessels?

Please see the table of total and net fines in the appendix for revenue from that source. The table does not include the frequently large civil settlements mentioned elsewhere in this report.

The Division does not keep a summary of all seizures of vessels, aircraft, fish and game, or fishing and hunting gear. Details of seizures are filed with the cases individually, and to assemble a complete list for a ten year period would require hand searching of thousands of cases, currently filed in Juneau.

Since a summary of seizures is not available, several excerpts are provided here from the Commissioner's Monthly Highlight Reports. Copies of press releases concerning some of the major cases are also in the appendix.

> Commissioner's Monthly Highlight Report 6/3/85:
> "E" Detachment - Kodiak:
> Detachment personnel working the Togiak herring fishery cited twelve individuals and issued fourteen written warnings for commercial herring fishing violations. Approximately 58 tons of herring were seized along with two gill nets and a purse seine relating to the subject arrests.

> Commissioner's Monthly Highlight Report 6/3/85:
> "B" Detachment - Juneau:
> Of major significance during May was the arrest of a non-resident hunter charged with 32 counts of various big game hunting violations including counts of illegally taking black bear. The violations took place near Petersburg over a two week period. The defendant pled guilty and was given a net sentence of $6,600 fine, 400 days in jail, license privileges revoked for ten years and his rifle forfeited. Investigation by FWP revealed that the non-resident had hunted illegally

In Alaska the past six to seven years and commercialized his trophies through his taxidermy business.

Commissioner's Monthly Highlight Report 2/4/85:
"E" Detachment - Kodiak:
During this past month another commercial fishing vessel was forfeited to the state as a result of charges being filed against the fishermen during August of 1984. Estimated value of the vessel has been placed at $15,000.

Commissioner's Monthly Highlight Report 10/2/84:
"E" Detachment - Kodiak:
The F/V Alaska Coast, a 110 foot crab vessel was forfeited to the state on 9/10/84, resulting from a closed waters violation filed in May 1983.

Commissioner's Monthly Highlight Report 8/3/84:
"B" Detachment - Juneau:
Ketchikan FWP seized an American troll vessel near Cape Muson when, after a routine boarding, found that the fishermen did not possess a valid CFEC permit. In fact the defendant admitted to using another's permit for the past two years. Fifty king salmon were also seized at the time. The 31' vessel is valued at approximately $35,000. Several complaints have been received of Canadian fishing vessels fishing in Alaskan waters. FWP has been patrolling the area with the Grumman aircraft and 38' P/V Stenella.

Commissioner's Monthly Highlight Report 6/1/83:
"E" Detachment - Kodiak:
On April 29, the Fishing Vessel Vitus Bering was seized in Dutch Harbor following a lengthy investigation by FWP Officers in Dutch Harbor and the Kodiak FWP investigator. The investigation revealed that the vessel (with a current replacement value of three million dollars) was used to take king crab after 1982 season closures in the Bering Sea. The majority of the product was purchased and processed by a floating processor. Following the seizure the vessel was crewed by members of the P/V Vigilant and escorted by the P/V Woldstad to Kodiak. Litigation negotiations are continuing between the Attorney General's Office and the vessel owners for its release. The State is asking for a $340,000 settlement.

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

February 21, 1986

MEMORANDUM

TO: Representative Andre Marrou

FROM: Nancy Pease *Nancy Pease*
Legislative Analyst

RE: Volunteer Wildlife Enforcement Agents
Research Request 86-106

At your request, we are providing information on Montana's program for commissioning volunteers as wildlife enforcement agents.

Pat Young (JNU) 465-2814

As you know from your conversation with a former Montana resident, Montana apparently had a program thirty years ago to train volunteers from the community as plainclothes fish and game enforcement agents. Elmer Davis, a 22-year employee of the Enforcement Division of Montana's Fish, Wildlife & Parks Department (MFWP), was unable to recall this program. Mr. Davis stated that, at one time, forest rangers were deputized as game wardens. From the mid-1960s to the present, Montana has trained volunteers who are nonenforcement employees of the Fish, Wildlife and Parks Department as ex officio game wardens.[1]

Volunteers for Montana's ex officio warden program must complete one week of intensive training, which the MFWP conducts once each year either at Montana's police academy or at a camp. The training program is led by fish and game wardens and by representatives of the legal system, usually including an attorney general, a state prosecutor and a judge. The program covers legalities and physical procedure for wildlife law enforcement, including:

- fish and wildlife laws;
- officer liability;
- court decisions;

---

[1]Until recently, all biologists with the Alaska Department of Fish and Game (ADFG) were deputized as fish and wildlife protection officers. Since a change in job classifications three years ago, ADFG biologists must opt to receive training for law enforcement.

- search and seizure;
- arrest;
- writing of citations;
- legal preparation of court cases; and
- mock violations, mock arrests and mock trials.

Upon completion of the training program, the ex officio wardens are given peace officer status. The ex officio wardens are not issued wardens' uniforms; they are issued badges. Ex officio wardens who wear the standard field uniform for all Montana's Fish, Wildlife and Parks personnel create a visible law enforcement presence in the field. Some of the most successful ex officio wardens are issued two-way radios. Ex officio wardens are neither encouraged nor discouraged to carry firearms. If they wish to carry firearms, they must qualify quarterly by passing the regular wardens' firearms handling exam.

Most ex officio wardens are field personnel, such as game biologists. However, Mr. Davis states that Montana Fish, Wildlife & Parks management and office staff also volunteer as ex officio wardens and are accepted for training whenever space in the training program allows. Members of the general public are not trained as ex officio wardens.

According to Mr. Davis, the ex offico wardens do not catch a large number of fish and game law violators. However, their visibility and presence in the field may be an important deterrent to potential violators. Mr. Davis states that, in addition to preventing fish and wildlife violations, the program has unified the research/management and law enforcement branches of the Fish, Wildlife and Parks Department by giving field researchers and office staff an appreciation for the difficulties of law enforcement. However, the program has evoked some management complaints that ex officio wardens divert too much time to enforcement in lieu of their regular duties.

You also asked if other states use volunteers for fish and game law enforcement. As of 1984, twenty states had commissioned a total of 1,243 volunteers to assist with enforcing game violations. According to Gordon Robertson of the International Association of Fish & Wildlife Agencies, the powers and responsibilities delegated to these volunteers varies from state to state. At your request, we will provide details on volunteer warden programs in other states.

I hope this information is helpful.

NP

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

OFFICE OF THE COMMISSIONER

POUCH N
JUNEAU, ALASKA 99811
PHONE: 465-4322

February 26, 1986

The Honorable Ronald Larson
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Representative Larson:

Attached, is a vessel analysis prepared by the Division of Fish and Wildlife Protection. This analysis was prepared as partial response to the Division of Legislative Audit Special Report on Marine Enforcement.

The issues discussed in this analysis should assist in your understanding of vessel operations.

A copy of this analysis has also been provided to your counterpart in the Senate, and to the assigned fiscal analyst.

Sincerely,

Robert J. Sundberg
Commissioner

Attachments

cc: Tom Maher, Fiscal Analyst
Finance Sub-Committee Chairman

12-L2LH

Fish & Wildlife Protection

Vessel Analysis

Colonel Robert M. Henderson

Director

January 23, 1986

ANALYSIS OF ALTERNATIVES

PATROL VESSELS VIGILANT AND WOLDSTAD

Alternative/action affecting both vessels – see also legislative draft

An analysis of the crew requirements for the P/V Woldstad and P/V Vigilant indicated that some of the commissioned personnel time could be productively used in other Division tasks during certain periods. In response to this finding, and pursuant to the agreement to implement immediately any short-run improvements, crew assignments for these two vessels have been changed already.

The specific changes and analysis are detailed below.

(* denotes commissioned personnel)

P/V Woldstad:

(Prior to April 1, 1985)		(After April 1, 1985)	
*Captain	PCN 12-3107	*Captain	PCN 12-3107
*Sergeant	PCN 12-3025	Engineer	PCN 12-3159
*Trooper	PCN 12-3130	Asst. Bt. Ofc.	PCN 12-3156
Engineer	PCN 12-3159	Asst. Bt. Ofc.	PCN 12-3155
Asst. Bt. Ofc.	PCN 12-3156		
Asst. Bt. Ofc.	PCN 12-3155		

P/V Vigilant:

(Prior to April 1, 1985)		(After April 1, 1985)	
*Lieutenant	PCN 12-3157	Engineer	PCN 12-3113
*Sergeant	PCN 12-3108	Asst. Bt. Ofc.	PCN 12-3133
*Trooper	PCN 12-3109	Asst. Bt. Ofc.	PCN 12-3110
Engineer	PCN 12-3113		
Asst. Bt. Ofc.	PCN 12-3133		
Asst. Bt. Ofc	PCN 12-3110		

The troopers pulled off these vessels were assigned other law enforcement supervisory and patrol duties based on shore, and a rotation system was established to include these personnel and other shore-based personnel on an "as needed" basis to man the vessels when they depart for enforcement patrol duty.

The retention of the vessels' skippers as commissioned personnel by reason of practicality, cost effectiveness, and efficiency was necessary and remains so.

The primary use of these vessels is for the enforcement of state laws and regulations. It is reasonable and necessary to expect that the individual in charge be an experienced law enforcement officer with a rank commensurate with those responsibilities inherent with supervision of personnel, decision of patrol needs, safety of crew, and responsibilities for high value equipment.

It is fortunate that the Marine Section has evolved sufficiently that we have qualified, ranking officers with extensive law enforcement experience. These officers are trained, experienced seamen and skippers and are respected by the fishing industry.

The replacement of these men by non-commissioned skippers would only require duplication in the wheelhouse. An additional commissioned officer would be needed for those incidents requiring enforcement decisions, regulation interpretation, patrol techniques, proper search and rescue decisions compatible with Department procedures, and to serve as a more knowledgeable witness for court testimony regarding violations. In addition, it is likely that civilian skippers would be taken into the Inland Boatmen's Union similar to State Ferry skippers. This would then require two skippers for each vessel due to the contract requiring 3 months on - 3 months off for each individual. This would result in an increased expenditure for more salary and benefits costs.

There are no positions other than the Engineers and deck hands (Asst. Boat Officers) which could be better filled by civilians. All other positions for sea duty patrol require law enforcement experience.

ALTERNATIVE TO THE USE OF THE P/V VIGILANT

Replace P/V Vigilant with two power scows and a 51 foot patrol vessel

The P/V Vigilant, at its currently budgeted usage of 70 sea days per year, can be functionally replaced by two scows permanently stationed in Bristol Bay, and a 51 foot Delta Marine vessel stationed in Sand Point.

There are two advantages to replacement of the P/V Vigilant.

1. Patrol advantages to alternate utilization of power scows in place of the P/V Vigilant for Bristol Bay

   a. The ability to carry four (4) patrol skiffs per scow versus the total of two (2) now carried by the Vigilant.

   b. The ability to retrieve and launch skiffs for patrol would be enhanced. Due to the Vigilant's design, skiffs cannot now be launched in rough water.

   c. Due to deck space each scow would have the ability to handle and store more shackles of fishing gear. The kind and number of violations in Bristol Bay normally require the seizure of large amounts of gear.

   d. Scows will be more efficient for search and rescue work due to shallow water capabilities. Much of this work takes place close to shore.

   e. Ability to power directly into shore and off-load seized nets during low tide. Currently, the Vigilant must wait for room at the City dock or a cannery dock for off-loading. This offloading necessarily occurs during the fishing periods when our patrol efforts should be on the fishing grounds.

   f. Shallow draft would allow safe entry into rivers at Nushagak, Kvichak, Naknek, Egigik, Ugashik, and Port Moller. The power scows can be allowed to go dry in protected waters or during good weather, meaning enforcement efforts would be less restricted by local tide conditions.

2. Lower yearly operating cost for the two power scows and 51 foot vessel

Comparison of operating costs, P/V Vigilant vs. Power Scows

The replacement of the P/V Vigilant by two scows located in Bristol Bay and replacement of the P/V Compliance at Sand Point by a 51' Delta Marine will effect an estimated annual operating budget savings of $97,390, a biannual capital budget savings of $90,000.

The cost comparison is based on current projections of 70 sea days for the Vigilant and a projected 2.5 months of operations for each of the scows. Costs for the Vigilant and projections for the Scows and the Delta Marine are taken from FY86 budget projections, except for Risk Management charges, which are taken from the significantly higher FY87 assessment. Costs are for crew and operating costs and do not include enforcement personnel.

The Compliance and Delta Marine are assumed to have comparable costs, except for increased diesel and maintenance requirements for the Delta Marine.

Other assumptions are listed under the respective budget categories, below.

		Vigilant	Pwr. Scows
Pers Svs	Vigilant: Skipper, 30% annual base & ben.; Engineer & 2 Asst.Boat Officers, annual salaries. Scows: 2 Skippers (Sgts), 21% annual base w/benefits; 2 Engineers & 2 A.B.O.'s (seasonals), 4 months, each. Delta Marine: same crew and sea days as Compliance.	210,283	196,543
Travel	Includes operations & admin, travel & per diem.	6,000	6,900
Othr Svs	Note: Major Maintenance is discussed below, under Capital Bdgt.		
	Communications, Space & Utilities	20,300	8,000
	Minor Repairs, includes electronics	11,000	4,000
	Insurance and other services charges	25,450	18,500
Supplies	Food	8,000	9,000
	Diesel and lubricants	32,500	11,600
	Parts & Supplies	8,000	1,000
	Misc.	11,200	500
Eqpmnt	Repair & replacement items over $500	21,700	1,000
Total one-year operating budget costs:		$354,433	$257,043

Capital Biannual major maintenance and repairs for major vessels has been projected at $90,000 each. This is a cost figure averaged from several years of yard work. It would not necessarily be the cost for any random two year period. The scows are not projected to require regular major maintenance.

Other The hull valuation of the Vigilant is currently $1,000,000 for Risk Management purposes. For this analysis the sale (surplus) value of the Vigilant is assumed to be at the full hull valuation. Surplus of the Compliance is expected to result in $25,000 of income to the state. Purchase of both power scows is expected to cost $850,000, and the 51' Delta Marine, $572,400.

ALTERNATIVES TO THE USE OF THE P/V WOLDSTAD

Alternative 1 -
Use of power scows to patrol the 30 day herring fishery at Togiak

The use of the power scows for patrol of the Togiak herring fishery in Bristol Bay involve the same advantages described for the salmon fishery (see P/V Vigilant alternative, page 3).

An additional advantage is the release of the PV Woldstad for that 30 day period. The Woldstad could thus be used to patrol the crab fishery in the Adak area and closures of the crab fishery not previously worked, which are marine areas for which the Woldstad is particularly suited.

who thought up idea of power scows? experience

Alternative 2 -
Use large aircraft instead of the vessel for crab patrol

The closest comparison to our operation is the United States Coast Guard, since they are also charged with fisheries enforcement in waters off Alaska. They use long range Lockheed C-130 aircraft, which have four turbine engines for safety, and which cost approximately $15,000,000 each.

Using an aircraft of shorter range, lower speed, or lacking the sophisticated instrument flying equipment that these aircraft have, would severely limit the ability to patrol on days when weather is marginal. Because weather frequently is bad either at the aircraft base location, or at the intended patrol area, patrol would be quite sporadic.

The C-130 aircraft are used for patrols in the Westward area waters, and are based in Kodiak. Patrols frequently last nine hours. During heavy fishing periods, at least two of these aircraft would be in use most of the week. The charter, or "market" cost to operate this aircraft is approximately $3600 per hour, or $32,400 for a normal patrol day.

The cost for only two aircraft, operated only 100 days per year each, would be approximately $6,480,000, exclusive of the cost of any commissioned personnel or observers from Fish and Wildlife Protection. This amount exceeds the FY 86 operating budget request for both the Marine Enforcement Section and the Aircraft section. Both of these sections are, under current conditions, supporting many functions in addition to commercial fisheries patrol in the Westward area.

Fish and Wildlife Protection uses aircraft with the vessels, where the aircraft can efficiently and safely be used for surveillance or spotting of vessels and gear.

Fish and Wildlife Protection does not believe that the necessary patrol work could be done with aircraft alone to save the cost of the vessels.

It is true that we use aircraft to aid in fisheries patrol. However, there are problems with the use of aircraft without an accompanying vessel. It is necessary to be able to identify the fishermen on the boat to be able to charge someone in court successfully. From the air, that is nearly impossible. Sometimes that can be accomplished at a later time through investigation, but it is more practical and cost-effective to be able to call in a vessel to board the violating fishing boat, establish identities, and take statements.

In the shellfish fisheries, a vessel is a necessity. All the airplane can do is perhaps identify the numbers on buoys and identify vessels at sea. They have no way of establishing what is on the other end of the line below the buoy, or what the vessel is doing. Essential shellfish patrol activities include pulling pots and boarding vessels.

Aircraft are also too dependent on good weather. If our enforcement work depended solely on aircraft, there would be no enforcement presence whenever the weather was foggy, windy, or unflyable for any other reason. Needless to say, this is a frequent state of the weather in fishing areas. Strict reliance on aircraft would render an enforcement program meaningless.

Alternative 3 -
Use aircraft with the vessel for crab patrol -

It is both practical and desirable to use aircraft to supplement and enhance the patrol capabilities of the P/V Woldstad. At the present time Division aircraft are not completely suitable for this mission, but there is a plan which may result in a turbine-powered twin being available for longer range and offshore patrol duty.

Because of its speed and higher vantage point compared with a vessel, the right aircraft could be of considerable assistance in locating vessels and/or fishing gear.

Current Division aircraft lack carrying capacity, de-icing equipment, and power reserve for making patrols more effective, and at the same time, safer for enforcement personnel.

Alternative 4 -
Charter or lease similar size and type of vessel

The suggestion of leasing vessels for all patrol functions has many drawbacks. One is that operating costs for the P/V Woldstad are less than charter costs for a similar but less specialized vessel.

Comparison of costs, P/V Woldstad vs. lease

Fish and Wildlife Protection obtained prices from Kodiak vessel owners to lease one of their vessels for patrol. Prices listed were quoted in 1985.

100' vessel: $2000 to 2500 per day, plus fuel (500 to 800 gals. per day).
120' vessel: $4800 per day plus fuel.

Fuel cost is approximately $1.00 per gallon.

These prices include a crew of 4 (Captain, Engineer, and two Asst. Boat Officers). The cost of enforcement personnel required to be on board during all patrol periods is not included.

Actual operating expenses for the P/V Woldstad during Fiscal Year 1985 totaled $456,667.

Salaries used as the basis for this figure include four personnel, to make comparison with the above figures meaningful. One Captain, as currently assigned, is considered at 70% of his salary, since he has duties in addition to direct day-to-day operation of the vessel. Personnel costs for two Asst. Boat Officers and one Engineer are included, also in comparison with the above charter crew.

Based on actual vessel operating patrol days (175 during FY-85), the cost averages only $2,610 per day.

This total does not include any appreciable outlay for maintenance, since major maintenance is required only once in each two year period and was deferred during FY-85. Estimated expenditures could add approximately $520 per day for repair and replacement, including parts, supplies and equipment.

This would total $3,130 per day for the expected longer term operating cost for the P/V Woldstad.

Additional considerations

Enforcement programs would be difficult to adjust within the season because state procedures require that these vessel needs be put to bid. If we bid for a vessel between certain dates, we would have the vessel for those dates. Many of the season openings and closings are made by emergency order,

with only several hours or days notice. Because of this lack of notice, we might have to pay for a vessel we don't need, or be unable to obtain one in time.

Another aspect of own vs. lease should be addressed. During the present slow crab fishing period in the Westward area, suitable and safe vessels may be available for lease. But during better fishing times it is less likely that the Department would be able to lease an acceptable safe vessel. If such a vessel were available it probably would not be for the lease figures quoted above, but would be available only at a premium during a time of peak demand.

Connected with the own vs. lease comparison is the time lag that is inevitable if this program is re-directed. It is faster to covert from owning to leasing than the reverse. If vessels were not available to lease, or became too expensive to lease, the process of obtaining vessels, modifying them, or having them built involves significant additional delay in the normally lengthy process of obtaining funding. If this occurred, the fisheries would be unprotected during a period when no suitable vessels were available.

When a need arises for a search and rescue, there is no time to begin looking for a vessel and crew that are sea-worthy, available, and ready to go. There would be occasions every year when a search and rescue would not be launched because of the unavailability of a ready vessel.

If we did not have our vessels and we could not lease a vessel either because of lack of funds or lack of an available vessel, there could be unpredictable effects on the resource and on the fishermen. A few individual fishermen who have no respect for the law could get all the fish, or irreversible damage to the resource could occur. Some fishery populations are very susceptible to being wiped out.

Alternative 5 -
Charter or lease different size or type of vessel

The P/V Woldstad is a specially-designed law enforcement patrol vessel which was built to our specifications by the low bidder; similarities to a crabber are primarily the ability to pick and stack crab pots. The P/V Woldstad is a very economical vessel to own and operate for its size.(See figures under alternative 3, page 10)

It operates very efficiently at speeds from 7 to 15 knots due to its CPP system. It can respond to emergencies completely beyond the range of smaller vessels, or those built for a different purpose.

Other vessels offered to the State have been completely inadequate replacements for the P/V Woldstad.

They are not equal to the P/V Woldstad in sea-keeping ability, and would require at least the following capabilities (added cost unknown) for use in existing and future fisheries:

a. Equipment to pick commercial fishing gear efficiently and store for duration of patrol -- i.e., shellfish pots, gillnets, purse seines, and long lines for inspection and seizure;

   1. Ability to pick king crab pots at the rate of 12 per hour -- P/V Woldstad can pick 15 to 20.

   2. Ability to carry 80 7'x7' crab pots.

b. Equipment to efficiently launch and retrieve patrol skiffs;

c. Ability to transport skiffs to 25' on deck, transport 32' seasonal endurance vessels, and 24' moving vans;

c. Search and rescue capability;

d. Firefighting capability;

Additional factors that must be taken into account for maximum effectiveness

- Maximum range.
- Insulation for winter use.
- Ability to provide adequate berthing, mess, and accomodations for 4 to 9 additional people for periods up to 60 days.

- Ability to handle icing conditions--this element of design and use has been a major factor in the loss of vessels in North Pacific waters in recent years.

- Sophisticated communications and navigational equipment--this has proven important in search and rescue, in vessel and crew safety, and in carrying out the assigned fishery missions.

- Towing equipment and ability.

- To insure the safety of our personnel and limit our liability, these vessels would have to be U.S. Coast Guard licensd to carry passengers for hire upon all waters of Alaska up to 200 miles offshore and the Master, Mate, and Engineer would have to be similarly licensed.

Alternative 6 -
Amend regulations to allow placement of observers aboard crab vessels

The Division of Fish and Wildlife Protection strongly supports the current program of observers on catcher-processor vessels. The Division was recently instrumental in making sure that an additional $100,000 resulting from a fisheries case was made available for use in the observer program.

This alternative considers the additional step of requiring or allowing observers on board all other crab fishing vessels.

Fish and Wildlife Protection does not consider an observer program to be a good replacement strategy for the P/V Woldstad. There would probably be considerable industry resistance to the program. Some objections might center on the lack of crew space on an average fishing vessel. This is not as much of a consideration on the catcher-processors (where an observer program is allowed by current regulations). Catcher-processors have quarters and eating facilities for many more people, and the addition of one does not take 10% to 20% of their total crew space.

Cost factor for observers

Assumptions:
- The observer is a Fisheries Technician III.
- This observer is employed for a total of approximately three months (90 days).
- Average cost per day includes benefits and sea pay.
- All food and sleeping space is at industry expense(no per diem or meal allowance to be paid to observers.

Cost per day = $187.22
Cost per day for observers aboard ten vessels = $1872
Cost per vessel monitored = $16,849

As many as 350 vessels may be participating in the fishery at any given time. Observers aboard only ten vessels would probably have a negligible enforcement or preventive effect. If all these vessels, or even one-third, were to have observers aboard, the cost would be much higher than current expenses for the P/V Woldstad, and with an undetermined benefit.

Considering both cost and potential benefits, this type of program is not an effective enforcement alternative to the P/V Woldstad.

Alternative 7 -
Regulation change preventing storage in closed areas during closed seasons

This alternative would allow aircraft patrol of the closed areas. Without use of a large patrol vessel, no proof could be attempted that buoys had crab pots (or illegally fishing crab pots) attached. The regulation would have to forbid deployment of unmarked buoys, and the deployment of marked buoys of the type used commonly on crab gear.

A regulation change would not totally relieve the need for a large patrol vessel. If buoys were observed, or if pots were actually fishing in violation, a vessel would still be required to pick up the buoys or pots.

Alternative 8 -
Federal enforcement of fisheries outside the three-mile limit

It should be recognized that the "three-mile" limit includes waters more than three miles from land, since the limit is defined by lines that go from headland to headland. On a deeply indented coastline, this includes large bodies of water.

This alternative would require the same use of a vessel within closer coastal areas for Alaska fishing. The vessel would be required to be able to travel in bad weather, and to go to any area needed at almost any time fishing was possible. The ability to pull pots and stay on the fishing grounds in bad weather would still be required.

ATTACHMENT NUMBER FOUR

ONE-MAN TROOPER POSTS

MEMORANDUM State of Alaska

TO: The Honorable Peter Goll
Alaska State Legislature

DATE: February 21, 1986

FILE NO:

TELEPHONE NO: 465-4322

FROM: Robert J. Sundberg
Commissioner
Department of Public Safety

SUBJECT: One-Man Trooper Posts

The following locations are manned by one State Trooper, either assigned to the Division of Alaska State Troopers or the Division of Fish and Wildlife Protection.

Some of these Posts are augmented by temporary assignments, depending on the workload. As an example, during commercial fisheries, there could be numerous Troopers assigned to Dutch Harbor.

AST	FWP
Girdwood	Dutch Harbor
Crown Point	Bettles
Cooper Landing	Coldfoot
Tyonek	Wrangell
St. Paul Island	Hoonah
St. Mary's	Sand Point
Noorvik	Unalakleet
Healy	McGrath
7 Mile Camp	
Fort Yukon	
Barrow	
Harding Lake	
Deadhorse	

All Troopers are required by statute to enforce criminal laws, (AS 18.65.080), Fish and Game laws and regulations (AS 16.05.150),and traffic laws and regulations. In addition, commissioned officers of the Department of Public Safety are peace officers with statewide jurisdiction. They are certified by the Alaska Police Standards Council and must meet minimum standards that have been established. All Troopers are recognized as police officers and are participants in special retirement and benefit programs established by the State.

The Department of Public Safety recognizes its responsibility to enforce laws and regulations of the State relating to wildlife resources as well as the enforcement of criminal laws. The Department is fulfilling its mission.

ATTACHMENT NUMBER TWO

DIVISION OF FISH AND WILDLIFE PROTECTION BUDGETS
AND PERSONNEL FY76 TO FY86

FISH AND WILDLIFE PROTECTION

BUDGET AND PERSONNEL INFORMATION

FY 77 - FY 86

)	FY 86 AUTHORIZED	FY 85 ACTUAL	FY 84 ACTUAL	FY 83 ACTUAL	FY 82 ACTUAL	FY 81 ACTUAL
'FORCEMENT	9824.8	9099.4	8955.9	8943.2	8523.1	7005.1
'RECTOR'S OFFICE	271.6	268.8	761.9	694.7	822.9	753.6
'RCRAFT	870.4	997.3	942.6	1035.4	1065.8	952.5
'RINE ENFORCEMENT	2445.2	3033.4	2710.0	2869.3	2122.3	1944.2
Totals	13412.0	13398.9	133704.4	13542.6	12534.1	10655.4
') TOTAL INCOME from sh seized and given processor by Dept. posited of AV'd to GF	N/A	$51.6	40.1	$24.0	$179.8	$139.8

') PERSONNEL BY COMPONENT: AUTHORIZED POSITIONS (AU) - PERMANENT FULL- TIME POSITIONS (PF) - PERMANENT PART-TIME POSITIONS (PP)

	AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL		
	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP
'FORCEMENT	147	111	36				145	110	35	145	110	35	157	107	50	145	107	38	156	106	50	156	106	50	156	106	50	156	106	50	143	93	50	143	93	50
'RECTOR'S OFFICE	4	4	Ø				4	4	Ø	4	4	Ø	11	11	Ø	11	11	Ø	12	12	Ø	12	12	Ø	12	12	Ø	12	12	Ø	11	11	Ø	11	11	Ø
'RCRAFT	6	6	Ø				12	11	1	10	10	Ø	12	11	1	11	10	1	12	11	1	12	11	1	12	11	1	12	11	1	12	11	1	12	11	1
'RINE ENFORCEMENT	18	18	Ø				23	21	2	23	21	2	23	21	2	24	22	2	24	22	2	24	22	2	24	22	2	24	22	2	19	17	2	19	17	2

') (4) BY MONTH, FISCAL YEAR: FILLED AND VACANT COMMISSIONED OFFICERS ONLY

	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant
'ly	102	7	102	10	104	12	108	8	100	3	97	0
'gust	102	7	105	6	106	10	107	9	99	16	100	1
'ptember	102	7	104	7	106	10	107	9	100	15	-	-
'tober	101	8	104	7	106	10	106	10	100	15	100	6
'vember	101	8	104	7	106	10	106	10	108	7	102	5
'cember			104	7	105	10	106	8	108	11	101	6
'nuary			103	8	106	9	105	10	108	11	97	6
'bruary			103	8	106	9	104	11	107	12	101	6
'rch			102	9	105	10	104	11	107	12	-	-
'ril			102	9	105	10	108	7	112	7	105	4
'y			102	9	106	9	106	9	109	10	105	4
'ne			102	7	102	10	104	12	110	6		

(1)	FY 80 ACTUAL	FY 79 ACTUAL	FY 78 ACTUAL	FY 77 ACTUAL	FY 76 ACTUAL
ENFORCEMENT	5063.6	5384.8	4557.8	3607.6	3336.2
DIRECTOR'S OFFICE	695.5	560.4	603.9	466.0	482.8
AIRCRAFT	831.1	805.9	700.9	617.8	501.4
MARINE ENFORCEMENT	1581.9	1123.9	903.2	489.9	766.9
Totals	8172.1	7875.0	6765.8	5181.3	5087.3
(2) TOTAL INCOME from fish seized and given to processor by Dept. Deposited or AV'd to GF	$14.4	N/A	N/A	N/A	N/A

(1) PERSONNEL BY COMPONENT: AUTHORIZED POSITIONS (AU) - PERMANENT FULL- TIME POSITIONS (PF) - PERMANENT PART-TIME POSITIONS (PP)

	AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL			AUTHORIZED			ACTUAL		
	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP	AU	PF	PP
ENFORCEMENT	111	87	[24]	*142	88	54	111	87	[24]	111	88	[23]	100	86	[14]	100	86	[14]	72	72	Ø	72	72	Ø				81	72	[9]
DIRECTOR'S OFFICE	12	12	Ø	12	12	Ø	11	11	Ø	12	12	Ø	14	14	Ø	14	14	Ø	14	14	Ø	14	14	Ø				15	15	Ø
AIRCRAFT	11	10	[1]	11	10	[1]	11	10	[1]	11	10	[1]	11	10	[1]	11	10	[1]	9.3	8	[1.3]	9.3	8	[1.3]				8.3	8	[.3]
MARINE ENFORCEMENT	17	17	[3]	19	17	1+1	20	17	[3]	20	17	[3]	13.8	13	[.8]	13.8	13	[.8]	14	14	Ø	14	14	Ø				9	9	Ø

*[ ] designate "temporary", rather than permanent part-time positions

(3) (4) BY MONTH, FISCAL YEAR: FILLED AND VACANT COMMISSIONED OFFICERS ONLY

	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant	Filled	Vacant
July	93	11	89	11	76	18	-	-		
August	90	11	90	11	83	13	-	-		
September	91	10	89	13	82	14	72	11		
October	91	10	89	13	90	6	72	11		
November	94	9	89	13	-	-	72	11		
December	91	10	-	-	88	8	-	-	89	7
January	87	10	91	8	89	8	70	13		
February	91	10	-	-	88	8	69	14		
March	89	12	93	8	87	9	69	14		
April	-	-	93	12	90	7	75	8		
May	91	10	-	-	92	5	76	7		
June	-	-	92	12	-	-	78	5		

(1) Data Source: Short Form Free Conference Committe Report, FY 77 - FY 86

(2) Data Source: DPS, Administrative Services, Accounting

(3) Data Source: "Monthly Summary of Personnel Changes"

(4) Data not shown for Seasonal employees; records do not indicate information requested.

ATTACHMENT NUMBER THREE

GENERAL LAW ENFORCEMENT RESPONSIBILITIES

October 6, 1985

To:

My name is Brandon Anderson. I am a senior at the University of Alaska Fairbanks, completing a degree in Wildlife Mgt./ Natural Resources Law enforcement. For the past year I have been working on an extensive study of the publics' knowledge and perceptions of wildlife law in Alaska. This project took me all over the State, literally from Ketchikan to Barrow, learning how people feel about game law enforcement.

The results of that study are not the point of this letter. However, much of what I have to say is supported by comments generated by that study. (copies enclosed). During the course o f the past year and a half, I spoke with many State Troopers, Fish and Wildlife Protection Officers, former F.W.P. employees, Dept. of Fish and Game employees, university professors, U.S. Fish and Wildlife Service Special Agents, Park Rangers, and other citizens who expressed concern over this issue. I am now expressing my concern, based on [redacted] my own personal feelings, and those of many others, on this extremely important issue in Alaska. The issue is the trend of the Department of Public Safety to "geld" the Division of Fish and Wildlife Protection.

The importance of wildlife resources in Alaska cannot be underestimated. From the economic perspective alone, the value of commercial fishing, sport fishing, hunting, non-consumptive uses, and tourism which all directly depend on wildlife, is very high. The non-market values of wildlife in Alaska, part of the very essence of this State, are immeasurable.

With this in mind, it is a mystery why the State seems to be ignoring all of this by attempting to merge the Division respons-

responsible for protection of Wildlife, F.W.P., into the "Blue Shirt" division of the Alaska State Troopers. Although not overtly obvious to the average citizen, this apparently is the move being attempted by the directors of the Dept. of Public Safety.

I would like to present some evidence in support of maintaining, in fact enhancing a separate division of Fish and Wildlife Protection.

Current research in the field of conservation law enforcement continually emphasizes the need for better trained, better educated officers in all aspects of this field. This includes basic biology, wildlife management, etc., as well as law enforcement training.

An example: The Wildlife Society, founded in 1937, is a professional, non-profit organization dedicated to the wise management and conservation of the wildlife resources of the world. The Societys' membership of nearly 8000 is comprised of research scientists, educators, communications specialists, conservation law enforcement officers, resource managers, and administrators from all over the world. In a recent publication, Conservation Policies of the Wildlife Society, the section on law enforcement reads:

Conservation Law Enforcement

Regulation of activities of the participating public is a major element in the management of all natural resources, particularly wildlife. An increase in human populations and a burgeoning recreational interest in the out-of-doors have accelerated public use of an already diminished resource base. In the future, more people will have fewer resources to share. Public information programs, however extensive or imaginative, will not by themselves protect the resource base sufficiently from public abuse. Imperative to the perpetuation and sustained use of natural resources is a sound legal system that combines equitable laws and judicious law enforcement. The effective enforcement of laws governing natural resources depends upon personnel who are adequately trained in the legal and biological aspects of their profession.

The policy of The Wildlife Society, in regard to conservation law enforcement, is to:

1. Advise candidates pursuing law enforcement careers in the field of natural resources management to gain formal training at the university level in biology, ecology, conservation education, and law enforcement.
2. Urge that public agencies concerned with the enforcement of resource laws employ broadly trained professionals, preferably appropriately trained university graduates.
3. Recommend that public resource agencies provide extensive on-the-job training for all law enforcement employees who lack understanding of the modern techniques of their profession.
4. Encourage conservation law enforcement officers to affiliate with resource-oriented professional societies.

International Game Warden magazine, in its' fall 1984 issue featured an article (attached) which discussed the problem within the Dept. of Public Safety from an outsiders point of view. From my conversations with officers, thearticle was accurate and to the point.

Joining Up

Up until 1983, the Fish and Wildlife Division recruited its officers separately from the highway patrol. Even though they attended the same academy, the recruits were designated to become fish and wildlife officers upon graduation. Since 1983, both divisions recruit together and all recruits receive the same training with little or no specific wildlife training. Upon graduation from the academy, everyone goes straight into the highway patrol division. If they want to become fish and wildlife officers, they must compete with veteran "blue shirts" for the fish and wildlife positions and since seniority is the criteria for assignment, you have to accumulate a few whiskers before you are successful. In some respects, this could be beneficial to fish and wildlife, for they are getting seasoned officers; however, it is also a disadvantage for they may be losing a number of good warden candidates who have a singular desire to become wardens and may never enter the service because they do not want to serve the time as regular policemen. (I have never been convinced that the jobs of policemen and warden are synonymous! A good cop does not necessarily make a good warden.) Under this system you are also missing the enthusiasm and drive of recruits as wardens.

Future Problems

The wildlife division will be soon understaffed more than it is now. With the population growing, and the area so vast, coverage will be even more difficult. Unless the need to assist, in solving people problems is met, wildlife enforcement will suffer.

It is my personal opinion, that most of the public has an over-inflated idea of game populations in Alaska. Many urban Alaskans, but especially people from outside, think there is game behind every bush — especially big game. This is most certainly untrue in most areas. Seemingly, it would appear that the hunting is as good now, as it was in the past. Most of the public do not want to accept the fact that it is changing. Much of the mystery and charm that attracts people to Alaska, is that it is wild and free. This is true to a point, but there are changing factors now. As more people come, the more constriction appears. Everyone that moves to Alaska wants to be the last person allowed to do so. Land to live on is shrinking. The cause of this is the amount of it that lies in government and native hands. When dispersal of the land, that had been a federal territory, was undertaken, some of it went into federal parks and refuges and etc. Than a great deal of it went to state government for various purposes. Lastly, to settle their claim to aboriginal rights in 1971, there was a huge allottment of land given to the native population. The state and the natives had over ten years to decide on what lands they wanted to have. This selection is about done and the legal shuffling is about finished. Already, no trespassing signs and gates are being erected at access points to lands that everyone roamed or hunted on at will. Trespass was almost unheard of in Alaska. Already the hassles have started over right to land use and the wildlife officer and troopers stand right in the middle. It is a most unpopular spot.

The game and fish department, who manage the resource, have jockeyed regulations in all directions, in order to let everyone hunt that wants to. Legal moose, for instance, in some areas have to have a 36 inch spread of antlers. In other areas, they can be much smaller, but can have no more than two forks on one side. During a 30 inch snow that occurred in early September on the second day of caribou season, an emergency closure of the season had to be ordered in the snow area, for it had driven the caribou down from the mountains and across a highway. The hunters lined the road and killed them as they passed. After the emergency closure, about 100 dead or wounded caribou were left unclaimed.

Eventually, it will require that the number of hunters be limited by permit and this again is generally unacceptable to many Alaskans. It goes against the desire to be unfettered and it will be resisted and as always the warden will be in the front line. Regulations are creeping into the Alaskan life to mar the idea of it being a wild frontier and it will require a considerable enforcement effort if it is to stay.

y Opinion (For what it is worth)

In viewing the organization as an tsider, but as an old warden, I was pressed with the youth of the ficers. I can't remember anyone over . They possess just a little bit more :eptance of danger than most of us : required to do. Alaska is an forgiving environment, most of the- ıe, and one can't afford to be prepared or take unnecessary risks.

They seem to concentrate more on

Enforcement in the Last Frontier

the serious offenses, and do not have the same concern for petty offenses that many officers in more populated areas seem to have. I was impressed with all the officers that I met.

But, if I were a fish and wildlife officer in Alaska, I would be a little concerned, as to the turn the division seems to be taking. I cannot quarrel with their being in the Department of Public Safety. It has brought better pay, better working conditions, and a better pension plan. The joint use of facilities with the troopers has been beneficial. But it has not been without some drawbacks. The changing, in the recent past, to the trooper designation and the change in hiring practice, has lost some of the wildlife officers identity. No longer can an aspiring wildlifer come into the organization in that position. He must come in as a trooper, be trained in that capacity, and work in that position. The time of his transfer from the road to the wilds is very uncertain. It may be enough to send a good prospect elsewhere. I am not sure why our profession has to be the one that is always diluted. I would suspect that there are few wardens in the U.S. or Canada that would prefer to be highway troopers, or they would have joined those organizations. It seems a little unfair to our profession to force recruits into trooper blue, if they really want to be in warden brown. *Why not make all highway troopers serve time as wardens, before they become troopers?* Puts a different twist on it, doesn't it? Under the present system, I can't help but think that wildlife enforcement will eventually suffer, as more and more people move in and bring their problems with them and the troopers have to handle them. The people problems will get precedent. I understood that wardens are beginning to be issued white trucks to match the white squads, so that they will be recognized as troopers when they make traffic stops. I had to wonder if all blue shirts, in place of brown, may be not far off.

Perhaps the picture is not as it appeared to me. However, I have to think that the way it all started was best. Two separate divisions working for the same department, but maintaining their own identity and separate responsibilities and duties.

If I could wish something for the Alaskan Department of Safety, for all the kind hospitality their members gave to us, it would be that the blue shirt budget swells each year and the brown shirt budget does the same and the two would march side by side *but in separate ranks*, together for a better Alaska.

We are all law enforcement officers, but all law enforcement is not the same. There is an age-old pride and uniqueness in being a game warden. I don't want it to be lost or threatened, anywhere, for the sake of budget.

To all our good friends that we made on our trip to Alaska, we say, "Thank you and God Bless!"

These articles make it clear that the wildlife resources in Alaska could suffer terribly if this "efficiency" move within Public Safety occurs. However another aspect of this situation was not adequately covered in these articles, and it is one with which I have much personal experience.

Young persons who would like to be employed as an Alaskan Fish and Wildlife Officer, particularly those with university educations, are simply no longer able to. Unless of course they are willing to wait out 10+ years of being a "blue shirt" trooper and then, maybe acquire enough seniority to compete with many others to "bid" into F.W.P.. I can tell you what happens in reality. Ambitious, optomistic young persons educated in Alaskan Universities, about Alaskan resource issues simply go elsewhere, while the Department of Public Safety continues to hire seasonals from "outside" with little or no knowledge of wildlife in Alaska, or the sensitive, unique Alaskan management situations.

Full time Wildlife Troopers are increasingly transfers from other law enforcement agencies, from within or outside this state.

Is this a problem? Let me relate some more personal experiences.

A friend worked as a seasonal F.W.P. aide for 3 summers. He related a story of working with an officer who was attempting to identify the skeletal remains of an animal. According to my friend, this man could not even begin basic identification, not even the taxonomic family, of this animal. A "suspect" was watching, amused.

I had a long conversation during a trip with a fish and Wildlife

Trooper. In discussing some studies going on in the area (South-central) by Fish and Game biologists, I discovered this officer did not know some of the most basic wildlife management techniques (methods of capturing and marking, aerial surveys using radio telemetry, etc).

On one particularly disturbing occasion, I was "riding along" with a Wildlife Trooper when we encountered a man commercial fishing. After license checking, etc., the conversation between the two turned to a Black Bear this fellow had been watching across the river. He seemed to be relating the simple pleasure of watching the bear. The officer said "shoot them whenever you can, they're vermin". Then added with afterthought, "but make sure you have a license". This is conservation ethic?

I want to make it clear that these stories are not intended to belittle the officers or the Division of Fish and Wildlife Protection. On the contrary, these are othrwise very dedicated people (with the exception of the last one) and these incidents are overshadowed by hundreds of positive ones. Yet imagine the impression that can be portrayed to often well educated, back-country wise people with incidents like these. The fault here rests with the management system that fails to recognize the need for well trained, wildlife knowledgeable people who have a sincere desire to protect the resourse, rather than make a lateral career shift out of boredom or whatever.

My recommendation is that Public Safety either maintain a strong, autonomous division of Fish and Wildlife Protection, with increased

emphasis on interaction with field biologists from ADF&G, or be moved back within the Department of Fish and Game with full Division statis.

I truly hope those decision makers within the Alaska Department of Public Safety will choose to do what is best for wildlife management first and foremost.

Sincerely,

Brandon Anderson

must drive marked trucks and wear uniforms at all times.

• The Alaska State Trooper Academy at Sitka has dropped the special five-week training unit on wildlife case investigation previously given to all Fish and Wildlife Protection officers. Now only state trooper training is given.

• Before an academy graduate can work for Fish and Wildlife Protection, he must serve a year as a state trooper. No one is now recruited specifically for Fish and Wildlife Protection.

• State troopers can now bid for Fish and Wildlife Protection positions. Previously, only trained Fish and Wildlife Protection officers could bid. Positions are awarded on a seniority basis, and natural resource enforcement background or training is not required.

• Many Fish and Wildlife Protection officers have been assigned to state trooper duties, which takes them away from protecting fish and game.

• The Department of Public Safety is experimenting at various posts with combining wardens and troopers under one supervisor. A department study recommends moving away from separate supervisors.

None of these changes has been as demoralizing as the perception by wardens that their appointed leaders are not dedicated to protecting fish and game. A common theme in our more than 30 interviews with officers last spring was that they could endure most of what is going on within the division if they were allowed to do their jobs — protect Alaska's fish and game.

Jimmy Boyd was trying to protect the resource last March. When a patrol plane spotted 24 crab pots still fishing in Chaik Bay near Chatham Strait the day after commercial crabbing season closed in southeastern Alaska, First Sergeant Boyd, skipper of the P/V *Enforcer*, knew that there were problems with the crab fishery. His boat had seized 51 crab pots for fishing before the season. He had to stop after the first 51 he checked because that's all he could get on board.

On Friday, March 1, Boyd sailed the *Enforcer* out of Juneau, planning to enforce the regulations and seize the illegal crab pots from the waters of Chaik Bay. But as he cleared harbor, Lieutenant Conrad Seibel radioed Boyd that no overtime was permitted, and that the *Enforcer* had to be tied up at Sitka, its home port, before midnight that day.

If the boat happened to be at sea after midnight, each member of the crew of four would have gotten an additional 15 hours of pay.

Boyd couldn't work a major commercial crabbing violation and still get his 10-knot vessel to Sitka in less than 12 hours, so he took the *Enforcer* to Sitka, leaving the illegal pots uninvestigated.

Boyd reached Sitka and resigned. A veteran Alaska warden, he felt he was unable to do his job with all the roadblocks thrown in his way. Another officer described him as a "... smart, tough, good, game warden. He has ethics — which are kind of scarce these days."

Nine days passed before a patrol boat got to Chaik Bay. By then the crab pots were gone.

Jimmy Boyd isn't alone in being frustrated. Other Alaska wardens are also contemplating resigning because they aren't allowed to do their job. Often, their orders are more subtle than those Boyd received. Rather than being told to ignore wildlife, wardens are assigned traffic patrol, escorting prisoners, burglary investigations, and the like — activities which keep them out of the fish and game field.

The two wardens at Nome, for example, have been reporting to a trooper supervisor since September, 1984. In one two-month period last winter, the two wardens filed approximately 160 case cards, more than 130 of which were non-fish and game cases. Thus, more than 75 percent of their documented performance was for other than game warden work.

Case cards are heavily utilized for performance records by troopers. Wardens, however, submit few. A warden might check a hundred fishing licenses in a day, but he only files a case card if he issues a citation. Troopers, on the other hand, file a case card for almost every action. One frustrated warden commented, "Ninety percent of the trooper case cards are junk. If they chase a cat out of a tree, they fill out a case card."

Wardens working as troopers are required to log the same case cards, no matter how trivial the incidents.

When *ALASKA®* magazine asked how much time was spent working outside of game law enforcement, wardens assigned to trooper duties estimated from 30 to 90 percent.

"A good indication that the two divisions are going to become one is the chain of command," Stickles told us. At Kodiak, Lieutenant Steve Reynolds, a Fish and Wildlife Officer, recently assumed command of both the wardens and troopers in the region.

Commissioner of Public Safety Bob Sundberg last May told *ALASKA®* magazine that having Reynolds in overall charge in Kodiak was an experiment, but an experiment that he said is working. Of a recently completed staffing study, which he had yet to approve, Sundberg said, "No use having two captains if one can do the job. The study has concluded that we should have, not two masters in one area, but one."

Sundberg believes that the two jobs — that of the wardens and of

Continues on page 74



Alaska's Game Wardens

An Endangered Species?

By Tom Gresham and Ron Dalby
Illustration by Bruce Bulloch

He's dedicated, trained, professional and competent. He's a game warden in Alaska, the job he's wanted ever since he can remember. Officially, he's called a "Fish and Wildlife Protection Officer."

Sounds great, doesn't it? Unfortunately that warden is watching his organization, his job and his career slowly slip away. The fish and game that he loves and is trained to protect will go unprotected, and he's powerless to do anything about it.

His option? Lacking the years of service that would allow him to retire, to get out with dignity as the old-timers are doing, he can either add his resignation to the growing stack, or he can surrender his dream and stay on the job. By doing so he'll throw away his training and perhaps a degree in wildlife management as the emphasis of the Division of Fish and Wildlife Protection shifts from protecting fish and game to general law enforcement.

The one thing he is unable to do is to remain an Alaska game warden, for it appears that soon there will be no such thing.

Alaska's Fish and Wildlife Protection officers are asking why wildlife law enforcement is being phased out by politicians and their appointees. It seems clear that is what is happening, for a series of small, seemingly unrelated changes are occurring in the division — changes only someone on the inside can easily see as a pattern. In total, they spell the end of the professional game warden in Alaska.

"If I was Commissioner of Public Safety and my goal was to eliminate Fish and Wildlife Protection with the least amount of public stir and the least amount of internal upheaval," said Bob Stickles, a former director of Fish and Wildlife Protection, "I would nickel and dime it exactly the way that it has been nickeled and dimed so far.

"The transition is so smooth and slow in merging the troopers and the wardens into one that it hasn't raised the ire of legislators who are protective of fish and game. No one has realized it is happening, excepting the troops involved."

Stickles estimates there is one chance in five that Fish and Wildlife Protection will survive as an effective organization.

Fish and Wildlife Protection officers don't work for the Alaska Department of Fish and Game. Since 1972, Alaska's game wardens have been part of the Department of Public Safety. They are ranked with Alaska State Troopers, and, in reality, they *are* state troopers. The troopers and wardens are separate divisions within the Department of Public Safety.

The current director of the game wardens, Colonel Robert "Red" Henderson, was appointed Alaska's chief game warden in early 1983. Previously he was a Kodiak city police supervisor, and Palmer's chief of police.

Much of the concern within the warden force centers around a loss of identity. Officers point to a series of changes that show how Alaska's wardens are slowly but steadily being absorbed by troopers.

In the past two years:

- Wardens were required to turn in their badges, which were replaced with trooper badges.
- Their title was changed from officer to trooper.
- The warden's brown trucks are being repainted to the Trooper black and white.
- No undercover work is allowed. Fish and Wildlife Protection Officers

ALASKA VIDEO

Professionally Produced
Outstanding Quality

Enjoy the beauty of the great land . . . Mt. McKinley, Glacier Bay, the Inside Passage, Eskimos and much, much more. 30 min. length. Other movies, including: Hawaii - A Tropical Vacation Paradise. Specify Beta or VHS.

Send $39 check or money order to ENCOUNTER PRODUCTIONS, 226 N.W. Pettygrove, Portland, OR 97210. Satisfaction guaranteed or your money back.

$199

Over Factory Invoice
On Many New Models Delivered to Your Area
ORDER NOW . . .
Just the Way You Want It

LOVELAND CHEV-OLDS, INC.

North Bend, WA 98045
(206) 682-6307 or 888-0781



HEX DOME TENT
3 person with rain fly.
POLYURATHANE-coated Nylon floor/walls
100"x86"x52" ct. ht., 7 lb. 6 oz.
Alpine Blue/Gray
List: $70, Our Price: $49
Camouflage
List: $90, Our Price: $69

KINGDOME FAMILY TENT
Rain fly, dual track zipper,
2 windows, POLYURATHANE-coated Nylon floor/walls. Packs to 6"x6"x30" bag.
12'x10'x78" ct. ht., 14 lb. 10 oz.
Alpine Blue/Gray
List: $250, Our Price $139
Camouflage
List: $270, Our Price $149

GEODESIC 3-PERSON TENT
Full fly, canopy & NOSEEUM screens over door & window.
POLYURATHANE-coated Nylon floor/walls.
The very best four-season, foul weather tent.
96"x90"48" ct. ht., weighs 9 lbs. 6 oz.
Alpine Blue/Gray only
List: $150, Our Price, $89

BIGFOOT OUTDOOR EQUIPMENT CO.
1-YEAR WARRANTY AGAINST DEFECTS • MONEY BACK GUARANTEE
Mail orders to: 18203 SE 272nd (P.O. Box 5849), Kent, WA 98042
or call COLLECT (206) 443-0330 or (206) 631-6522

Suzuki's world wide sales exceeded two *billion* dollars in 1984. Now *you* have the opportunity to become part of that explosive growth.

U.S. Suzuki is now accepting applications for new dealers in selected areas. Suzuki supplies a terrific lineup of new motorcycles, 4-wheeled Quadrunner ATVs and portable power generators, along with national advertising, sales support and training. You supply a moderate investment and suitable facility. Join a growing team...join Suzuki. Write: Dealer Appointment Department, U.S. Suzuki Motor Corporation, 3251 E. Imperial Highway, P.O. Box 1100, Brea, CA 92621, (714) 996-7040.

SUZUKI®



World Wide Sales Growth

1970 $550 Million — 1984 $2 Billion+

INVESTMENT OPPORTUNITY.

ALASKA'S GAME WARDENS
Continued from page 17

the troopers — are interchangeable. He also thinks that protecting wildlife is the simpler of the two. "It's easier to cross-train a blue-shirt (trooper) to do brown-shirt (warden) work than vice versa," he said.

Don Roberts, a state and federal game warden in Alaska for more than 20 years and former deputy director of Fish and Wildlife Protection, disagrees. "More goes into a crime scene investigation on a moose kill," he said, "than normally goes on at a trooper murder case."

One warden, unhappy with the commissioner's lack of understanding of his duties, said, "We are pros in a very limited specialty field. Unfortunately, neither the public nor other law enforcement professionals know what our specialty is all about and

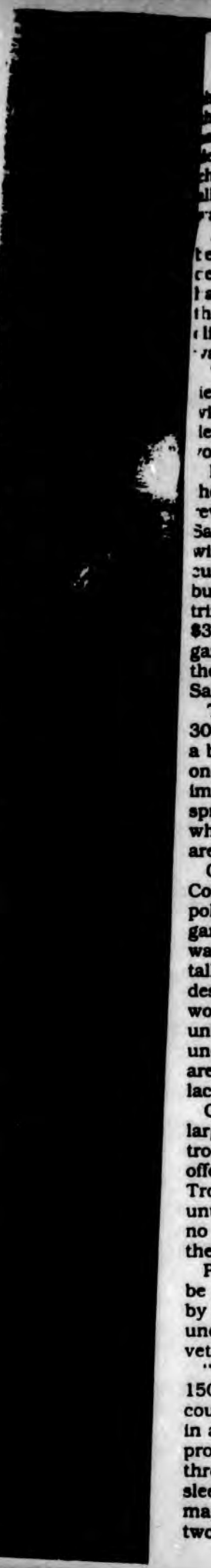
They place no importance on our jobs — they think an untrained temporary employee can do it.

what our day-to-day work involves. They place no importance on our jobs — they think an untrained temporary employee can do it."

The idea that the jobs are interchangeable may, in part, be responsible for the cross-over bidding practices which allow a trooper to bid for and be assigned a warden's position, based only on seniority. The current practice of allowing troopers to bid for warden's positions is the single most devastating change from the standpoint of morale, say field officers we talked with.

Sundberg said that the cross-divisional bidding resulted from actions of the Public Safety Employees Association. "Because of the bidding process within the bargaining unit, any vacant position in either division is filled by seniority. That wasn't a policy change here," he said. "That happened in negotiations with the unions."

Bob Piazza, head of PSEA, told *ALASKA*® a different story. He said



he union had nothing to do with he cross-bidding arrangements. He aid it was strictly Public Safety's ecision. The union had never challenged the earlier practice of llowing only wardens to bid for arden positions, he said.

According to Piazza, "Bidding tetween the divisions is the most destructive thing that has ever appened to Public Safety, because the long-range effect will be to liminate professional fish and game vardens in Alaska.

"They are two specialized career ields," he said. "You have fish and vildlife professionals, some with legrees in wildlife management, and 'ou're just throwing that away."

Money, or lack of it, seems to be he catalyst for the changes. State evenues are declining, and Public Safety's budget has suffered along with other state agencies. In a utback last spring, Public Safety's budget for overtime pay was trimmed $400,000. Of this, $300,000 was to come from fish and game protection and $100,000 from the troopers, according to Public Safety officials.

There are about 100 wardens and 300 troopers; thus three quarters of a budget cut was to be absorbed by one quarter of the force — immediately prior to the busy spring, summer, and fall period when fish and game law violations are at their highest.

Commissioner Sundberg, like Colonel Henderson, is a former city police chief (Fairbanks) with no game warden experience. Working wardens that *ALASKA*® magazine talked with went to great lengths to describe the uniqueness of their work, hoping to create a greater understanding of their role — an understanding that these wardens are convinced their commissioner lacks.

Game wardens believe their job is largely preventative work, while troopers, except in the case of traffic offenses, react after the fact. Troopers don't have a murder case until the act is committed; probably no amount of patrolling will prevent the murder.

Poaching, on the other hand, can be prevented, the wardens believe, by a combination of open and undercover patrols. Here's how one veteran officer described his job:

"Let's say I'm assigned to patrol a 150-mile stretch of road. A trooper could drive that distance and back in a single shift. But, if I'm to protect the fish and game there, I throw a case of C-rations and my sleeping bag into my truck, and I may be on that stretch of road for two, maybe three days. I drive

WORLD TRAVEL DIRECT

To receive more information about destinations and services listed in the WORLD TRAVEL DIRECTORY, just use the response coupon on page 83.

VEHICLE RENTALS



These comfortable, self-contained 26' motorhomes sleep 6 persons. We also rent 20' & 23' motorhomes. *Housekeeping packages available*

Free airport pickup in Anchorage

The ideal way to see Alaska — at your own pace!

Clipperships Motorhome Rentals

MAKE RESERVATIONS EARLY!

3200 Mountain View Dr. Suite B
Anchorage, AK 99501 (907) 276-6491

*A division of Clipperships Enterprises, Inc.

VEHICLE RENTALS



NOW AVAILA
HAINES AND SC

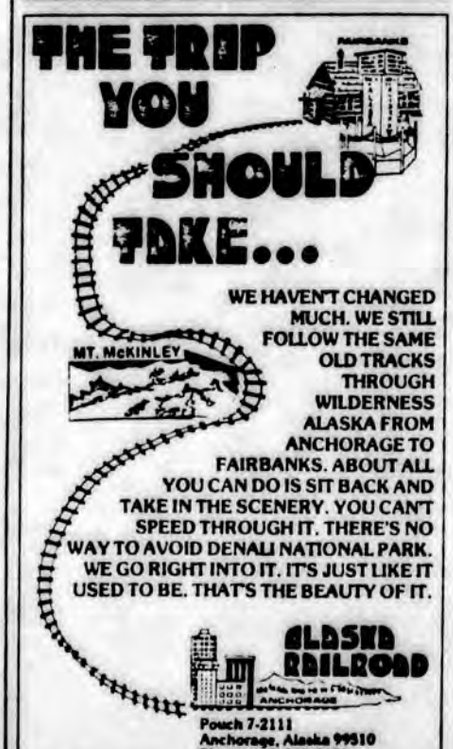
Self-contained Motorhomes families of all sizes. Dishes, and full insurance available.

RESERVE E/
Write, wire or call for co

#1 MOTOR
RENTALS OF

322 Concrete St.
Anchorage, Alaska 99501
(907) 277-7575

TRANSPORTATION



Pouch 7-2111
Anchorage, Alaska 99510
Phone (907) 265-2494

ACCOMMODATI

Sourdou
& Brea
More than a

276-

Alaska Styl
at reasor
in a conven

Office: 301 L St., A

Let every knife you own really work for you!

Sharpen every knife you own to a professional edge, at the exact angle you select. Angle selector guide insures consistent honing angle. For hunting, fishing, camping and household use. In compact, carry-everywhere sturdy case.



Standard Kit Contains:
Custom carrying case, knife clamp, 1 coarse stone, 1 med. stone & 1 fine stone all on holders, 1 oz. Lansky Honing Oil, 3 guide rods, extra long thumb & front screws.

Deluxe Kit Contains:
All of the above *plus* an extra coarse stone & an ultra fine stone on holders & 2 more guide rods.

At your sporting goods or hardware dealer, or write us.

DEALERS PLEASE INQUIRE

LS. LANSKY SHARPENERS

P. O. BOX 800, BUFFALO, NY 14221 U.S.A.

Cabela's



100% SATISFACTION GUARANTEED

Hunting Equipment Decoys
Footwear Knives Guncases
Bows Arrows Clothing
Optics Gifts and Much More

FREE
CATALOG SUBSCRIPTION

Mail today to reserve your Fall issue

NAME _____
ADDRESS _____
CITY _____
STATE _____ ZIP _____

Cabela's 825-508 Sidney Nebraska 69160

slowly, maybe 25 mph, looking for tracks, searching for drag marks where maybe an animal has been killed. I stop and visit with a trapper I know. We have coffee, and chances are good he'll tell me something of value about hunting activities in the area.

"I might stop at a lodge which may be closed for the season, although the owner is living there. He'll invite me in and maybe he'll also give me a tip or two — or maybe he'll tell me it's been too cold for anyone to be out. I'll spend the night somewhere alongside the road. Next day I'll continue on. If the patrol is uneventful, I might cover the 300-mile round-trip in two or three days and talk with seven or eight people. I've been visible. Even the people I don't talk with hear I've been there.

"I have prevented illegal taking of fish and game — and that's an important part — perhaps the most important part — of my job."

This warden will have no case cards to show for his two or three days' work.

Don Collingsworth, Commissioner of Fish and Game told *ALASKA®*, "As our population grows, and as demands for wildlife become more intense, we're going to need more money to protect what we have. There's going to be even more need for Fish and Wildlife Protection. Unfortunately, the trend seems to be going the other way."

Alaska's game wardens are already stretched thin, even when not performing trooper functions. There are 102 full-time wardens, according to Commissioner Sundberg. Of those, perhaps 20 are in supervisory positions and about an equal number are on fisheries patrol boats. This leaves about 60 officers for 591,000 square miles — all of Alaska. Factor in the lowest figure provided for field officers for doing trooper's work (30 percent), and you've effectively cut this force to about 42 active wardens.

"Alaska must have a separate force dedicated to protecting fish and game," says Al Thompson, who, although he shuns the limelight, is probably Alaska's most famous warden. His exploits at catching poachers and protecting wildlife on the Kenai Peninsula have made him almost a legend in his time. When asked how he would arrange his priorities if he had to do both warden and trooper work, Thompson said that, for an officer charged with both responsibilities, crimes against people would have to take precedence over poaching.

Thompson, who retired last May, made clear that during his years of protecting fish and game, his priorities were " . . . the resource, the public, and the bureaucracy, in that order."

It is well known among the older wardens that Thompson ignored regular hours, didn't put in for overtime (which he probably wouldn't have gotten anyway), and performed his job for his monthly salary, working nights and weekends whenever and wherever he thought he could do something for the fish and game he was hired to protect.

"That's the way it used to be," he remembers. "We had professionals who were dedicated to protecting Alaska's fish and game, and we didn't worry about overtime, discomfort, lack of equipment. We knew what had to be done, and we did it."

"Somebody's got to start looking out for the resource," Stickies told us. "If they do combine the two divisions, the priority is going to be drunk drivers, robberies, rapes, and chasing tail lights. After a time, when the hard-core, dedicated, professional game wardens in Alaska are gone, the people who are left won't really know how to tackle the job of protecting Alaska's fish and game."

The long-range effect will be to eliminate professional fish and game wardens in Alaska.

Colonel Henderson has told his supervisors that he would go back to the old ways of separate wardens and troopers if they could prove that the changes in Public Safety are damaging the resource.

Former deputy director of Fish and Wildlife Protection Don Roberts is deeply concerned with this approach. He thinks this shows a lack of understanding of fish and game protection. "By the time you can prove that it's hurting the resource, it will be too late," says Roberts.□

Tom Gresham is Editor of ALASKA® *magazine. Ron Dalby is Managing Editor, and a former Alaska game warden.*

MEMORANDUM

State of Alaska

TO: All Commissioned Personnel
Fish & Wildlife Protection
Department of Public Safety
State of Alaska

DATE: July 18, 1985

FILE NO: 6a

TELEPHONE NO: 269-5509

FROM: Colonel Robert M. Henderson
Director
Fish & Wildlife Protection
Anchorage

SUBJECT: Alaska Magazine
August Issue

There is an article in the August issue of the Alaska magazine entitled Alaska Game Wardens - An Endangered Species?. I am sure when this magazine article hits the street there will be questions directed to some of you concerning its contents. I will take this time to explain to you the Division's position on these issues, since the authors of the article failed to interview or contact me before publishing. Some of the statements are totally false and some other statements only tell one side of the issue. The Fish and Wildlife Troopers are not being absorbed by the Alaska State Troopers nor are they an endangered species.

I will first address the statements which are totally false:

1. "No undercover work is allowed. Fish and Wildlife Protection officers must drive marked trucks and wear uniforms at all times." This is not true. The order was and still is that officers must have their supervisor's permission to work undercover. Routine patrol requires an officer to be in uniform and drive a marked vehicle. This provides for high visibility which is a deterrent to people who would violate the fish and game regulations.

2. "The warden's brown trucks are being repainted to the Trooper's black and white." Trucks are not being indiscriminately repainted. As we get new vehicles they are being ordered with white color for high visibility. Many state law enforcement emergency vehicles have commonly been colored white throughout the nation since the early '60's, including many Fish and Game units.

3. "Public Safety's budget for overtime pay was trimmed $400,000. Of this $300,000 was to come from Fish and Wildlife Protection and $100,000 from Troopers." This is not true. $85,000 was cut from this Division's overtime budget at my direction, I do not know how much was cut from the Alaska State Trooper's budget.

Some of the statements made by the author are true, but no reasons are given other than to infer that the Fish and Wildlife Troopers are not allowed to carry out their responsibilities and are being phased out and absorbed by the Alaska State Troopers.

1. "Warden's were required to turn in their badges, which were replaced with Trooper badges." This is true. The personnel assigned to the Fish and Wildlife Protection Division have been Troopers since 1972. When this Division was placed under the Department of Public Safety

the personnel were classified officially as Troopers. The pay classification says Trooper and we are being paid as Troopers. But more important to me was the identification problems experienced by the Fish and Wildlife Troopers themselves. This concern was expressed to me by many field Troopers. Many people thought they were U.S. Fish and Wildlife Agents, Fish and Game employees, Park Rangers or Army personnel which led to changing the public designation to Fish and Wildlife Trooper.

2. The statement that the special five week training unit on wildlife case investigation which was given only to the Recruit Fish and Wildlife Troopers at the Academy was dropped is true. It was replaced with 2-1/2 weeks of specific Fish and Wildlife training now given to all Recruits at the Academy, not just a select few.

3. It is true that a Recruit graduating from the Academy must work a year as an Alaska State Trooper before being allowed to bid on a position within either Division, that is the case for all Recruit Troopers, not just those wanting to bid for FWP positions. All of them must serve one year's probation before they are allowed to bid on any position.

4. It's true that no one is recruited specifically for Fish and Wildlife Protection. Colonel Kolivosky and I make the final selection of the Recruits selected to attend the Academy. At the last Academy, out of 30 persons selected, eight were selected who ultimately want to be Fish and Wildlife Troopers. It is cost effective to centralize recruiting practices.

   It is true that all State Troopers can bid on any vacant position in either Division. This language has been in the contract for several years. It was challenged approximately 18 months ago when a junior Fish and Wildlife Trooper was chosen over a senior Alaska State Trooper to fill a position in Fish and Wildlife Protection. A grievance was filed by the senior Trooper, went to arbitration and the arbitrator ruled in favor of PSEA. I would approve changing the contract to allow Fish and Wildlife Protection Troopers to have first right of bid on vacant position within the Fish and Wildlife Protection Division. But that change must come from within the bargaining unit (PSEA).

5. "Many Fish and Wildlife Protection Officers have been assigned to State Trooper duties which takes them away from protecting fish and game." We are cross-training Fish and Wildlife Troopers and Alaska State Troopers to be able to assist each other when time allows. But both divisions have their priorities and the Fish and Wildlife Commanders have been instructed that Alaska State Trooper duties do not take priority over Fish and Wildlife Protection duties except in life threatening situations.

6. "The Department of Public Safety is experimenting at various posts with combining Wardens and Troopers under one supervisor." This is true in selected areas of the state where it is more cost effective and the goals and objectives of the Division can be accomplished.

Just a brief comment on the statement made about the P/V Enforcer not being allowed to work a major commercial crabbing violation in Southeast. This decision was made by the Fish and Wildlife Protection Commander in Juneau and with good reason. The author of the article was told that there was more to the story than he was told but the Commander did not feel he could discuss it publicly. It was a situation where the Commander believed the pots could have been picked up during the previous week. My policy is that the Commanders are responsible for their area and will run their Detachments.

The quoted estimated 30 to 90 percent of a Fish and Wildlife Trooper's time was spent outside Fish and Wildlife Protection duties is misleading. Since the Fish and Wildlife Troopers are now cutting case cards on all work performed, it is possible to accurately know how much work is done on other duties. In FY-84 seven percent of the Fish and Wildlife Protection budget was spent on other than fish and wildlife duties. The statistics for a two month period in Nome was correct. That was in the middle of winter when the fish and wildlife work was slow. I am sure that the statistics in the summer months would reflect 99 percent of the work is fish and wildlife related.

I have been in Alaska over 25 years and 18 years in law enforcement and several years as a commercial fisherman. I was an Alaska State Trooper in 1972 and 1973 and assigned in 1973 to work in the Fish and Wildlife Protection Division. I will share with you some thoughts and observations for the past 25 years:

Alaska, unlike any of the lower 48 states, has historically had not only more wildlife resources to protect, but a huge commercialization of that resource spread over a large, diversified area of cultures, climates and terrain that is unequaled anywhere on earth.

To adequately provide wildlife protection for this unique area and to provide the enforcement control necessary to reduce the rampant overharvesting and destruction of the wildlife resources, an enforcement branch of specially trained officers armed with adequate equipment to do the job was required. This simply was not being accomplished prior to 1972, under the control of the Department of Fish and Game.

In those days, as it is now, the Fish and Game Department was a research and management organization funded mainly for that purpose and headed from the commissioner level on down by professional biologists not oriented in law enforcement. The Department was not thought of nor considered a law enforcement agency.

The Protection Division of that Department was the smallest of four major divisions, with very little money, manpower or equipment. Training consisted for the most part of a one week meeting of all officers every year or so to hear lectures by guest speakers from other conservation agencies. (Only a select few were allowed to attend the AST Academy.)

New officers were hired off the street or from "lower 48" departments, had little or no training and normally did not attend a recruit academy. They were poorly paid with no overtime compensation and very few benefits. In fact, they were not required to have college degrees and therefore were viewed as subservient to and less qualified than the employees of the other divisions. The officers and their supervisors were classified a range or more lower in pay than their counterparts in other divisions.

Although these protection officers were for the most part dedicated "game wardens" you can see how frustrated they must have been. Through no fault of their own they were underpaid, low budgeted, had little equipment and little training. They made few major cases yet the fishing industry was the most important industry in Alaska and the hunting guides were untouchable and free to exploit as they pleased.

Beginning with the move to Public Safety in April, 1972, conditions changed drastically. Overnight the Division was the second largest entity in a totally law enforcement oriented department. The entire Fish and Game Aircraft Section was moved over with this Division and has since doubled the number of aircraft along with installation of the latest in radio communications and navigational equipment.

Patrol vehicles were upgraded from sedans and station wagons to pickups, 4x4's, snowmachines and ATV's. Radios were installed. All communications were linked to 24-hour dispatch and NCIC.

Water vessels were upgraded from small wooden bartenders and fiberglass bellbouys to four high endurance vessels and numerous medium range vessels, high quality riverboats and inland water skiffs.

Good quality uniforms, sidearms, leather gear and personal issue equipment were purchased.

The number of officers has doubled and all new officers beginning in 1972 were sent through the Public Safety Academy. Specialized training has been provided, salaries were increased, overtime was initiated and better health benefits were gained. The retirement was dropped from 25 to 20 years.

Beginning in 1976, an undercover operation began with special funding and has continued to this day. That operation has put many unethical guides out of business and curbed the worst of commercial hunting crimes. We

now have the fear and respect of that industry. Our efforts have resulted in similar success against the commercial fish violators, as evidenced by our team effort success this year in Bristol Bay and our past forfeiture of multimillion dollar vessels. The DA's are listening, the courts are listening, the violators are listening and so is the public. We're doing our job better than we've ever done before. Each year adds improvement.

The recent article in the Alaska Magazine has not helped our effort during a critical time in our Division's history.

Like it or not, we've been "Troopers" since 1972. That was our classification soon after arriving with Public Safety. Our first badges issued by this Department said "Trooper." Our pay classification says "Trooper." We were given that rating early on and we're paid for it.

We are proud of our identity as Fish and Wildlife Troopers, a specialized unit with uniforms readily identifiable to the public and others. One of past problems we are finally outgrowing is being mis-identified as the Fish and Wildlife Service, Fish and Game employees or Park Rangers.

There is absolutely no other division of game wardens in the world better trained and equipped than we are. We can be additionally proud that there is no other police agency better trained than we are.

We have what it takes to do our job of protecting the wildlife resources better than anyone. In addition, we can do a better job of enforcing all of the criminal laws in Alaska in our spare time; when our priorities allow, better than any police agency in the state. We can do it standing on our head. I believe that...do you?

Let the bad apples have their say about sour grapes. Let the malcontents go elsewhere. We'll go on without them and not lose sight of our number one priority, which is the protection of Alaska's wildlife resources.

RMH/rt

c: Commissioner Sundberg
Colonel Kolivosky
Major Gilmour

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 20, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Fish and Wildlife Enforcement Hearings

The House Special Committee on Fisheries will conduct hearings on fish and wildlife protection at 8:30-10:00 a.m., February 25 and 27. We will be soliciting public testimony on both days from all sites on the teleconference network. All legislative information offices are now scheduled to participate in the teleconference, and I have given permission to add any other site upon request.

I have identified three primary areas of concern that we will address during the hearing process: (1) enforcement coverage; (2) training; and (3) general law enforcement responsibilities. Other issues are likely to be raised during public testimony and committee discussion; attached are some of the comments we have received to date (attachment #1).

Enforcement Coverage

Information provided by the Department of Public Safety indicates that the personnel levels in the Division of Fish and Wildlife Protection have decreased slightly over the past five years (attachment #2), while the violation rate has increased. According to department statistics, 9.8 percent of the people contacted in the field during FY85 were found to be in violation of fish and game laws, compared to a 7.7 percent violation rate in FY81.

Considering recent increases in the state's population base and expansion of Alaska's commercial fisheries, the slight decline in personnel suggests that enforcement coverage has actually decreased.

Training

The last training session for troopers at the Public Safety Academy in Sitka offered a 42-hour course in fish and

wildlife protection. Academy Director James Lansbery said this section probably will be expanded to 67-73 hours during the next class with the addition of cold water survival training. Captain Lansbery stressed that much training pertinent to fish and wildlife enforcement is covered in other courses.

Additional training is given once a trooper is assigned to a fish and wildlife protection post through numerous "mini-modules" covering issues such as sport fishing, trapping and commercial fishing.

When officers were specifically trained as troopers or fish and wildlife protection officers, the academy offered about five weeks of specialized training in fish and wildlife enforcement.

Also eliminated from the Academy cirricula in recent years has been a course in "cross cultural" training designed to familiarize all law enforcement officers with the Alaska Native culture.

General Law Enforcement Responsibilities

I have received much concern from the public regarding the involvement of fish and wildlife protection officers in general law enforcement duties (attachment #3). According to figures by the Department of Public Safety, fish and wildlife protection officers spent 7% of patrol and investigative hours on general law enforcement and traffic responsibilities in FY85. Commissioner of Public Safety Robert Sundberg said cross training of general law enforcement troopers and fish and wildlife protection officers is critical, in part, because of the large number of one-man trooper posts and the seasonal nature of fish and wildlife responsibilities (attachment #4).

Another concern raised by the sharing of responsibilities by the troopers and fish and wildlife protection officers has been posting of personnel. Under a ruling by an arbitrator last year, the Department was forced to bid all position openings by seniority. This meant, for instance, troopers with no wildlife enforcement experience would have preference over qualified protection officers. A recently signed memorandum of understanding between the department and the employees bargaining unit (attachment #5) now allows protection officers first priority on openings within the unit, followed by seniority bidding by troopers.

ATTACHMENT NUMBER FIVE

MEMORANDUM OF UNDERSTANDING BETWEEN PUBLIC SAFETY AND THE PUBLIC SAFETY EMPLOYEES ASSOCIATION

ARBITRATORS RULING ON ASSIGNMENT OF PROTECTION POSTS

147

ISEA 116

LETTER OF UNDERSTANDING
BETWEEN
THE STATE OF ALASKA
AND
THE PUBLIC SAFETY EMPLOYEES
ASSOCIATION

THIS LETTER OF UNDERSTANDING between the State of Alaska, hereinafter referred to as the State, and the Public Safety Employees Association, hereinafter referred to as the Association in entered into in accordance with Article 30 of the Collective Bargaining Agreement, and shall remain in effect from the date of signing to December 31, 1986.

When a vacancy is to be filled in accordance with Article 12, the State may determine prior to the required posting notice to either fill the vacancy from members within the employing division or from members of all divisions covered by this collective bargaining agreement. The posting shall indicate that the bidders for consideration shall be either from the employing division or from all divisions.

For the State of Alaska	Date
Edward L. Stamber	1-7-86
For the Public Safety Employees Association	Date

4 of 7

LETTER OF UNDERSTANDING
BETWEEN
THE STATE OF ALASKA
AND
THE PUBLIC SAFETY
EMPLOYEES ASSOCIATION

THIS LETTER OF UNDERSTANDING between the State of Alaska, hereinafter referred to as the State, and the Public Safety Employees Association, hereinafter referred to as the Association is entered into in accordance with Article 30 of the Collective Bargaining Agreement.

The parties agree that the following shall apply during the calendar year 1986.

TRANSFERS FROM OUTPOST LOCATIONS, AND TRANSFERS FOR THE NEEDS OF THE STATE. It is recognized that the seniority language of Article 12 in conjunction with the stricter budgetary requirements of the State has created a situation wherein members are unable to secure transfers from outpost assignments within reasonable time periods. It is further recognized that circumstances may arise wherein the State needs to transfer members from outpost locations for the needs of the State and the need of the member.

1. Prior to February 15, 1986 the State will solicit transfer requests from all members of the bargaining unit. Any member who fails to respond to the State's inquiry in a timely manner will be deemed not interested in transfer during 1986, but may nevertheless be subject to transfer as provided in Article 12 of the Agreement. By February 20, 1986 the State shall forward to the Association office copies of all responses received and a listing of all members who failed to respond.

2. Prior to March 15, 1986 the State will provide to the Association a proposed plan for transfers to be effected during 1986. Excepting emergencies and those transfers awarded through the normal bidding procedures of Article 12, this transfer plan shall incorporate all proposed transfers during 1986.

3. Between March 16 and April ~~15~~ 1, 1986 the State and Association will meet and confer on the proposed transfer plan. The Association shall assign the members of the negotiation team who have full awareness and knowledge of the intent of this letter of understanding, to meet and confer with the purpose of removing those questionable transfers which may exist. The transfer plan shall be prepared in final form by the State. Prior to ~~May~~ April 15, 1986 a copy shall be provided to the Association.

4. The Association shall have 15 days to review the States plan. During this period of time the parties shall attempt to remove any questionable areas of the plan.

5. Should questionable areas not exist after the process of item 4 above the State shall then implement the entire plan. This shall be considered final and binding, and not subject to the grievance process.

6. Should either party believe the other party to be acting contrary to the intent of this letter of understanding at the completion of item 4 above, either party may serve written notice that this letter of understanding is nullified.

Bruce A. Cummings — 12/18/85
In Agreement for the State of Alaska — Date

Robert M. Leggio — 12/18/85
In Agreement for the Public Safety Employees Association — Date

465-4322

January 24, 1986

Mr. Robert Piazza
Business Representative
Public Safety Employees Association
P.O. Box 4-2624
Anchorage, AK 99509

Dear Mr. Piazza:

Attached is our suggested form to be used to identify transfer requests. If the form meets your approval, we are ready to send it to all PSEA members.

We will generate reports by classification, seniority, locations desired, time in present location, etc.

Please advise me as soon as possible if you approve this form, or have suggestions for its modification.

Sincerely,

James D. Vaden
Deputy Commissioner

cc: Fran Kinney
Personnel Officer, DPS

Bruce Cummings
Division of Labor Relations, DOA

REQUEST FOR TRANSFER CONSIDERATION

For Office Use Only ____] ____]]Bus / / /]Cs / / /

Name _____ **Date of Employment** _____

Rank _____ **Length of Service in this rank** _____

Detachment _____ **Duty Station** _____

Date assigned to present duty station _____

Assignment: Patrol___ **Investigation** ___ **J.S.**___ **Narcotics** ___
Vessels ___ **Other** ___ **Specify** _____

Special training since Academy ___ _____

_____ *

Special Qualifications (List licenses & certifications with expiration dates) _____

_____

_____ *

List assignments and dates since your employment with Public Safety:

Date _____ to: _____ Assignment _____
Date _____ to: _____ Assignment _____
Date _____ to: _____ Assignment _____
Date _____ to: _____ Assignment _____
Date _____ to: _____ Assignment _____

*

Number and ages of persons living in your home. #___ : , , , , ,

Do you wish to transfer between May and September of 1986? _____

List 3 locations, in order of preference, where you would prefer to be stationed.

	Location	Duty Assignment
1.	_____	_____
2.	_____	_____
3.	_____	_____

Please list any special circumstances you would like to have considered in regard to this request, i.e., children about to enter school; financial; medical needs; spouse's career; etc.

_____

_____

Would you be willing to help with the expenses of the move?

Packing _____
Unpacking _____
Loading _____
Unloading _____
Other _____

Comments: _____

_____

* May continue on back or with other sheets.

Mail to: Personnel Section
Division of Administrative Services
P.O. Box N
Juneau, AK 99811

1984 Interest Arbitration

ISSUE 3: Assignment and Transfer

The 1983 contract sets forth the requirements on assignment and transfer. Article 12 is a modified seniority clause where qualifications, length of service and interests of the Department are considered. The State would continue the current contract language. The Association proposed entirely new language and concepts for Article 12.

The Association proposed to delete the existing Section 1 modified seniority language and substitute it with strict seniority language. Pursuant to the language proposed by the Union seniority would be the only factor in filling vacant positions.

The complex nature of police work when combined with the unique geographical situation in Alaska requires that management have greater flexibility than allowed by the Association's proposal. While current Section 1 is not a model of clarity it has served the parties well in spite of some difficulties which are to be expected in the area of filling vacant positions.

The Association proposed to modify the job posting requirements of Section 2(a) to require a copy of the notices to be sent to the Association. In addition, copies of transfer requests would have to be provided to the Association. It was also the position of the Association that a vacancy could not be

filled unless it was posted at each post in the Department throughout the State of Alaska.

The Department has approximately 58 posts located throughout Alaska. Mail service and communication links to the remote posts are sometimes difficult and slow. Association witnesses complained that notices were not received until after the vacant positions were filled.

The Arbitrator was persuaded that the situation might be improved if the Association received copies of vacancy notices. The Fish and Wildlife Division currently provides the notices to the Association. A requirement to mail notices to the Association would not create a burden on the State.

I was convinced that the Association should not be provided copies of all transfer requests. If individual members wish to give the Association a copy of their transfer requests they are free to do so. However, the State should not be burdened with the task of sending copies of all transfer requests to the Association. Likewise, the Association proposal to allow filling of a vacancy only if the notice was posted at each post should not find its way into the contract. With 58 posts spread out all over Alaska, monitoring of this provision would be impossible.

Included in the Association's Section 1 proposal were several restrictions on the right of management to transfer employees. Management would be precluded from transfering members with over

five years service, sixty days notice prior to transfer and additional time off to accomplish a move to the new job site. Further, the Association proposal would expressly permit transfers as a form of discipline.

The proposed limitations on the right of the State to transfer members are too restrictive. It is a fundamental management prerogative to determine when and where the work will be accomplished. In the field of public safety it is even more imperative that the employer retain adequate flexibility to see that the public is adequately protected.

The Association proposal that transfer should be recognized as a form of discipline should not be adopted. Transfer is not normally accepted by arbitrators as an appropriate form of discipline. A transfer as a disciplinary measure traditionally moves the problem without solving it. Likewise, I see no need for adoption of the Association proposal to increase the number of days for a trip to new work sites from three to five days.

Section 1(d) of the Association proposal already exists in the current contract. It is not unreasonable to require the State to inform a senior bidder of the reasons why a transfer request was denied. In addition, with a modification, Section 1(b) of the Association proposal should be included in the contract. Vacant positions should "normally" be filled from within the bargaining unit before going outside the unit to fill a vacant position.

The Association proposed to establish a hardship review committee to consider and review unusual transfer requests and involuntary transfers. The unusual transfer request was aimed at providing a means to deal with the situation of members stationed in remote areas who need and want to return to a more populated area. Trooper Wilcox testified in fascinating detail of the professional and personal problems of providing law enforcement services in a remote area. He testified of his desire to transfer out of a remote area after five years of service and of the difficulties he faced in attempting to gain a transfer.

The difficulty with using Trooper Wilcox's testimony as a basis for establishing a review committee was that he has not bid on vacancies that were available. It appears that Trooper Wilcox is waiting for a vacancy in only the exact place he wants to move. The problems expressed by Wilcox in getting the vacancy notices in time to bid on jobs could be resolved if he was more aggressive in seeing that management got the notices to him. Finally, my award will require the State to supply vacancy notices to the PSEA which should also help to spread the word on vacant positions.

The Association proposal to establish a review committee to oversee involuntary transfers represents an unnecessary and excessive intervention into the inherent responsibilities of management to control and direct the workforce. The evidence also clearly established that management has not abused the right to

transfer employees. Out of 182 transfers since 1982 only 1 has been identified as an involuntary transfer.

In conjunction with the proposals in Article 12 the Association proposed to change the definition of transfer in Article 1, Section 2(o). For the reasons stated in rejecting the Association proposals in Article 12, the proposed new transfer definition should not become a part of the contract. It is properly the role of management to determine where the work of the Department can best be accomplished.

AWARD

The Arbitrator orders that Article 12 be modified to state:

ARTICLE 12

ASSIGNMENT AND TRANSFER

Section 1

The State shall continue its policy of transferring members based on the best interests of the Department, including consideration of special qualifications. Where those factors are relatively equal, preference of the member and length of service shall be major factors in effecting the transfer. The provisions of this Article apply only to lateral transfers. Vacancies will normally be filled from the request of members with the most

bargaining unit seniority who meet the qualifications of the announced vacancy before vacancies are filled by going outside the unit to hire new personnel.

Section 2

(a) The Employer will monthly circulate notices which shall be prominently posted at each duty station concerning available duty posts and will maintain a file of transfer requests. A member desiring a transfer shall submit his request(s) on forms to his detachment or unit commander. All such transfer requests, with appropriate endorsements, shall be forwarded to division and department headquarters. Transfer requests shall only be filled after fifteen (15) days from date of issuing the notice of vacancy, provided the notice is mailed on or before the effective date of notice. The Employer will forward a copy of all vacancy notices to the PSEA office in Anchorage at the same time vacancy notices are released for posting.

Section 2

(b) (c) (d) (e) (f) (g) and (h). Retain current contract language.

ATTACHMENT NUMBER ONE

WRITTEN COMMENTS SUBMITTED BY THE PUBLIC

Bering Sea
Fishermen's Association

632 Christensen Drive
Anchorage, Alaska 99501
(907) 279-6519

January 4, 1986

Representative Peter Goll, Chairman
Special Committee on Fisheries
Alaska State Legislature
House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

Thank you for your letter requesting comments on enforcement of fisheries regulations. Bering Sea Fishermen's Association is concerned with several matters of enforcement in the fisheries of Western Alaska and we appreciate the Committee providing us an opportunity to voice the concerns.

There are areas in which we consider the level of enforcement inadequate, and this lack of enforcement certainly does create economic incentives for fishermen to break the law. Since the majority of regulations in Title 16 are intended to protect the resource, lack of enforcement does indeed jeopardize the resource.

The exclusive registration regulation prohibits herring fishermen from fishing in several of the Western Alaska herring fisheries if they take part in any other herring fishery in the State that year. The regulation also prohibits vessels from being involved in an exclusive fishery and any other fishery. By all appearances, enforcement has been minimal. Enforcement of this regulation requires boarding vessels during the season. Local fishermen in the Western Alaskan herring fisheries feel that there have been numerous incidences of fishermen participating in several of the herring fisheries in western Alaska in flagrant violation of the regulation.

For the past two years I have seen no attempt to enforce the exclusive registration regulation on the fishing grounds in the Norton Sound herring fishery. To fishermen who stand to make thousands of dollars by participating in several of these fisheries, there certainly is an incentive to face what has proved to be a very small risk of being detected.

You ask if there is consistency in enforcement of fishing regulations. I feel that in many cases there is not. Generally it is easier and less

expensive to monitor and enforce minor and unintentional violations such as having gear in the water a few minutes past a closure or a short distance inside a closed area. Intentional calculated violations such as fishing without a permit, selling subsistence fish and fishing far inside closed areas are more difficult to enforce and often more detrimental to the resource. For example, while there was little attempt to enforce the exclusive registration regulation during the Norton Sound herring season, there was significant patrolling to cite fishermen whose nets weren't out of the water on time.

Protection personnel should not necessarily overlook unintentional violations, but they should have some sensitivity towards rural users who, because of misunderstanding or circumstance, commit violations. After receiving your letter I asked residents from various areas of westen Alaska for input about enforcement problems. In response I heard several stories of over zealous officers diligently pursuing minor subsistence violators while neglecting major violation enforcement.

✓ Attendance at Fish and Game Advisory Committee meetings by enforcement personnel would help improve the relationship between fishermen and enforcement. Fish and Wildlife would be able to ask fishermen first hand what problems and concerns they have with enforcement policy and methods. Also, it would improve officers' understanding of the fisheries they are involved with.

Specific problems we have heard of include the selling of roe from subsistetnce fish in areas of the Yukon river, and selling roe from commercial fish while discarding the carcasses.

One of the most important problems facing Fish and Wildlife Enforcement during the 1986 season will be in the Alaska Peninsula-Aleutian Islands fishery. The Board of Fisheries has put a cap on the harvest of chum salmon which is caught incidentally with the sockeye salmon. Once the chum ceiling is reached, the entire fishery will be shut down. Since the chums are worth a fraction of what sockeyes are worth, there will be incentive for fishermen and processors to either dispose of chums, or to list them as other species so as to keep the sockeye fishery open. The Board instituted the chum cap because of dangerously low chum runs in parts of western Alaska. Violations of this sort may be very damaging to the resource, consequently, we hope to see a major enforcement effort in this area.

Thank you for your inquiry. Please let us know when you have a schedual for hearings, and feel free to contact us should you have further questions.

Respectfully

Lee Goodman
Extension Specialist

UCIDA

UNITED COOK INLET DRIFT ASSOCIATION

BOX 4649- KENAI, ALASKA 99611

P. O. Box 324
Kenai, Alaska 99611

December 24, 1985

Representative Peter Goll
Special Committee on Fisheries
Pouch V
Juneau, Alaska 99811

Dear Representative Goll,

Fish and Wildlife enforcement in Cook Inlet has most of the same problems as other parts of the state.

In the 1985 season the "on the grounds" enforcement presence consisted of one vessel over 30', one plane to fly boundary lines, and a rubber raft to oversee a fleet of almost 600 boats.

The consensus of the drift fleet is that there should be one or two more vessels and that the plane should have radio contact with the fleet.

Loran has not proved to be the final navigational solution most of us had hoped for (Cook Inlet has notoriously weak and inconsistent Loran signals) and many violations could be avoided if the plane had radio contact with boats. We have offered to buy them a radio, if necessary, to no avail.

A related problem is the consistent pleas from sport fishermen for more enforcement on the Kenai River.

The enforcement personnel, both on the grounds and the river, have been courteous and reasonably knowledgable about the fishery.

Yours truly,

Jim Evenson
President

JE.ne

cc: Jack Cadigan, Executive Director
United Fishermen of Alaska

NUNAM KITLUTSISTI

Protectors of the Land, Inc.
P.O. Box 2068 • Bethel, Alaska 99559
907/543-2856

December 19, 1985

Representative Peter Goll
Alaska State House of Representatives
Chairman, Special Committee on Fisheries
Pouch V
Juneau, AK 99811

Dear Representative Goll,

Thank you very much for your letter of interest seeking our input on Fish and Wildlife Protection (FWP) enforcement activity and effectiveness. Our work program concerns the Yukon-Kuskokwim Delta. On certain migrating resources or industries, we have a wider perspective. We would like to restrict our comments to these areas.

Lack of consistency and the degree of commitment by FWP officers have been a constant public complaint from those users who witness violations not cited by FWP. Three examples come to mind:

A. **Nelson Island Herring Fishery**

The Nelson Island village cluster agreed to a pioneer commercial fishery in 1985 on damaged Eastern Bering Sea herring stocks. These herring are essential for the subsistence way of life. After three court cases stretching over seven years to prevent overutilization and promote conservation of these damaged stocks Nelson Island's elders finally agreed to a limited commercial fishery. In exchange for consent on a commercial opening, the Board of Fisheries established a super-exclusive use area that would promote local utilization of 10% of the spawning herring biomass. Bays south and north of Nelson Island above Cape Newenham have similar exclusive use area restrictions on both boat captains and vessels registration and participation.

Western Alaskan herring fleets did not enter into limited entry Southeastern, Kodiak, and Southcentral herring fisheries. An equity compromise reached at the Alaskan Board of Fisheries prevented nomadic high efficiency herring fleets from walking the Western Alaskan coastline and devastating small northen EBSH stocks fished by local, hands-on fleets.

FWP officers are supposed to check each permit holder in the large Togiak herring fishery, recording the vessel identification number, captain's license, and crewmember names. This listing was to preclude a crewmember in Togiak becoming a captain or re-using a Togiak vessel in a northern exclusive use registration area.

In 1985, this procedure was not followed by FWP. Numerous reports came to our office from fishermen in the registration areas north of Cape Newenham that the nomads were in. There was no checking of registration at Goodnews Bay, and Kokechik Bay by FWP in our district, and in Norton Sound.

Nelson Island is a case in point. ADFG and ourselves had reported to FWP that apparent violations of the exclusive use registration area was occurring at Nelson Island where Icycle processing operations were using Petersburg fishermen . FWP's Andy Blank came to Nelson Island on one day. There was ice between the ADFG camp and the Petersburg fleet. Rather then wait around for the ice to move and check the fleet, FWP's Blank left. The Petersburg fleet was never checked by FWP. That high-tech fleet took 38% of the harvest versus 204 local small boats. In a flagrant violation of the law, Icycle's processing boat picked up these fishing skiffs and moved them to Norton Sound. The fishermen went to Toksook Bay to begin their air travel to Norton Sound. Villagers surrounded the airplane, removed the fishermen, and held a public meeting. Fishermen were asked to show their permits. Two of the fishermen had in their possession captain's licenses from other districts. The name of each fishermen was recorded, and forwarded to ADFG, the FWP, and CFEC.

a. Hammond K. Vainle
b. Allen Fee
c. Tim Tienhaara
d. Ty Cummins
e. Bryan Kanpoll
f. Axel Stolpe
g. Robert L. Swanson
h. John R. Swanson
i. Jerry E. Dahl, Jr.
j. Jeff Meucci

This flagrant violation of the law by Icycle and its contract herring fishermen has escaped any civil penalty. Icycle and FWP have undermined creditability of the State's regulatory and enforcement system.

The Committee should be especially concerned in this issue in that small northern populations of eastern Bering Sea Herring may be subjected to intense fisheries if the expected decline in Togiak herring biomass starts in 1987. Institutionalization of an effective monitoring and diligent enforcement will dissuade nomads from violating the regulations, protect low technology fisheries, and insure conservation among these damaged stocks.

B. **Upriver Yukon Blackmarket on Summer and Fall Chum Eggs**

Salmon allocation is a continuing allocative problem amongst the numerous users of a comparative small Yukon salmon resource. Illegal fishing exacerbates conservation and competition between user groups.

1. **Summer Chums**

Several processors established roe processing stations in Y-4 in the mid-1970's to process roe from commercial caught summer chum salmon. There is no market for summer chum flesh. This commercial fishery is justified by ADFG since summer chums are an underutilized stock. Access to a market has spawned a blackmarket subsistence roe fishery in Y-4. Complaints about this fishery have continued for years. Open abuse has been reported at Fish and Game Advisory Committee meetings, and before the Alaskan Board of Fisheries, yet FWP has done nothing to curtail this illegal operation.

2. **Fall Chums**

A second issue continually discussed at local Fish and Game Advisory, Regional Councils, and the Alaska Board of Fisheries is the illegal use of eggs from Fall Chums in the village of Tanana at the confluence of Y-5 and Y-6.
The Board has regularly received reports that subsistence caught eggs of Fall Chums have routinely entered the commercial egg processing industry in a fishery where a market for flesh does exist. Fall chums are a threatened species in the Yukon River. Misuse of this resource by a group of users confounds already series management and allocation problems on the Yukon River. FWP has failed after numerous years of complaints to undertake any enforcement action to curtail this activity.

C. **North Aleutian Peninsula Intercept Fisheries**

1. **Fishing Beyond Three Nautical Miles**

NK has received fishermen and pilot reports that fishermen in the North Aleutian Peninsula fisheries repeatedly went beyond the three mile territorial sea of the State of Alaska to intercept Bristol Bay and Arctic-Yukon-Kuskokwim salmon. One pilot report made to the Alaskan Board of Fisheries this year was that an American seine boat was observed with gear in the water more then forty nautical miles from the North Aleutian Peninsula.

The reason that numerous complaints were received this year was that FWP had removed all its officers from the North Aleutian Peninsula to target Bristol Bay. In that violations of those reported in the North Aleutian Peninsula affected conservation of salmon stocks throughout Western Alaska, a poor decision by FWP had widespread ramifications.

2. A New Issue:Chum-Chucking in False Pass

The Alaskan Board of Fisheries has amended 5 **AAC 09.365 South Unimak and Shumagin Islands June salmon Management Plan** to place a cap of 400,000 chums. Once the ceiling tor less valuable chums is reached in that fishery now compressed trom June 10 to June 24, the more valuable sockeye fishery will close by emergency order. The incentive to cheat by discarding chums to avoid reaching the cap and continue the sockeye fishery is real.

The reason that the Board instituted the chum cap was the serious conservation problems that exists is all Western Alaskan major chum salmon spawning rivers. A take of 400,000 chum was at best a political compromise. not a conservation figure arrived at by the Board. Discarding of chums far in excess of 400,000 will contribute to additional conservation problems, and exacerbate in-river allocation disputes amongst users. Close supervision of the fishery to prevent wide-spread discarding of less valuable chums by the False Pass fisheries will prevent a serious conservation problem from developing.

I hope that these examples that address your final questions on consistency and focus on most important enforcement problems will assist the Committee in focusing its attention on FWP issues in Western Alaska.

in peace,

harold sparck, director

BRISTOL BAY NATIVE ASSOCIATION

P.O. Box 169

DILLINGHAM, ALASKA 99576

(907) 842-5257

December 17, 1985

Rodger Painter
Prof. Asst. - Fisheries Committee
Pouch V
Juneau, Alaska 99811

Dear Mr. Painter:

Enclosed are the results of the survey on enforcement activities we sent to all salmon gillnet permit holders for Bristol Bay. We received 800 responses out of 2940 questionnaires for a 27% return rate.

Results of the survey indicate that the level of enforcement in Bristol Bay increased during the 1985 salmon season but there is still a need for improvement as is evidenced by the statistics and the statements by fishermen. The comments compiled and attached are representative of hundreds of written remarks that were made by respondents.

This survey was made possible by funds provided to the Bristol Bay Native Association Fisheries Program by the 14th Alaska State Legislature.

If we can be of further assistance please feel free to contact us.

Sincerely,

BRISTOL BAY NATIVE ASSOCIATION

Deborah Tennyson
Executive Director

Jim Timmerman
Fisheries Coordinator

Enclosures:

December 5, 1985 August 1985 (2940 surveys were sent out in September)
results received to date total 800

AUGUST, 1985 SURVEY: THE BRISTOL BAY NATIVE ASSOCIATION IS COLLECTING INFORMATION ON ENFORCEMENT ACTIVITIES DURING THE SALMON SEASON AND WOULD LIKE YOUR HELP. WOULD YOU TAKE THE TIME TO FILL OUT THIS SURVEY AND RETURN TO US?

. DISTRICT YOU FISHED DURING MOST OF THE RED SEASON. YOU MAY CHECK MORE THAN ONE.

EGEGIK	295
UGASHIK	230
NAKNEK/KVICHAK	362
NUSHAGAK	144
TOGIAK	93

2. FISH AND WILDLIFE ENFORCEMENT PEOPLE WERE:

EVERYWHERE	222
SOMETIMES AROUND	493
NEVER SAW THEM	84

3. I MOSTLY SAW FISH AND WILDLIFE:

AIRPLANES	411
SKIFFS	314
POWER BOAT	363
NEVER SAW THEM	65

4. DID YOU SEE ANY FISHING VIOLATIONS:

YES	629
NO	158

5. WHAT TYPE:

FISHING OUTSIDE THE LINE	500
MORE THAN 3 NETS	113
SETNETTERS WHO DRIFT FISH	123
DRIFT FISHERMEN SETNETTING	95
OTHER	6

5a. WAS ENFORCEMENT BETTER THAN LAST YEAR?

YES	520
NO	143

6. WAS ENFORCEMENT IN THE AREA AT THE TIME OF THE OBSERVED VIOLATION?

YES	338
NO	386

7. IF ENFORCEMENT WAS NOT PRESENT DID YOU REPORT THE VIOLATION?

YES	120
NO	367
DID NOT WANT TO	41
DID NOT KNOW HOW	33
DID NOT HAVE TIME	114

8. IF REPORTED, WAS ANYTHING DONE?

YES	41
NO	85
DON'T KNOW	24

9. DO YOU THINK WE NEED MORE ENFORCEMENT?

YES	370
NO	276

10. DO YOU THINK WE NEED LESS ENFORCEMENT?

YES	71
NO	594

11. YOUR BOAT/SET NET SITE WAS CHECKED BY FISH & WILDLIFE?

YES	306
NO	476

IF YES, WHAT DID THEY CHECK?

PERMITS	278
CREW LICENSES	258
NETS	150
BOUYS	79
OTHER MARKING	55

12. HAVE YOU EVER CONTACTED FISH & WILDLIFE FOR ASSISTANCE? (Search, Rescue, Law Inforcement)

YES	209
NO	568

IF YES DID THEY HELP?

YES	121
NO	21

13. ANY SUGGESTIONS FOR FISH & WILDLIFE ABOUT ENFORCEMENT ACTIVITIES?

CHECK ALL BOATS/SET NET SITES FOR PERMITS, ETC.	448
BETTER EXPLANATIONS OF THE LAWS	152
MORE AIRPLANE SURVEILLANCE	219
MORE SKIFF PATROLS	246
MORE POWER BOAT PATROLS	214
MORE NIGHT PATROLS	266
MORE LINE CHECKS	299

14. DO YOU THINK YOU UNDERSTAND COMMERCIAL FISH REGULATIONS?

YES	645
NO	23
NOT SURE	105

15. OTHER COMMENTS: (SUGGESTIONS/CONCERNS ABOUT ENFORCEMENT)

ADDITIONAL RESULTS RECEIVED AFTER SUBMITTING EXECUTIVE REPORT 10/18/85

5. TYPE VIOLATIONS

I saw Fish and Wildlife service watching (more than once) boats fishing outside the line without doing anything.

Early fishing on transfers.

6. ENFORCEMENT IN AREA

Johnson Hill, many boats over line - many citations - overall, good job by enforcement.

Yes, - About (1) one dozen boats were fishing above North Cape Line and doing right well, thank you.

9. MORE ENFORCEMENT

On the beach, because there is as much violation on the beach as there is out in the boats.

Along the Lines started in 1985

More in the outer areas - 2 to 10 miles out.

15. OTHER COMMENTS:

For fishermen obeying the law, its pretty hard to catch 200,000 pounds of fish. You should observe where these boats fish.

This season the enforcement was much better than previously. I applaud the enforcement effort and believe that the level of enforcement must be maintained or increased.

Get back to a local intercept fishery where fishermen fishing in a particular district harvest fish returning to that district and not a fishery where fishermen in a particular district harvest fish trying to reach another district.

I was boarded for fishing over the line - I started pulling too late and had about 50 fathoms to pull when we crossed the line. Fish and Game boarded my vessel - gave me a warning citation - which I deserved.

I would like to see harsher jail sentences and/or fines levied against those who break fishing regulations.

Need creative escapement practices, shorter openings to see what fish are doing, types, sizes, age, volume, also streams need to be cleaned.

Check boats over setnets with unrealistic high catches for using too much gear, etc.

Boats were fishing many miles outside the line. Because of the great numbers, the enforcement people could not catch all the violators.

I think there should be night patrols at Middle Bluff. When a boat transfers into a district he should show Fish & Game proof of his transfer time. I've heard Fish & Game officers complain that they can only bust 2 or 3 people a day and the rest of the day is spent doing paper work. Just pull their permit cards and do paper work when period is over.

Statistical analysis of deliveries by permit holders - look for multi-boat deliveries.

Enforcement for 1985 was the best I've seen in the bay.

The regulation books need to be published earlier.

Transfer officer for each district.

Get a boat that is more seaworthy than the Endurance.

Need a speedier way to arrest more than one boat at a time.

All boats should have name and homeport painted legibly on it in accordance with USCG regs.

We have observed drift nets passing between set nets during the night tides more often than during the day time.

More enforcement and checking in Ugashik and Port Heiden offshore fishing.

Very little enforcement in the Northern and Northwestern districts of the Alaska Peninsula where people down there are bragging that they fish 7 days a week and up to 30 miles offshore.

Set nets skiffs should be required to have a vessel license to control share-cropping fishermen using one permit.

What can be done about the dangerous and unsafe operation of boats.

Check closer for setnetters drift fishing at night.

Boats fish Cinder River in fog.

If someone has 70,000 pounds of fish on the books and the basic average is 14,000 pounds shouldn't they know who to watch?

I personally know of one boat that didn't have a Bristol Bay permit.

Need to pressure legislatures to assure continued funding for Fish & Game protection.

Fish and Game enforcement is inadequate for the number of responsibilities they presently have.

5. TYPE VIOLATIONS:

Fishing night before openings and in closed areas when foggy.

Fishing all districts without transferring.

Setnetters in Queen Slough put out 3 nets, moved sites, etc.

Deep mesh gear.

6. ENFORCEMENT IN AREA:

'Compliance' went around a net that was drifting over the line to get to our boat for a routine check of licenses. We were not fishing at the time

Johnson Hill Line - they picked up dozens at a time.

Not enough manpower to enforce line.

Enforcement occupied issuing tickets.

7. REPORT VIOLATION:

No, the way 'the Book' says to do it is not practical, i.e. photographs with landmarks.

13. SUGGESTIONS ABOUT ENFORCEMENT:

Pay more attention to the illegal tenders and their private fleets.

Fog/night/windy weather enforcement was not around at the line.

Have an officer stationed on the beach during the season in each district so he could be contacted when a violation is observed.

Offshore patrols for illegal fishing.

Update new/changed fishing regulations 2 months prior to season opening.

When checking Lorans for over the line violations - F & W should have their own on board the protection vessel. If they use the fishermens'Loran they need to know enough to tell if the Loran is right or if it is programmed to read the line by switching to a waypoint.

Put officers on tenders at different times to check licenses and gear.

All enforcement patrolmen should have a pre-season meeting with concerned fishermen so the fishermen could teach the enforcement people where to be and when.

15. OTHER COMMENTS:

Issuance of citations must be speeded up.

The enforcement was excellent this year, but what they had to enforce was ridiculous. The problem now rests with the fish management people in Fish and Game.

The accidents and near misses which occurred at Egegik in 1985 needs to be addressed. The operation of a fishing vessel which endangers the life of another is criminal.

When the Ugashik district was shut down to drifters for punishment instead of arresting the violators (a minority) the ADF&G chose to punish all of us, as a result, those of us who chose to fish legally suffered a double loss. Besides losing out on the fish caught by outlaws, we were then denied fishing time.

I have never in 15 years been checked for area registration.

I fished Egegik for 16 years so I know what fish they are catching. The lines have got to be moved in to protect Naknek/Kvichak fish.

Each year it seems that there are a number of fishermen who catch a considerable amount of fish more than even the best fishermen. General opinion seems to be that these people fish illegally to a considerable extent.

Period openings in the middle of the night invites illegal fishing.

I know of people who don't transfer and make any opening they want.

Two boats fishing one permit, boat with permit clears three nets while boat without permit hangs onto three nets that are fishing. When boat with permit clears the nets he resets and switches with the boat without the permit.

Limited Entry permits were intended to limit fishermen. Every year there are more and more boats.

False Pass fishermen were almost fishing Ugashik this year.

There should not be more than 6 hours notice for opening of periods. This way boats can't run back and forth without transferring.

What we need is the False Pass area closed. Port Moller and Cape Menshikoff - what they should have here is the same type of 'terminal area' that we have in Bristol Bay. They fish False Pass, then move up to Port Moller - two chances at the same fish. We get one.

ADF&G office hours do not always accommodate with fishermens' decisions to transfer districts.

15. OTHER COMMENTS:

Certain fishermen are outlaws, most of us know who they are, yet these people manage to defy the law time after time.

Night enforcement should be a priority.

All violators names and boat names need to be published in the paper, plus their fines, trial dates, out come of trial. Lets the rest of us know what we face if we violate the fishing laws.

Should send enforcement to areas outside of Area T. With so much concentration of enforcement in Bristol Bay, we leave little enforcement for Port Moller and False Pass.

Penalties for those blatantly abusing the law must be much greater than the financial rewards for doing so.

I believe I am in compliance with all the regulations but a checklist would be helpful - i.e., numbers on boat, nets, buoys, permits, etc.

Establish a radio 'Hot Line' for those observing violations. No reward except - thank you for your interest.

A buoy is a one time cost - setting buoys would eliminate the need for patrols at lines and allow needed enforcement elsewhere.

In Naknek they (Fish & Wildlife Protection) ticketed people, in Ugashik they gave them time to get back inside the line.

I think that for the start of fishing periods, KDLG could give a countdown. This would help make everyone legal.

Most violations I see occur after most people have gone home including Fish and Wildlife Protection. I think that Fish and Wildlife should stay in the Bay 10 - 14 days longer.

Set net buoys are for the most part inadequate, poorly marked, too submersible.

I was totally appalled by the decision to close the Ugashik District because of a few violators on the North line. Let the cops handle the violations and Fish and Game manage escapement.

Our legislators should be encouraged to increase the penalties for illegal fishing activities. Robbing the resource should be viewed in the same way as robbing a bank.

An undercover investigation with major violations as the sole purpose or aim would bring, I believe, very surprising results.

Why is this survey done by the Bristol Bay Native Association instead of Fisha and Wildlife people?

BRISTOL BAY NATIVE ASSOCIATION
P.O. BOX 189
DILLINGHAM, ALASKA 99576
PHONE (907) 842-5257

December 19, 1985

Rodger Painter
Professional Assistant - Fisheries Committee
Pouch V
Juneau, Alaska 99811

Dear Mr. Painter:

Enclosed are some additional comments for the Enforcement Survey that were inadvertantly left out of the packet we sent you on December 17, 1985.

Sincerely,

BRISTOL BAY NATIVE ASSOCIATION

Jim Timmerman

Jim Timmerman
Fisheries Coordinator

JT/en

Enclosures

SPECIAL NOTES: Enforcement Survey Comments

5. Type Violations

Drift boats go dry with their gear out late in the season in the Ugashik District. A popular spot for this is right of Smokey Point in the blind channel.

Setnetters using more than 3 nets.

I have seen more than one boat with the same license (ADF&G) number.

I know of people using and having aboard more than 3 nets. Enforcement doesn't seem to check this.

'18 Wheelers' disappearing over the horizon at dusk - returning with full loads at dawn July 15 - 19.

Enforcement officers should be more courteous.

Setnetters with unmarked pegs outside their nets.

Drift fishermen too close (between) setnets.

Fishing in an area not registered for or before legal transfer time very common.

Fishing during closures.

Deep mesh nets.

Setnets at sites without permits, e.g., one permit site on site on Kvichak and one at Ugashik at the same time.

More than one boat fishing on a permit.

Fishing way below (outside) line before period opens, then coming in with a big load when the period starts.

Reckless operation of fishing vessel.

Many fishing far below line and some without permits, tenders were helping them get rid of their fish.

I myself set my net out half an hour early - never got caught.

Setnetting more than one site, like 3 or 4 nets after most of the people go home.

Commercial fishermen robbing subsistence nets on Kanakanak Beach prior to commercial openings.

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1241 SCOMM 48 HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86 1408

6. Was enforcement in the area at the time of the observed violation?

Fish and Wildlife was seen in Togiak only toward the end of Coho season.

They look the other way.

They did not know what to look for - skiff had no Loran.

Many times there were not enough officers to enforce the laws.

In the area, but did not assist.

They got guys going over the line, let go the ones way over, ignored setnetting drifters.

Fish and Wildlife personnel did not know lease laws.

Power boat made one trip per tide down middle channel to the line at low water, balance of time tied behind processor.

They only come out to our area (Egegik) if called, then too late.

Called King Salmon on phone. Protection said they were thru for the season. This was during fall silver season, said they had their 190 hours in.

OFAB when present were inconsistent, sometimes they would arrest violators and other times they wouldn't.

7. Did you report the violation?

Hard enough to get ahold of Fish and Game to transfer - let alone report violations.

Did not want to (the violation) was painfully obvious.

No, afraid of reprisals if did over radio.

Tried to reach the Valiant, but could not.

Called enforcement several times when I was able to go to Dillingham.

No use.

You must fly to King Salmon to report.

None of my business.

Sometimes (you could not report all violations even if you tried).

I tried to call them on VHF, but they wouldn't answer in Egegik and Ugashik.

8. If reported, was anything done?

Fish and Game would not answer radio, could only raise King Salmon on SSB.

If officers were close by, then something was done.

Was referred to filing charges when in Dillingham, did nothing while on the grounds.

Sent an agent to observe, but periods were closed while he was present.

They knew about it and were waiting to catch him in the act.

No, they never did anything before.

Most violators seemed to know when enforcement was coming.

9. More Enforcement?

Need more active enforcement, not more people.

We have enough enforcement already.

More effective enforcement of illegal transfers.

To patrol the boundaries way below the line.

It is good to have enforcement, especially for those who willingly violate and who do it so obviously.

Need immediate action when criminal intent is evident.

More boats, skiffs and airplanes for observation.

Need more protection on intercept fishery in upper Alaska Peninsula/False Pass area.

More undercover work with unmarked boats.

1 or 2 in Togiak.

Need better enforcement between Egegik and Johnson Hill.

A lot of fishermen fish illegally in Togiak because they know enforcement does not show up until the end of Coho season.

Constant enforcement from June 15 to July 20 in all river systems.

Better use of what we have.

I believe if '85's' level of enforcement is maintained, the lawlessness of the past will be brought under control.

Maybe we need buoys with snag chains on the lines so that those that insist on going outside the line will wrap their gear coming inside the district.

It was pretty good most of the time last year.

10. Less Enforcement?

There are still a few fishermen that go up river (Togiak) at night to fish.

The more enforcement the better.

Better enforcement.

Unless fishermen somehow pay for it - it would be different if we had true biological emergencies; instead we have fair social rules problems, and we should pay for them, not other areas.

Too many fishing violations.

11. Checked by Fish and Wildlife?

Length of boat.

The line violations were so flagrant that Fish and Game should not be fooling around with these items.

Cited for fishing within 100 feet from end of setnet.

Boarding was done belligerently and recklessly - the officer almost fell in the water when his young partner rammed into the skiff by boat.

12. Contacted Fish and Wildlife for assistance? If yes, did they help.

Yes, lost gear - yes, located gear and stood by until able to retrieve nets.

To report violations - they simply never responded.

Reported violations - quick response.

Contacted them on the grounds when my boat was rammed and was told to report when in Dillingham.

For info-time check, opening on extension information, transfers - immediately.

Report violations and clarify laws - yes.

To better display effort at proper stage of tides in relation to areas covered - yes.

Verification of Loran numbers for buoy/marker - yes.

Report drift fishing in closed area - they took information on radio - never showed up.

Asked for regulation booklet - enforcement had no booklets.

I've tried to on more than one occasion but not with much luck. (Eyegik, Ugashik districts)

Told the compliance about a group of boats fishing below South Cape (Ugashik). They said they would but instead I observed them going another direction and anchor up in Dago Creek.

At the line he (protection officer) told me, "this is OK to start your net." I liked the way he waved at me.

13. Suggestions?

Clarify the 24 hour transfer regs with regard to multiple transfers within the 24 hour period.

Don't quit when (the) season starts to slack off.

Stay in all districts at all times.

Use picture ID's to insure person selling fish is the permit holder.

Continue visible presence - that is the best deterrent.

Check out past lines just before openings at Ugashik.

The power boat needs to be especially marked with high visual colors.

Check boats for extra gear under floor boards, etc.

Change the light buoys to strobe lights.

Check setnetters for how many nets they have.

Patrol officers were very inconsistent about who they arrested.

Place marker buoys every 200 feet at north marker Egegik. The minute you set beyond these buoys you would be without a doubt in violation.

Loran on skiffs/only working 9 - 5 is not adequate.

Check activities by tender/co-op groups.

Setnet drifters work at night or under inclement weather. Exceeding net limit occurs while legal amount of gear is fishing, non-legal gear is picked in boat.

Check catch records for continued catches far above normal and catch these habitual offenders.

Check distance between setnet sites.

Better control of fish buyers to prevent altering fish tickets.

Have tenders and Fish and Game boats anchor on line.

15. Other Comments

I think that 'organized crime', that is premeditated violation of boundaries and other regulations with intent to rape the resource is completely out of hand. Even strict enforcement of 'the Line' is only a token effort. Fishermen who really want to clean up go up to Middle Bluff (between Johnson Hill and the Egegik north line) at night or in the fog and fish with impunity. Similar activities occur 5 miles or more south of Cape Menshikof. Some illegal fishermen in groups own processors to launder the times or locations on fish tickets or even to cover up the lack of a valid permit.

Examples need to be made of the most flagrant violators. By 'example' I mean seizure of boats and prison sentences. However, by flagrant I don't mean just the guy that happens to be 1/4 or 1/2 mile over the line and is unlucky enough to be the furthest one that day when the cops show up. I mean the guy up at Middle Bluff or 5 miles out, where it is obvious BEYOND A REASONABLE DOUBT that that person(s) is premeditatedly raping the resource with no regard for law or his fellow fishermen.

How are we going to catch these people, when they maintain surveillance of radio frequencies and use spotter planes to watch out for ADF&G planes? The answer is right in King Salmon.

The Air Force maintains a facility at considerable cost for a contingency that is unlikely (war). I think a quick run down the coast with a F4 or F15 equipped with infrared cameras at night or during a foggy day would be a useful training exercise and would perhaps acquaint ADF&G with the magnitude of the problem. Also, I think a low level pass with an F15 at 600 knots might be a more impressive show of force than a super cub. The Air Force should find the violators and then the State of Alaska can act. The enforcement people need 1 or 2 helicopters equipped with night IFR capability and water landing capability, and all enforcement vessels need sophisticated electronics to detect and definitively locate violators.

In Ugashik, there was a 25 hour closure due to too many boats outside the line. In a sense Fish and Wildlife closed Ugashik because of their lack of enforcement capabilities.

Also, if salmon runs are weak, such as Kings and Silvers, sport fishing should be closed to taking these species in fresh water instead of just commercial fishing.

Fish and Game on the Johnson Hill south marker only patrolled during day light hours, even though present during other times no one was awake or patrolling. There rarely was enforcement on early morning tides, boats were wrapping Fish and Game's anchor without their knowledge. Skiffs are useless without Loran, the protection officers had to ask adjacent boat for Loran information.

Move the other boundaries of Egegik back to the old boundaries closer to the Egegik River. This area is near or on the route of migrating salmon to other rivers north of Egegik.

Fish and Wildlife escapement goals increase in the Bristol Bay area, the same percent decrease catch of salmon should affect the False Pass/Shumagin area.

Also, area boundaries of the False Pass and Shumagin area should be reduced in size and limited to near river distributaries along the Alaska Peninsula similar to the regulating boundaries of Bristol Bay, Kuskokwim areas.

Need more buoys on north line of Egegik and Ugashik - at lease one more for south line of Ugashik. Enforcement should use an airplane and a standard gillnetter. (Any fisherman can identify the Compliance and Vigilant 3 or 4 miles away and pull in illegal nets and alert other boats.)

Enforcement did a good job this year. In 20 years in Bristol Bay, I've never seen more violators picked up.

Let's go back to 48 hour transfer, also put a buoy between north end of ships in ship channel and Libbeyville like they used to.

With less oil money coming in, we may be cut on enforcement. We must lobby for more enforcement personnel.

Make sure all herring fishermen pick-up their nets next year so they won't rot in Togiak Bay. Also do something about those False Pass purse-seiners.

I think over 50% believe after the 1984 season salmon review on enforcement, it has helped so we or BBNA should immediately get a informative letter along with a survey about management and other problems to the people before the 1986 spring.

Getting better, but they need more manpower.

Setnet sites should be checked at every fishing season since we know of some who fish with more than one site and have only one permit.

Train a Yupik speaking person to work with Fish and Wildlife enforcement and have that person speak through a radio station about Fish and Wildlife laws or even meet with people in villages.

What has been done is excellent on enforcing laws, keep it up, be firm and strict.

Enforcement needs to check closed areas for violations not just be on the line.

No spotter planes.

Enforcement was excellent in Naknek area.

Enforcement agency needs more insight on how many permits are being fished.

Enforcement boats should be highly visible with bright colors, we need for them to be seen. . . for those of us who try to abide by rules, appreciate enforcement.

Ugashik enforcement was a joke.

They have done a better job but more needs to be done. Legislature needs to appropriate more money for protection.

The enforcement effort must have been very costly, and must have used personnel and equipment that normally would have been used elsewhere. Without additional money I don't see how they can continue this. We need to support legislative efforts to get more money and more realistically be willing to pay for it ourselves (through voluntary or involuntary contributions) if we want to continue this kind of effort in the future.

Permits for airplane spotters as their assistance in the fishery is just like a crewman.

I fish on the Naknek River, South Naknek side. The majority of setnet fish here are caught on the outgoing tide. This is when 99% of the violations occur. I suggest skiff patrols during this time.

The large number of cases in courts during and after the season is apt testimony to the increased enforcement effort of 1985.

More public information on regulation changes.

Some of the lines need more buoys to line up on such as the North end at Ugashik, outside line and south line of Egegik.

Enforcement in the fishery is going to be problem until ADF&G gets the support they need to do their job with the existing outlaw fleet operating. The fish sold by these people likely in the millions of dollars. Large fines would help to deter this fleet. If a person robs a bank for $80,000.00 he's thrown in jail for some time. In the Bay they get their hands slapped and they're back to do it next year.

I wish I knew the answers but I don't, too much enforcement is no good. The same people seem to get away with breaking the law.

Bad practice to pull officers from Interior who don't know anything about fishing or boats.

Check residency claims of fishermen.

All beach permits should be checked against how many sites a person is operating.

Here also should be a regulation for the drift fishermen not to scare the other fishermen with waving of the gun or rifle or shouting at the other nearby boats because some of use are easy to get scared.

When enforcement was in the area fishing was a little less dangerous - Unlike earlier years, you now have to guard your boat and gear, some fishermen will do most anything to get a 'set' even if it means destroying someone else's gear. We used to have unwritten rules among fishermen and an honor system - not anymore.

The Fish and Game should watch the river escapements more, many times they are seen boat riding instead of really watching the escapement count.

It appears that fish enforcement is like other law enforcement in that the consistent and willful violators seldom get caught.

Check for extra gear aboard the boats, especially the larger ones. There is no line when enforcement isn't there to enforce it. The competition is just too intense. Enforcement was much better last year than in the past.

Most boats are using two sets of numbers to transfer using electrical tape to change numbers.

No enforcement is possible with so many boats transferring from district to district. No one knows where they are supposed to be fishing in what district. No way to enforce law.

Believe we need a special task force from Limited Entry to check boats during seasons.

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.

James O. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/79)

SCOMM

#48:5

FISH COMMITTEE SUBSTITUTE HB 227

Sec. 1. AS 16.10 is amended by adding new sections to read:

Sec. 16.10.285. NOTICE OF BONDED AND LICENSED OPERATORS.

(a) The Department of Labor shall provide to each primary fish buyer and fish processor that has met licensing and bonding requirements, a certificate of bonding to be posted at each location operated by the primary fish buyer or fish processor. The certification of bonding shall specify the amount of the bond and that the primary fish buyer or fish processor has complied with the security bond requirements of AS16.10.290 - 16.10.296.

(b) The primary fish buyer or fish processor shall post a copy of the business or fisheries business license along with a copy of the certificate of bonding at each location operated by the fish processor or primary fish buyer.

Sec. 16.10.286. INSPECTION OF LICENSES. Enforcement officers of the division of fish and wildlife protection shall regularly inspect fish processors and primary fish buyers for possession of proper licenses and compliance to AS 16.10.285.

Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be <u>$20,000, except for a fish processor or primary fish buyer whose principals, with at least 10% ownership, has had a final judgement against them required to satisfy a claim filed against the bonds, cash deposits, or other security filed under this section, during any of the three years preceeding the year for which the bond is due; the amount of the bond shall be the amount of the final judgment or $100,000, whichever is less.</u> [$10,000]. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

See attached

Sec. 3. AS 16.10.290 (c) is amended to read:

(c) A person applying for a license as a fish processor or primary fish buyer who has less than <u>the amount of the bond</u> [$10,000] in lienable

property in the state, with proof of the property satisfactorily made to the commissioner, shall file with the application a bond or other security as specified in this section. A [NO] bond is not required if the fish processor or primary fish buyer has more than the amount of the bond [$10,000] in lienable property as specified in this subsection. An appraiser from the area of the state in which the lienable property is located may be used to determine the value of the property for purposes of this subsection.

* Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be [$20,000,] 10,000 except that the amount of the bond shall be $100,000 if (1) the fish processor or primary fish buyer, during any of the three years immediately preceding the year for which the bond is due, has been required as a result of a final judgment to satisfy a claim filed during those years against the bonds, cash deposits, or other security filed under this section; or (2) a principal with at least 10 percent ownership interest of the fish processor or primary fish buyer was a principal with at least a 10 percent ownership interest of another fish processor or primary fish buyer during any year, of the three years immediately preceding the year for which the bond is due, in which a claim filed against the bonds, cash deposits, or other security filed under this section that has resulted in a final judgment that required that other fish processor or primary fish buyer to satisfy the claim <$10,000>. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

(c) A person applying for a license as a fish processor or primary fish buyer who has less than $10,000 in lienable property in the state, with proof of the property satisfactorily made to the commissioner, shall file with the application a bond or other security as specified in this section. No bond is required if

MEMBER
FINANCE COMMITTEE
SPECIAL COMMITTEE ON FISHERIES

STATE OF ALASKA

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4737

PO BOX 1065
BETHEL, ALASKA 99559
(907) 543-2922

REPRESENTATIVE JOHNE BINKLEY

March 29, 1985

MEMORANDUM

To: House Special Committe on Fisheries

From: Representative Johne Binkley

RE: HB 227 "An Act relating to fish processors and primary fish buyers."

As I mentioned in my memorandum of March 6, 1985, I introduced this bill to attempt to provide some protection to fishermen and persons furnishing labor to a primary fish buyer or fish processor. 42 fishermen and 20 employees in Quinhagak are owed an estimated $21,000, and about 16 fishermen in Elim are owed $11,000.

An appropriate bond rate should be applied that would protect these and other people as much as possible. Today I would like to receive testimony about these types of problems and hear suggestions on applicable bond rates, and then, discuss possible committee substitutes to the bill. I would like to offer the following to include in a committee substitute:

Suggested Committee Substitute Changes to HB 227:

Section 1. Require ADF&G to provide to each primary fish buyer and processor, that has met licensing and bonding requirements, a notice (similar to business licenses provided by the Department of Revenue), to be posted at each location. The notice shall specify that the primary fish buyer or fish processor has complied with the security bond requirements of AS 16.10.290 - 16.10.296 and has been issued a valid Alaska Business License or Fisheries Business License by the Department of Revenue.

I would also like to require the ADF&G to post notice of this notice requirement in the spring of each year in a newspaper of general circulation that serves each area of the state, and to offices of local governments and village councils and to fishermen's associations. Another alternative to the above could be to have the ADF&G issue cards similar to the limited entry permits cards that would indicate that the requirements have been met.

Section 2. Replace the first sentence with the following: The amount of the bond shall be $20,000 for fish processors and primary fish buyers who, for the last three years immediately preceeding the date on which the bond is filed, have been licensed under AS 16.10.290 (d) and have not been required to pay a claim under this section. The amount of the bond for other fish processors and primary fish buyers shall be $100,000. The remainder of Sec.2. shall remain the same.

Section 3. This section would be changed to reflect the changes noted above. The local appraiser requirement would stay the same.

A sliding fee scale based upon prior year tax information or on projected purchases was explored. However, the general concensus was that this type of system would create more problems than it would solve. Having the bond rate fluctuate from year to year could encourage unrealistic projections or be complicated by late payments such as bonuses. A rate based upon speculated amounts of purchases would be complicated by various problems encountered during each fishing season. Buyers and processors could simply be operating at levels much different than that speculated for the bond rate.

Specifying separate rates for non-resident floating fish processors creates constitutional problems. The same applies for excluding those who have outstanding liens filed against them. Involving fishermen in the enforcement process would be better addressed by local communities and fishermen's associations who determine themselves who they wish to do business with. Cather-processors such as some small mom and pop type operations can receive a bond waiver as long as they are not in the business of buying fish. Excluding those buyers and processors who do business with cash would not work. The buyer or processor could simply decide not to operate with cash at anytime during the season, get their fish and disappear without paying the fishermen.

Overall, the general concensus was that the two tier rate as presented above was acceptable. However, this still does not take into consideration those small operations who are starting out and have not yet established credibility in the industry. I am prepared to discuss alternatives to address this.

MAR 25 1985

March 20, 1985

Representative Johne Binkley
Pouch V
Juneau, AK 99811

Dear Johne:

Thank you for the opportunity to respond to this issue.

First of all, I find fault in the proposal that the surety bond be necessary for each location. For example, last year we leased a facility in Togiak where we purchased and dressed out the fish. The expense necessary to fly product elsewhere for freezing and packaging, encourages me to defend against yet another expense. Does it mean our Bethel operation would have to add a bond to buy at Goodnews or Platinum? What if we buy at both places and fly from both, is that one or two locations?

Any attempt to have the bond amount fluctuate from year to year, might encourage unrealistic projections or be complicated by late paying methods of reward to fishermen, such as "bonuses".

I favor the plan proposed to recognize processors that have demonstrated reliability over the years, and some incentive be present for them to continue business in Alaska. The suggested amount of $20,000. is acceptable and appreciated.

I would guess that enforcement would be easy in some fisheries and very difficult in others. It would be necessary for their presence most of a season since buyers might move in at any time during the course of a season.

I'm hopeful this letter is timely in reaching you.

Sincerely,

Tom Hyland
General Manager

KEMP-PAULUCCI SEAFOODS, INC. 4832 W. SUPERIOR STREET DULUTH MINN. 218-624-0062
PO BOX 6506 55806

REP. JOHN G. (JACK) FULLER

DISTRICT 23

ALAKANUK
BREVIG MISSION
CHEVAK
DIOMEDE
ELIM
EMMONAK
GAMBELL
GOLOVIN
HOOPER BAY
KOTLIK
KOYUK
NOME
SAVOONGA
SCAMMON BAY
SHAKTOOLIK
SHELDON'S POINT
SHISHMAREF
STEBBINS
ST. MICHAEL
TELLER
UNALAKLEET
WALES
WHITE MOUNTAIN

CHAIRMAN
BUSH CAUCUS
LEGISLATIVE COUNCIL
ADMINISTRATIVE REGULATION REVIEW COMMITTEE

MEMBER
POLICY COMMITTEE
SPECIAL COMMITTEE ON LOANS
RULES COMMITTEE
COMMITTEE ON COMMITTEES

Alaska House of Representatives

April 11, 1985

Loren H. Lounsbury
Commissioner
Department of Commerce and Economic Development
Pouch D
Juneau, Alaska 99811

Dear Commissioner Lounsbury:

The Administrative Regulation Review Committee has reviewed the proposed regulations for the commercial fishing loan program. We understand other reviewers plan to make extensive comments on the proposal, so we will confine our comments to the question of eligibility.

In 3 AAC 80.035 it is proposed that an applicant's commercial fishing experience must have been derived in varying amounts from a "limited entry fishery." In other words a fisherman who has fished in the halibut fishery, or the sablefish fishery, or the crab fishery, as examples, would not be eligible for a loan to purchase a southeast gillnet entry permit, or any other permit. In reviewing the statute and the attorney general's opinions on the question we find no statutory basis for this limitation, with the exception of loans made under AS 16.10.310(a)(1)(B). To quote the Attorney General's opinion of August 18, 1983:

One of the more common reasons for seeking a vessel or gear loan is to expand a current operation by entering a new fishery. This could not be readily accomplished under the narrow definition of fishery, thus defeating the purpose of the act. Therefore, we conclude that fishery, as used in both AS 16.10.300 and AS 16.10.310(a)(1)(A) and (C), means statewide fishery.

In this same opinion the Attorney General reviewed a report prepared by the Division of Business Loans which states in part:

Eligibility: Loans are available to individual fisherman who have been Alaskan residents for five years prior to the loan, and have had a crewmember or commercial fishing license for any one of the previous five years, and have participated actively in fishing.....

In reviewing this report the Attorney General concludes:

In considering this program, therefore, the committee was aware of the division's past and current practice of interpreting "in the fishery" to mean fishing anywhere in the state. Since the committee chose not to alter this language while making other significant statutory changes, it evidently accepted the division's interpretation.

HOME
P.O. BOX 689
NOME, ALASKA 99762
(907) 443-2968

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-3789
465-4984 465-4529

The Committee lauds the department's efforts to rationalize the state's loan program regulations; however, care must be taken not to alter the Legislature's intent in passing the underlying statute. We hope you will give our comments careful consideration prior to adopting the regulations in their final form.

Sincerely,

Jack Fuller
Chairman

cc: Paul Arnoldt, Director
Division of Investments

Bush's opinion states, in part, that:

> "Thus, without any indications to the contrary in the legislative history, we can presume that the legislature intended 'fishery' to mean the fishing industry throughout the state."

The Fisheries Committee respectfully requests the department to revise this proposed regulation to provide for eligibility for any Alaskan with active participation in Alaska's commercial fisheries.

Sincerely,

Representative Peter Goll, Chairman

_____ _____

_____ _____

_____ _____

REPRESENTATIVE
PETER GOLL

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4925

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

April 11, 1985

Loren H. Lounsbury, Commissioner
Department of Commerce and Economic Development
Pouch D
Juneau, AK 99811

Dear Commissioner Lounsbury:

I am very concerned about the proposed regulations for the commercial fishing loan program (Chapter 80). While I laud the department's efforts to update and codify your loan practices, some of the new proposed language and requirements are troublesome.

My biggest concern with the proposed regulations has been addressed in detail under a letter from the House Special Committee on Fisheries. I very strongly believe that the restriction only to applicants with experience in limited entry fisheries is a major departure from legislative intent. The loan program was intended to benefit the entire fishing community, not only those fortunate to have participated in the limited fisheries.

A general issue I'd like to briefly address is the level of comprehension required to understand the regulations. I believe that many fishermen will have difficulty in understanding these regulations. Indeed, many applicants will probably have to have the Division of Business loans interpret the regulations for them or retain an attorney to explain the loan requirements.

The department could better serve the public and save staff time by simplifying the language of the regulations.

Another more general concern I have with the regulations are the open-ended requirements spread throughout the 10-page document. For instance:

> 3 AAC 80.010. (a) (6) a business and credit history including complete copies of income tax returns for the preceding three years or for other years as may be requested by the department to document eligibility;

3 AAC 80.010. (a) (10) any other information as the department may require.

These open-ended requirements should be tightened. Despite the department's fine intentions to help loan applicants, I object to regulatory language that leaves open the possibility of potential misinterpretation.

Here's a rundown of my concerns with specific provisions of the proposed regulations:

3 AAC 80.010. (a) (4) copies of the purchase agreement or vendors' cost estimates and down-payment receipt;

COMMENT: This kind of documentation can be difficult to produce before an applicant has actually applied and has some idea of his or her ability to qualify for state financing.

3 AAC 80.010. (a) (7) a financial statement consisting of a current balance sheet, a profit and loss statement and a statement of projected income and expenses for the following year's operating plan;

COMMENT: Commercial fishing is a very unpredictable business. It is impossible to predict with any degree of accuracy how many fish are going to be available for harvest or what the price per pound will be during the coming season.

3 AAC 80.020. (g) A material misstatement or omission of fact made by an applicant constitutes grounds for denial of a loan request.

COMMENT: This provision should say a "deliberate omission" of fact is grounds for denial, rather than allowing dismissal based on an oversight.

3 AAC 80.035. (d) An applicant for a loan under AS 16.10.310 (a) (1) (b) (i) must establish that either:

(1) commercial fishing represents the largest single employer in the area that the applicant resides; or

(2) the applicant does not have training sufficient to qualify for other employment opportunities in the area.

COMMENT: I find the requirement in (1) of this section to be particularly problematic. I don't see how an individual is going to be able to establish that commercial fishing is the

largest single employer in his or her area of residence. This task has proven difficult for researchers to establish on a statewide basis; an individual on a local level could never comply.

> 3 AAC 80.050. (b) Acceptable collateral may include a mortgage or other security instrument in real property, buildings, machinery and equipment, fixtures, limited entry permits or commercial fishing vessels with gear and appurtenances.

COMMENT: This provision could be improved by adding the following underlined phrase: "Acceptable collateral may include, but is not limited to, a mortgage..." This language would clarify that other collateral than the items specifically listed is acceptable.

> 3 AAC 80.050. (d) Loans for the purchase of limited entry permits will be made only if the permit is placed in the name of the applicant and the permit is offered as security for the loan.

COMMENT: I find this regulation to be particularly troublesome as I fail to understand why the permit has to be offered as collateral if other acceptable assets are made available to secure the loan. We want to department to have sufficient collateral to ensure the safety of the loans; there is no reason to restrict collateral to limited entry permits.

> 3 AAC 80.055. (c) (2) lease out a commercial fishing vessel or limited entry permit; or

COMMENT: Why shouldn't fishermen be able to lease out their vessels when they're not fishing? Shouldn't the department be interested in the additional income that could be generated from leasing an idle vessel? This is an unnecessary restriction of a fisherman's ability to run his or her fishing operation on sound business practices.

> 3 AAC 80.055. (h) A loan for the purchase of a vessel for use in a limited entry fishery will not be approved unless the applicant holds a limited entry permit for that fishery.

COMMENT: This provision restricts the ability of fishing partnerships to utilize the loan program. Partnerships where one fisherman owns the limited entry permit and the other owns the vessel and gear are relatively common. These arrangements are valid and should be recognized by the state loan program.

> 3 AAC 80.070. SUPERVISION OF LOANS. As a condition of a loan and while there is an outstanding loan balance, the department may require a borrower to furnish annual financial statements consisting of a balance sheet, profit-and-loss statement, sources and application of all funds received and a schedule of change of owner's equity...

COMMENT: While I recognize the validity of such a requirement when a loan appears to be in trouble, it should not be imposed on an annual basis otherwise. I suggest that these requirements be restricted to cases where the department has particular concerns about the viability of a loan.

> 3 AAC 80.075. COSTS. All expenses incurred by the department in closing a loan, including the processing of the loan application, shall be paid by the applicant. These expenses include the cost of credit reports, title reports and insurance, recording fees, appraisals, surveys, out-of-state travel and other direct costs.

COMMENT: The concept of recouping some administrative overhead from loan recipients is sound, but I'm concerned about the extent to which the department wants to apply this principle. For instance, I question whether loan recipients should have to pay for out-of-state travel by department personnel. I suspect there may be a tendency to travel out-of-state more frequently if the cost is being covered by a loan recipient rather than coming directly from the department's travel budget.

I appreciate the department's response to my request for an extension of the comment period on the proposed loan regulations. I look forward to your response to my comments.

Sincerely,

Peter Goll

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

April 11, 1985

Loren H. Lounsbury, Commissioner
Department of Commerce and Economic Development
Pouch D
Juneau, AK 99811

Dear Commissioner Lounsbury:

The House Special Committee on Fisheries has significant concerns regarding the department's proposed regulations for the commercial fishing loan programs.

In reviewing the proposed loan regulations, the committee is particularly concerned about the language contained in the section dealing with eligibility [3 AAC 80.035]. The criteria in this section appears to restrict the loan programs to fishermen with experience in limited entry fisheries.

The problem with the limitation is that it would exclude many fishermen that the loan program is designed to help. The new language would, for instance, preclude longline and crab fishermen from obtaining state financing for limited entry permits in the salmon fisheries. Both of these fisheries are facing serious problems and many of the fishermen involved find themselves in the position of having to seek alternative fisheries to continue to make a living from fishing.

The committee believes that experience gained from participation in the state's many non-limited fisheries should qualify a fisherman for state financing. Why should a fisherman with three years experience as a salmon gillnetter be more qualified to purchase a troll permit than an Alaskan with 20 years of longlining experience?

A review of the applicable statutes [AS 16.10.310 (a) (1) (A) and AS 16.10.310 (a) (1) (C)] and two attorney general opinions on the issue reveal no justification for the new language. Indeed, an opinion on the question of eligibility for commercial fishing loans by assistant attorney general Jeffrey Bush dated August 18, 1983 appears to support our conclusion.

Bush's opinion states, in part, that:

> "Thus, without any indications to the contrary in the legislative history, we can presume that the legislature intended 'fishery' to mean the fishing industry throughout the state."

The Fisheries Committee respectfully requests the department to revise this proposed regulation to provide for eligibility for any Alaskan with active participation in Alaska's commercial fisheries.

Sincerely,

Representative Peter Goll, Chairman

_____ _____

_____ _____

_____ _____

Existing

commission, in its discretion, prescribes. (Eff. 1/1/72, Reg. 40)

Authority: AS 42.07.121 AS 42.10.080
AS 42.10.010 AS 42.10.110
AS 42.10.070

PART 7.
DIVISION OF BUSINESS LOANS

Chapter

80. Commercial Fishing Loans (3 AAC 80.010–3 AAC 80.100)
84. Tourist Industry Loans (3 AAC 84.010–3 AAC 84.080)
85. Bulk Fuel Loans (3 AAC 87.010–3 AAC 87.090)
86. Small Business Loans (3 AAC 86.010–3 AAC 86.070)
87. Mining Loans (3 AAC 87.010–3 AAC 87.050)
88. Assessment on Sale of Salmon (3 AAC 88.010–3 AAC 88.900)
89. Fisheries Enchancement Tax Appropriations (3 AAC 89.010–3 AAC 89.130)

CHAPTER 80.
COMMERCIAL FISHING LOANS

Section

10. Applications for loans
20. Loan eligibility and borrower qualifications
30. Amount, interest rates and maturity of loans
40. Terms of loan
50. Supervision of loans
60. Approval of loans
70. Loan committee
80. Execution of instruments
90. Disbursement of loan funds
100. Definition of terms

3 AAC 80.010. APPLICATIONS FOR LOANS.

(a) Commercial fishing loan applications shall be submitted on an appropriate form prescribed by the commissioner and be accompanied by

(1) a letter of intent stating the amount requested, a description of how the proposed loan funds will be used, and the plan of repayment of the loan including the setting up of reserves, if any;

(2) a personal resume including three personal references;

(3) a business history of the applicant which shall include complete copies of state income tax returns for the preceding three years;

(4) proof that the applicant had a crewmember license or commercial fishing license or permit for any one of the past five years and actively participated in the fishery that year;

(5) proof that the applicant has been a state resident for the last five years;

(6) current financial statements consisting of a balance sheet and profit-and-loss statement;

(7) a schedule of acceptable collateral, which should include collateral now owned and other collateral which is to be acquired with the loan proceeds, stating date of acquisition, cost, location, market value and existing liens;

(8) repealed 5/16/81;

(9) a current marine survey if a vessel is used for collateral including pictures of the vessel;

(10) a standard financial statement showing the projected income and expenses for the following year.

(b) Exhibits, whenever applicable, must accompany the application to show the

(1) potential growth of the business;

(2) potential employment;

(3) potential increase in income;

(4) potential decreases in operating expenses; and

(5) repealed 5/16/81

(c) Applications shall be submitted to any division of the business loans office. (Eff. 9/26/76, Reg. 59; am 5/16/81, Reg. 78)

Authority: AS 16.10.310

3 AAC 80.020. LOAN ELIGIBILITY AND BORROWER QUALIFICATIONS. (a) In addition to the requirements of AS 16.10.300 16.10.370 as amended, a loan will not be made unless

(1) the borrower can provide acceptable collateral and an acceptable repayment schedule;

(2) the purpose of the loan is to repair or improve existing vessels or gear, purchase additional gear, construct and purchase vessels, purchase fishing gear or entry permits. Loans to purchase entry permits will receive higher priority when loan funds are limited; and

(3) the borrower has extended to the commissioner or his representative the right to conduct a marine survey of a vessel or vessel construction project which is described by the borrower in an application or supporting documents.

(b) No more than 49 percent of the loan proceeds may be used to refinance long-term debt originally obtained for the purposes described in AS 16.10.310. Interim or construction financing is not considered long-term debt if the term is 12 months or less and the note was executed within the 12 months before receipt of the application.

(c) A loan will not be made if the proposed use of funds

(1) is of a speculative nature; or

(2) is intended to purchase a commercial fishing vessel, gear or permit that will not be put to use in the commercial fishing industry in the near future;

(3) allows a borrower to lease out a commercial fishing vessel. (Eff. 9/26/76, Reg. 59; am 5/16/81, Reg. 78)

Authority: AS 16.10.310
AS 16.10.320
AS 16.10.339

3 AAC 80.030. AMOUNT, INTEREST RATES AND MATURITY OF LOANS. A loan will not exceed $500,000, bear interest at a rate in excess of 9.5 percent a year if not in default, or mature later than 15 years from the date of the loan. (Eff. 9/26/76, Reg. 59; am 5/16/81, Reg. 78)

Authority: AS 16.10.310
AS 16.10.320

3 AAC 80.040. TERMS OF LOAN. (a) The term of a loan will be fixed in relation to the needs of the borrower and the collateral available to secure repayment of the loan.

(b) All expenses incurred by the department in closing a loan or processing a loan application shall be paid by the applicant, including but not limited to: the cost of credit reports, title reports and insurance, recording fees, appraisals, surveys, out-of-state travel and other direct

costs. (Eff. 9/26/76, Reg. 59; am 5/16/81, Reg. 78)

Authority: AS 16.10.310

3 AAC 80.050. SUPERVISION OF LOANS. As a condition of any loan and so long as there is an outstanding loan balance the department may require that a borrower furnish annual financial statements consisting of a balance sheet, profit-and-loss statement, sources and application of all funds received and a schedule of change of owner's equity. A borrower shall also submit to an audit or audits to determine whether the provisions of the loan have been complied with, and that a borrower permit periodic inspection of any collateral securing repayment of the loan. If a vessel is used as collateral, a current marine survey must be supplied to the division at the borrower's expense upon request by the division. (Eff. 9/26/76, Reg. 59; am 5/16/81, Reg. 78)

Authority: AS 16.10.310

3 AAC 80.060. APPROVAL OF LOANS. A loan will not be granted without the approval of a majority of the loan committee established under sec. 70 of this chapter. (Eff. 9/26/76, Reg. 59)

Authority: AS 16.10.310

3 AAC 80.070. LOAN COMMITTEE. (a) Loan committees will consist of three persons who the commissioner designates from the department.

(b) The chairman of a loan committee is the commissioner or his designee.

(c) Repealed 5/16/81.

(d) Repealed 5/16/81.

(Eff. 9/26/76, Reg. 59; am 5/16/81, Reg. 78)

Authority: AS 16.10.310

3 AAC 80.080. EXECUTION OF INSTRUMENTS. If a loan is approved by the loan committee, the borrower shall execute the promissory notes, chattel mortgages, security agreements, financing statements, preferred mortgages, assignments, affidavits, insurance pay orders and other instruments as the department may in its discretion require. (Eff. 9/26/76, Reg. 59)

Authority: AS 16.10.310

3 AAC 80.090. DISBURSEMENT OF LOAN FUNDS. Loan funds will not be disbursed to the borrower until

(1) a security interest in the collateral has been perfected except that in the case of a mortgage on a documented vessel this requirement shall be satisfied by the establishment of the mortgage as a preferred mortgage pursuant to the provisions of the Ship Mortgage Act, 1920 (46 USC §§ 911 – 9840);

(2) the commissioner or his authorized representative is satisfied that the borrower has complied with the marine insurance requirements contained in any instrument signed by the borrower; and

(3) all other provisions of the loan documents and this chapter have been complied with by the borrower. (Eff. 9/26/76, Reg. 59: am 5/16/81, Reg. 78)

Authority: AS 16.10.310
AS 16.10.320

3 AAC 80.100. DEFINITION OF TERMS. Unless the context requires otherwise, in this chapter and in the forms and instructions of the commissioner

(1) "acceptable collateral" means adequate security approved by the commissioner to secure repayment of a loan in the event of default and includes, but is not limited to, a mortgage or other security instrument on real property, buildings, machinery and equipment, fixtures, or commercial fishing vessels together with gear and appurtenances; a vessel that can be documented must be documented to be acceptable collateral;

(2) "borrower" means the commercial fisherman, partnership, corporation or association using the loan;

(3) "commercial fisherman" means a person engaged in commercial fishing;

(4) "commercial fishing" means the taking, planting or cultivating of fish, shellfish, crabs or other fishery resources with the intent of disposing of those resources for profit, by sale, barter, trade, or in commercial channels;

(5) "commissioner" means the commissioner of commerce and economic development;

(6) "current" means a date not exceeding three months before the date an application is received by the department;

(7) "department" means Department of Commerce and Economic Development;

(8) "division" means the division of business loans of the Department of Commerce and Economic Development;

(9) "documented vessel" means a vessel permanently or temporarily registered or enrolled or licensed under the laws of the United States;

(10) "person" means an individual and does not mean an association, partnership or corporation; and

(11) "resident" means a corporation, partnership or limited partnership 100 percent of which is owned by a resident commercial fisherman or an individual who, except for brief intervals, periods of military service, or attendance at an educational or training institution, has resided in the state for five years; "residence" is determined by where the individual

(A) is registered to vote;

(B) maintains his permanent place of abode;

(C) files his tax returns;

(D) registers or licenses his personal property, including but not limited to cars, boats, trucks and trailers;

(E) is licensed to drive; and

(F) maintains bank accounts, savings accounts, lines of credit and other financial relationships. (Eff. 9/27/66, Reg. 59; am 5/16/81, Reg. 78)

Authority: AS 16.10.310

CHAPTER 84.
TOURIST INDUSTRY LOANS

Section
10. Applications for loans
20. Loan eligibility and borrower qualifications
30. Terms of loans
40. Participation loans
50. Supervision of loans
60. Loan committee
70. Approval of loans
80. Definitions

3 AAC 84.010. APPLICATIONS FOR LOANS. (a) Tourist industry loan applications shall be submitted on the appropriate form prescribed by the commissioner and be accompanied by

(1) a letter of intent stating the amount requested, a description of how the proposed loan funds will be used, and the plan of repayment of the loan including the setting up of reserves, if any;

(2) a business history of the applicant which shall include balance sheets and profit-and-loss statements for the preceding three fiscal years whenever applicable;

(3) a business history of the persons owning 10 percent or more of the business;

(4) current financial statements consisting of a balance sheet and profit-and-loss statement for each of the persons specified under (a)(2) and (a)(3) of this section; if the amount to be borrowed is $100,000 or more, an independent certified public accountant must prepare and certify to the accuracy of the applicant's current financial statements;

(5) pro forma financial statements as of one full year after project completion which shall consist of

Proposed

CHAPTER 80
COMMERCIAL FISHING LOANS

Section
010. Application Process
015. Examination
020. Loan Committee
030. Residency Requirements
035. Eligibility
040. Financial and Credit Record
045. Ability to Repay
050. Collateral
055. Lending Practices
065. Disbursement of Loan Funds
070. Supervision of Loans
075. Costs
080. Assumptions
085. Reconsideration
090. Confidentiality of Loan Information
900. Definition of Terms

DRAFT

3 AAC 80.010. APPLICATION PROCESS. (a) To apply for a loan for the purchase of a limited entry permit, gear, or vessel, an applicant must file with the department

(1) a completed application for a commercial fishing loan on a form provided by the department;

(2) a completed residency questionnaire on a form provided by the department;

(3) a letter of intent stating the amount requested, the intended use of the proposed loan funds, and a proposed plan for repayment;

(4) copies of the purchase agreement or vendors' cost estimates and down-payment receipt;

(5) a commercial fishing resume identifying all permits and licenses held by the applicant, summarizing the applicant's experience as a commercial fisherman in Alaska, and identifying the actual number of days fished for each year;

(6) a business and credit history including complete copies of income tax returns for the preceding three years or for other years as may be requested by the department to document eligibility;

(7) a financial statement consisting of a current balance sheet, a profit and loss statement and a statement of projected income and expenses for the following year's operating plan;

(8) a schedule of acceptable collateral, including collateral now owned and other collateral to be acquired with the loan proceeds, stating date of acquisition, cost, location, market value and existing liens;

(9) if a vessel is used for collateral, a current marine survey acceptable to the department including pictures of the vessel; and

(10) any other information as the department may require.

(b) If a vessel is offered as collateral for a loan, the department or its designee shall be permitted to inspect the vessel or vessel construction project prior to making the loan. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.339

3 AAC 80.015. EXAMINATION. (a) Upon receipt of the materials described in 3 AAC 80.010, a loan request will be processed and evaluated by a loan examiner. The loan examiner will evaluate the applicant's eligibility, financial and credit history, operating plan and ability to repay, and proposed collateral.

(b) On the basis of the evaluation, the loan examiner will recommend proposed action on the loan request to the appropriate loan committee. However, the recommendation of a loan examiner is not binding on a loan committee. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.20.339

3 AAC 80.020. LOAN COMMITTEE. (a) A loan committee consists of one or more persons appointed by the commissioner from the department to act on a loan request.

(b) A loan committee may approve, deny, or modify and approve a loan request, or table a loan request subject to obtaining additional information.

(c) A loan committee may impose reasonable conditions on the approval of a loan, including the following requirements:

(1) additional collateral be pledged to secure the loan;

(2) additional guarantors be provided; and

(3) subordination of prior lien holder's rights to the interests of the State.

(d) A loan committee will evaluate an applicant's eligibility for a loan, financial and credit record, and capacity for repayment and operating plans, and the adequacy of collateral offered to secure the loan. A loan committee may also consider the recommendations of the loan examiner assigned to process the loan application, and any other relevant information.

DRAFT

(e) A loan committee may fix the term of a loan and the repayment schedule to meet the needs of the borrower and the collateral available to secure repayment of the loan.

(f) If a loan request is denied or significantly modified by a loan committee, the loan committee will provide the applicant with a statement of the reasons for the action and the information relied on.

(g) A material misstatement or omission of fact made by an applicant constitutes grounds for denial of a loan request. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.339

3 AAC 80.030. RESIDENCY REQUIREMENTS. (a) In determining if an applicant fulfills the two year residency requirements under AS 16.10.310, the loan committee may consider the following factors:

(1) where the applicant is registered to vote;

(2) where the applicant maintains a permanent place of abode;

(3) where the applicant files tax returns, and the address that is listed on the returns;

(4) where the applicant registers or licenses personal property, including but not limited to cars, boats, trucks and trailers;

(5) where the applicant is licensed to drive; and

(6) where the applicant maintains bank accounts, savings accounts, lines of credit and other financial relationships.

(b) Periods of absence from the state will not negate establishment of residency unless, during the absence, the individual establishes or claims residency in another state or performs other acts inconsistent with residency in Alaska.

(c) If two or more individuals apply jointly or as a partnership or corporation, all parties to the application must establish residency. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.339

3 AAC 80.035. ELIGIBILITY. (a) In determining whether an applicant has "actively participated in the fishery" under AS 16.10.310(a)(1)(A) or 16.10.310(a)(1)(C), the department may consider any or all of the following factors for each of the years claimed by the applicant:

(1) the gross income earned by the applicant

DRAFT

while engaged in commercial fishing in limited entry fisheries; and

(2) the time an applicant commercially fished during openings of limited entry fisheries.

(b) For purposes of eligibility, an applicant must establish one of the following circumstances for each year claimed:

(1) that 30 percent or more of the applicant's total gross income has been derived from commercial fishing in limited entry fisheries;

(2) that 10 percent or more of the applicant's total gross income has been derived from commercial fishing in limited entry fisheries and the applicant engaged in commercial fishing in these fisheries for twenty-five or more days; or

(3) that 10 percent or more of the applicant's total gross income has been derived from commercial fishing in limited entry fisheries and the applicant engaged in commercial fishing in a particular limited entry fishery for 80 percent or more of the total number of days that the particular fishery was open for commercial fishing. For purposes of this paragraph, "particular limited entry fishery" refers to gear type and fishing area.

(c) The department may rely on the following documents to verify that an applicant has actively participated in the fishery:

(1) tax returns;

(2) verified affidavits from the applicant and others certifying the applicant's experience;

(3) fishing and gear licenses;

(4) commercial fish tickets;

(5) wage receipts; and

(6) cannery statements.

(d) An applicant for a loan under AS 16.10.310(a)(1)(B)(i) must establish that either:

(1) commercial fishing represents the largest single employer in the area that the applicant resides; or

(2) the applicant does not have training sufficient to qualify for other employment opportunities in the area.

(e) An applicant for a loan under AS 16.10 .310(a)(1)(B)(ii) must establish that he fulfills all requirements of this clause. In this clause, "economically

DRAFT

dependent on commercial fishing for a livlihood" means that a majority of the applicant's gross income during the previous two years was derived from commercial fishing.

Authority: AS 16.10.310
AS 16.10.339

3 AAC 80.040. FINANCIAL AND CREDIT RECORD. (a) The department will, in its discretion, consider the following factors in assessing an applicant's financial and credit record:

(1) existing and prior debts;

(2) credit reports obtained from creditors and private credit reporting services;

(3) prior loan history with the department;

(4) timeliness in making payments on loans and other debts;

(5) prior bankruptcies;

(6) existence of tax liens, unpaid judgments, and prior foreclosures; and

(7) the applicant's financial and credit reputation in the community.

(b) Information establishing unacceptable credit will be more heavily weighed by the department if it has occurred in recent years. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.339

3 AAC 80.045. ABILITY TO REPAY. (a) The department may consider the following factors in evaluating an applicant's ability to repay a proposed loan:

(1) income history, including present income;

(2) prospects for future income;

(3) assets and their liquidity;

(4) liabilities;

(5) reasonableness of projected profit and loss statement; and

(6) other business experience.

(b) The department may compare revenue projections contained in an applicant's profit and loss statement with information it may acquire through its own efforts or from the Department of Fish and Game, the Commercial Fisheries Entry Commission or the Alaska Commercial Fishing and Agri-

DRAFT

culture Bank on the success of other fishermen in similar circumstances to determine the reasonableness of the applicant's projections. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.339

3 AAC 80.050. COLLATERAL. (a) A loan must be secured by collateral acceptable to the department to ensure repayment of the loan in the event of default.

(b) Acceptable collateral may include a mortgage or other security instrument in real property, buildings, machinery and equipment, fixtures, limited entry permits or commercial fishing vessels with gear and appurtenances.

(c) To be considered acceptable collateral, personal property must be capable of being specifically identified. A vessel that can be documented must be documented to be acceptable collateral.

(d) Loans for the purchase of limited entry permits will be made only if the permit is placed in the name of the applicant and the permit is offered as security for the loan. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.320
AS 16.10.339

3 AAC 80.055. LENDING PRACTICES. (a) If loan funds are limited, applications for loans to purchase entry permits will receive priority over applications for the purchase of vessels and gear.

(b) Applications for loans to purchase entry permits, gear and vessels under AS 16.10.310 (a)(1)(B) and for gear and vessels under AS 16.10.310(a)(1)(C) will be approved only if alternative sources of financing are not available to the applicant. An applicant for a loan under AS 16.10 .310(a)(1)(B) will not be considered ineligible for a loan because the applicant can provide a guarantor for the loan.

(c) A loan will not be approved if it would allow an applicant to:

(1) speculate in the acquisition and sale of limited entry permits, vessels, or gear;

(2) lease out a commercial fishing vessel or limited entry permit; or

(3) purchase a commercial fishing vessel, gear or limited entry permit that will not be put to use in the fishing season immediately following the date of the application.

(d) A loan will not be approved for refinancing long term debt. Interim or construction financing is not con-

DRAFT

sidered long term debt if the term is 12 months or less and the promissory note or the original agreement was executed less than 12 months before receipt of the application by the department.

(e) In determining the maximum loan amount that may be approved for the purchase of a limited entry permit, the department will rely on the value established by the Alaska Commercial Fisheries Entry Commission or other appropriate sources as determined by the department.

(f) A loan for the purchase of a limited entry permit will not be approved if an applicant holds another permit currently financed by the state and active participation in the two limited entry fisheries would be mutually exclusive.

(g) A loan for the purchase of a limited entry permit under AS 16.10.310(a)(1)(A) will not be approved if the applicant has pending an application for a loan under AS 16.10.310(a)(1)(B).

(h) A loan for the purchase of a vessel for use in a limited entry fishery will not be approved unless the applicant holds a limited entry permit for that fishery.
(Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.320
AS 16.10.325
AS 16.10.339

3 AAC 80.065. DISBURSEMENT OF LOAN FUNDS. Loan funds will be disbursed when

(1) a security interest in the collateral on behalf of the State has been perfected, except that in the case of a mortgage on a documented vessel this requirement shall be satisfied by the establishment of the mortgage as a preferred mortgage pursuant to the provisions of the Ship Mortgage Act of 1920, (46 USC §§911-984);

(2) the borrower has complied with the marine insurance requirements contained in an instrument signed by the borrower;

(3) all requirements of the loan committee have been met; and

(4) the borrower has complied with all other provisions of the loan documents and this chapter.
(Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.320

3 AAC 80.070. SUPERVISION OF LOANS. As a condition of a loan and while there is an outstanding loan balance, the department may require a borrower to furnish annual financial statements consisting of a balance sheet, profit-and-loss

DRAFT

statement, sources and application of all funds received and a schedule of change of owner's equity. The department may also require an audit or audits to determine whether the borrower has complied with the provisions of the loan and conduct periodic inspection of collateral securing repayment of the loan. If a vessel is used as collateral, a current marine survey must be supplied to the department at the borrower's expense upon request by the department. (Eff. / / , Reg.)

Authority: AS 16.10.310

3 AAC 80.075. COSTS. All expenses incurred by the department in closing a loan, including the processing of the loan application, shall be paid by the applicant. These expenses include the cost of credit reports, title reports and insurance, recording fees, appraisals, surveys, out-of-state travel and other direct costs. (Eff. / / , Reg.)

Authority: AS 16.10.310

3 AAC 80.080. ASSUMPTIONS. (a) Requests for permission to assume obligations and benefits of loans granted under AS 16.10.300-16.10.370 will be processed in the same manner as a loan request.

(b) A loan committee may permit an assumption if the individual seeking to assume the loan would be eligible for a new loan of the type that is sought to be assumed, the applicant is a good financial risk, and the security of the state's investment is preserved.

(c) Eligibility standards currently in effect, rather than standards in effect at the time the original loan was made, will govern assumptions. (Eff. / / , Reg.)

Authority: AS 16.10.310

3 AAC 80.085. RECONSIDERATION. (a) If a loan request is denied or significantly modified by a loan committee, an applicant may file a written request for reconsideration with the department. The request must be filed within 30 days of receipt of the initial decision of the loan committee.

(b) The loan committee will reconsider a request only upon a showing by the applicant that

(1) there has been a substantial change in the circumstances; or

(2) additional relevant information can be provided to the loan committee that was not initially available. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.339

DRAFT

3 AAC 80.090. CONFIDENTIALITY OF LOAN INFORMATION.
(a) The following information is not confidential and is available for public inspection upon request:

(1) a document which is already a public record including deeds of trust, financing statements, limited entry permits, warranty deeds, bills of sale, marine mortgages, liens, vehicle titles and vessel documentation;

(2) general information regarding loans, including the amount of a particular loan, loan terms, personal guarantees, and disbursement and repayment schedules;

(3) documents regarding foreclosure and default proceedings.

(b) The following information is confidential and is not subject to public disclosure:

(1) personal and financial information, including income tax returns, financial statements, business income statements, pro forma profit and loss statements, credit information obtained directly from banks and other creditors, reports obtained from consumer reporting agencies, cannery statements, and commercial fishing pink slips (fish tickets);

(2) loan committee memoranda and minutes containing information relating to credit worthiness of an applicant; and

(3) payment history on a loan, unless the loan is in default.

(c) Information not described in (a) and (b) of this section may be subject to public disclosure. Requests for disclosure must be made and will be determined in accordance with 6 AAC 095. On receipt of a request for disclosure, the department will notify the loan applicant and other persons with a privacy interest in the request, to permit them to present reasons why the requested information should not be disclosed. (Eff. / / , Reg.)

Authority: AS 09.25.110
AS 09.25.120
AS 16.10.310
Art. 1, Sec. 22
Alaska Const.

3 AAC 80.900. DEFINITION OF TERMS. Unless the context requires otherwise in this chapter

(1) "applicant" means the individual, partnership, corporation or association applying for a loan;

(2) "commercial fishing" means the actual catching of fish, shellfish, crabs or other fishery resources with the intent of disposing of those resources for profit by sale in commercial channels. For purposes of

DRAFT

this definition, "actual catching" means having gear in the water with the intent to catch fish;

(3) "commissioner" means the Commissioner of the Department of Commerce and Economic Development;

(4) "debtor" means an individual commercial fisherman who initially contracts for a loan, assumes a loan, or guarantees or co-signs a loan under AS 16.10.330 - AS 16.10.337.

(5) "default" means a violation of any terms of the loan document, or the failure to make the necessary payment within fifteen (15) days of when it is due, or the failure to maintain the insurance required by the Department of Commerce and Economic Development.

(6) "department" means the Department of Commerce and Economic Development;

(7) "documented vessel" means a vessel permanently or temporarily registered, or enrolled or licensed under the laws of the United States;

(8) "extension package" means such forms as the department may require in order to make a decision on an extension request. (Eff. / / , Reg.)

(9) "limited entry fishery" or "limited entry fisheries" means those fisheries requiring that a participant hold a permanent entry permit;

(10) "residency" means, in the case of an individual, physical presence in Alaska with the intent to remain indefinitely and make a home in the state. (Eff. / / , Reg.)

Authority: AS 16.10.310
AS 16.10.335
AS 16.10.339

Editor's Note: Former 3 AAC 80.0103 AAC 80.100 were repealed by the Department of Commerce and Economic Development on / /84, Register , and the substance of the regulation was reorganized and renumbered. The numbering and the organization of the material in 3 AAC 80.010 - 3 AAC 80.100 bears no resemblance to the numbering and organization of that material before / /84. Therefore, the history notes for 3 AAC 80.010 - 3 AAC 80.900 do not reflect the history of those sections before / /84.

DRAFT

MEMORANDUM

State of Alaska

TO: Paul B. Arnoldt, Director
Division of Investments
Department of Commerce &
Economic Development

DATE: August 18, 1983

FILE NO: 366-672-83

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

By: Jeffrey W. Bush
Assistant Attorney General

SUBJECT: Eligibility for commercial fishing loans

This memorandum supplements our Memorandum of Advice dated July 20, 1983, regarding eligibility requirements for commercial fishing loans. In that memorandum, we concluded that "fishery", as used in AS 16.10.310(a)(1)(A), means a specific fishery, such as Southeast Salmon Gillnet, rather than the overall statewide fishing industry.

It appears we may have answered your original question too narrowly. The phrase "fishery" appears in several sections of the Commercial Fishing Loan Act (AS 16.10.300 - .370). Upon examining its use in other sections and, in addition, reviewing the legislative history of those sections, we now conclude that "fishery" as used in AS 16.10.300 - .370 means the fishing industry in general, except where specifically defined otherwise.

The term "fishery" is used in at least four places in AS 16.10.300 - .370. AS 16.10.300 sets forth the legislative purpose of the act as follows:

> It is the policy of the state, under §§ 300-370 of this chapter, to promote the rehabilitation of the state's fisheries, the development of a predominantly resident fishery, and the continued maintenance of commercial fishing gear and vessels throughout the state by means of long-term low interest loans. [Emphasis added]

The phrase "actively participated in the fishery" is used both in AS 16.10.310(a)(1)(A) and (C). Finally, AS 16.10.320(h), applicable to loans for entry permits made under AS 16.10.310-(a)(1)(B), requires three years experience as a commercial fisherman "in the fishery", and then defines "in the fishery" to mean "in the same fishery" in which the borrower has actively

RECEIVED
AUG 19 1983
DEPARTMENT OF COMMERCE
& ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

(14 4) 109-1

RECEIVED
AUG 19 1983
DEPARTMENT OF COMMERCE
& ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

participated. [Emphasis added.]

Statutes must be construed together in order to produce a harmonious whole. 2A Sutherland, Statutory Construction, §§ 46.05 et seq. (4th Ed. 1973). It is clear that fishery, as used in section .300, means fishing statewide, not a specific fishery. The purpose of the act is also clearly stated -- the development of the fishing industry in the state. Were "fishery" in AS 16.10.310(a)(1)(A) defined to mean a specific fishery, as we concluded in our July 20 memorandum, and the same definition applied to "fishery" in subparagraph (C), this intent would not be fulfilled. For example, subparagraph (A), relating to loans for the purchase of entry permits, provides as one possible prerequisite for a loan that the applicant have owned a permit and fished in the fishery for the requisite period of time. If fishery is defined narrowly, not only would it be more difficult to obtain a permit in order to change from one fishery to another, but this would lead to the somewhat absurd result of having ownership of a permit in a specific fishery a prerequisite for getting a loan to purchase a permit in the same fishery. Likewise, under subparagraph (C), a person would be unable to obtain a loan for upgrading a vessel or purchasing new gear unless he had actively participated in the specific fishery in which the vessel or gear would be used. One of the more common reasons for seeking a vessel or gear loan is to expand a current operation by entering into a new fishery. This could not be readily accomplished under the narrow definition of fishery, thus defeating the purpose of the act. Therefore, we conclude that fishery, as used in both AS 16.10.300 and AS 16.10.310.(a)(1)(A) and (C), means statewide fishery.

This view is supported by examining the other section where fishery appears, AS 16.10.320(h). This section relates to certain loans made under subparagraph (B) of section .310(a)(1). Here, fishery is specifically defined to mean the same fishery in which the loan applicant participated. The fact that the legislature defined the word in this one subsection to mean a specific fishery leads to the conclusion that where it appears elsewhere it has a general meaning. Otherwise, it would not have been necessary to specifically define it for purposes of this subsection.

Our conclusion is also supported by examining the legislative history of these statutes. The phrase "actively participated in the fishery" as used in .310(a)(1)(A) and (C) was inserted in the statute in 1978 by ch. 83, SLA 1978. In reviewing the legislative history of this amendment, we have learned that this clause was added in response to a request by the division of business loans for clarification of the residency requirements in

RECEIVED
AUG 19 1983
DEPARTMENT OF COMMERCE
& ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

section .310. 1/ As recommended to the committee, however, the phrase to be inserted was "held a commercial fishing license and actually fished in Alaska." Legislative staffers, when directed to insert this provision, apparently redrafted it in its present form. The committee's intent, however, is clear from the transcripts of the hearings (January 26, 1978 and February 2, 1978). The members wanted only to be sure that the loan applicant fished in Alaska for the requisite period before being eligible for a loan. Thus, without any indications to the contrary in the legislative history, we can presume that the legislature intended "fishery" to mean the fishing industry throughout the state. Again, this interpretation is consistent with the express purpose set forth in AS 16.10.300.

Further support for this view is provided by the 1982 amendments, which substantially revised this act along with numerous other loan programs. Ch. 113, SLA 1982. In considering this legislation, the House Special Committee for Loans was presented with a draft discussion paper by the division of business loans outlining the procedures involved in the various loan programs. Regarding commercial fishing loans, this report stated:

> Eligibility: Loans are available to individual fishermen who have been Alaskan residents for five years prior to the loan, and have had a crewmember or commercial fishing license for any one of the previous five years, and have participated actively in fishing.... [Emphasis added.]

In considering this program, therefore, the committee was aware of the division's past and current practice of interpreting "in the fishery" to mean fishing anywhere in the state. Since the committee chose not to alter this language while making other significant statutory changes, it evidently accepted the division's interpretation.

Based on this history, we believe it is reasonable for the division to continue to interpret "fishery" as used in AS 16.10.300 - .370 to mean statewide fishery, except where it is specifically defined otherwise. Thus our conclusion in the July

---

1/ This amendment initially appeared in 1978 House Bill 573 in the House Resources Committee. The provisions of HB 573 were thereafter incorporated by the House Finance Committee into SB 184, and the latter bill was the one finally adopted into law.

20 memorandum on the definition of fishery is modified.

We reiterate our recommendation that the division should define "fishery" by regulation, in order to provide proper notice to all loan applicants. The division may also wish to seek legislative change during the next session so that the matter is clarified. We hope this answers your questions in regard to the interpretation of "fishery".

RECEIVED
AUG 19 1983
DEPARTMENT OF COMMERCE
& ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

MEMORANDUM

State of Alaska

TO: Paul B. Arnoldt, Director
Division of Investments
Department of Commerce &
Economic Development

DATE: July 20, 1983

FILE NO: 366-672-83

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Eligibility for Commercial Fishing Loans

By: Jeffrey W. Bush
Assistant Attorney General

You have asked our advice on a number of issues related to AS 16.10, regarding eligibility requirements for the State Commercial Fishing Loan program. You ask for our interpretation of AS 16.10.310 and AS 16.10.320, as applied to loans to partnerships, and our interpretation of various terms used in AS 16.10.310(a)(1)(A).

We conclude that the $100,000.00 loan limitation set forth in AS 16.10.320(d) for corporations, partnerships and joint ventures applies as a general rule, but where the specific requirements of AS 16.10.320(e) are met, and the loan is for the construction or purchase of a vessel, the higher limitations of that section should apply. Although a corporation is a single legal entity subject to the limitations of AS 16.10.320(d), if two or more individual commercial fishermen form a partnership or joint venture and each qualifies individually under AS 16.10.-320(e), they are eligible for the higher loan limits.

In addition, the division's present interpretation of the word "year" as "fishing season" is a reasonable interpretation of AS 16.10.310(a)(1)(A). We strongly urge, however, the adoption of regulations defining "year". Regarding the interpretation of "in the fishery" in AS 16.10.310(a)(1)(A), review of related statutes as well as common understanding requires a conclusion that "fishery" refers to a specific designated fishery, such as Southeast Salmon Gillnet, rather than the fishing industry statewide.

DISCUSSION

AS 16.10.320(d) limits the total value of loans that may be made to a borrower under the Commercial Fishing Loan Act (AS 16.10.300-.370). Loans to corporations, partnerships and

RECEIVED
JUL 22 1983
DIVISION OF ACCOUNTING
AND COLLECTIONS

joint ventures under AS 16.10.310(a)(1)(C) are limited to $100,000.00, and a loan to an associate of the borrower is considered to be a loan to the borrower. An associate of the borrower is defined to include "a corporation or other organization of which the borrower is an officer, director or partner...."

AS 16.10.320(e) provides that if two or more individual commercial fishermen apply for a loan and each satisfies the requirements of AS 16.10.310(a)(1)(B), and the loan is for the construction or purchase of a vessel, the loan limit is $100,000.00 times the number of qualified commercial fishermen applying for the loan.

These two subsections appear to be inconsistent. Under a literal interpretation, if two or more commercial fishermen call themselves a partnership, they would be subject to the $100,000.00 limitation of AS 16.10.320(d), but if they apply as individual commercial fishermen, they would be subject to the higher limits of AS 16.10.320(e). Although a corporation is by law a separate legal entity, a partnership or joint venture is generally construed as merely a group of individuals. The division's current practice of treating partnerships the same as a group of individuals is correct.

To fulfill the intent of both subsections, the $100,000.00 limit of (d) should apply as a general rule except in those cases where the requisites of subsection (e) are met where the loan is for the construction or purchase of a fishing vessel.

You also ask about the proper interpretations of the word "year" and the phrase "in the fishery" in AS 16.10.310.(a)-(1)(A).

AS 16.10.310(a)(1)(A), as recently amended, provides that the division may make loans to:

> ...individual commercial fishermen who have been state residents for a continuous period of two years immediately preceding the date of application for a loan under AS 16.10.300 - 16.10.370 and have had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43 for the year immediately preceding the date of application and any other two of the past five years, and who actively participated in the fishery during those periods, for the purchase of entry permits....

RECEIVED
JUL 22 1983
DIVISION OF ACCOUNTING
AND COLLECTIONS (14.4) 102

The term "year" is not defined, and absent other evidence of legislative intent, the general rule would be to apply its common or ordinary meaning. Since a year is generally meant to mean twelve months, under this approach a commercial fisherman would not be able to obtain a loan unless that person had either a crewmember or commercial license or permit for twelve months preceding application. Because permits are often distributed in the spring, just prior to the fishing season, while loan requests are generally made during the winter months when fishermen have time to work on their boats, to give the term "year" a literal interpretation effectively prevents a fisherman from obtaining and using loan proceeds for two fishing seasons, rather than just one year. Thus, an administrative interpretation of the term year to mean fishing season is more reasonable and conforms to legislative intent. However, because this interpretation differs from the literal wording of the statute, we recommend adoption of regulations defining year to mean fishing season.

Regarding interpretation of "in the fishery" in AS 16.10.310(a)(1)(A), we believe fishery must be interpreted to mean the specific fishery as that term is used among commercial fishermen in Alaska. First, this conforms with the normal and generally accepted interpretation of the word. Second, had the legislature intended to mean the overall statewide fishing industry, it could have substituted "as commercial fishermen in the state" or similar language for "in the fishery", but it chose not to do so. Third, "fishery" is defined in AS 16.43.380(3) as:

> . . . the commercial taking of a specific fishery resource in a specific administrative area with a specific type of gear; however the commission may designate a fishery to include more than one specific administrative area, gear type, or fishery resource.

We believe this definition should be followed. We therefore recommend the division adopt the definition of fishery as set forth in AS 16.43.380(3) when applying AS 16.10.310(a)(1)(A). This definition however, should also be adopted by regulation.

We hope this answers your questions concerning the commercial fishing statutes.

RECEIVED
JUL 22 1983
(14.4) 102-3
DIVISION OF ACCOUNTING
AND COLLECTIONS

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:6

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 18, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Background Reports on Limited Entry

Attached are executive summaries or abstracts of several reports on limited entry that closely relate to issues under consideration by the Special Committee on Fisheries. Please notify me or staff assistant Rodger Painter if you want a full copy of a report.

Attachment #1 is the executive summary of a report entitled, "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries--1975-1983." (CFEC Report 84-10.)

Attachment #2 is the abstract of a report entitled, "Non-pecuniary Benefits in Commercial Fishing: Empirical Findings from the Alaska Salmon Fisheries." (CFEC Report 85-7.)

Attachment #3 is the abstract of a report entitled, "Low-Interest Loans and the Markets for Limited Entry Permits in the Alaska Salmon Fisheries." (CFEC Report 83-8.)

#1

EXECUTIVE SUMMARY

This is the third edition of the Commercial Fisheries Entry Commission's "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries." The report was initiated in response to widespread concern by the legislature and general public regarding the long term effects of limited entry and free transferability on Alaskan permit ownership, especially in rural Alaskan communities heavily dependent upon local fisheries. The purpose of the report is to keep all interested parties accurately informed on the nature and extent of changes in the distribution of permit ownership.

This edition covers the time period 1975 through 1983 and includes detailed information on the changes in permit ownership between Alaskans and Nonresidents in 31 limited fisheries.[1] Extensive information is also provided on the distribution of permits among Alaskan residents.[2]

In order to analyze permit ownership by Alaskan residents, permit holders have been classified into six resident types. These resident types are defined as follows and are referred to in the text by either the underlined words or by their acronym (shown in parentheses):

---

[1]A fishery refers to the harvesting of a particular specie(s) using a specific gear type within a defined area.

[2]Changes in Native Alaskan permit ownership are presented in "Alaskan Natives and Limited Fisheries of Alaska; A study of changes in the distribution of permit ownership amongst Alaskan Natives, 1975-1983," by Nasser Kamali, CFEC Report Number 84-8.

A. Alaska resident of Rural community which is Local to the fishery for which the permit applies (ARL);

B. Alaska resident of a Rural community which is Nonlocal to the fishery for which the permit applies (ARN);

C. Alaska resident of an Urban community which is Local to the fishery for which the permit applies (AUL);

D. Alaska resident of an Urban community which is Nonlocal to the fishery for which the permit applies (AUN);

E. Nonresident of Alaska (N);

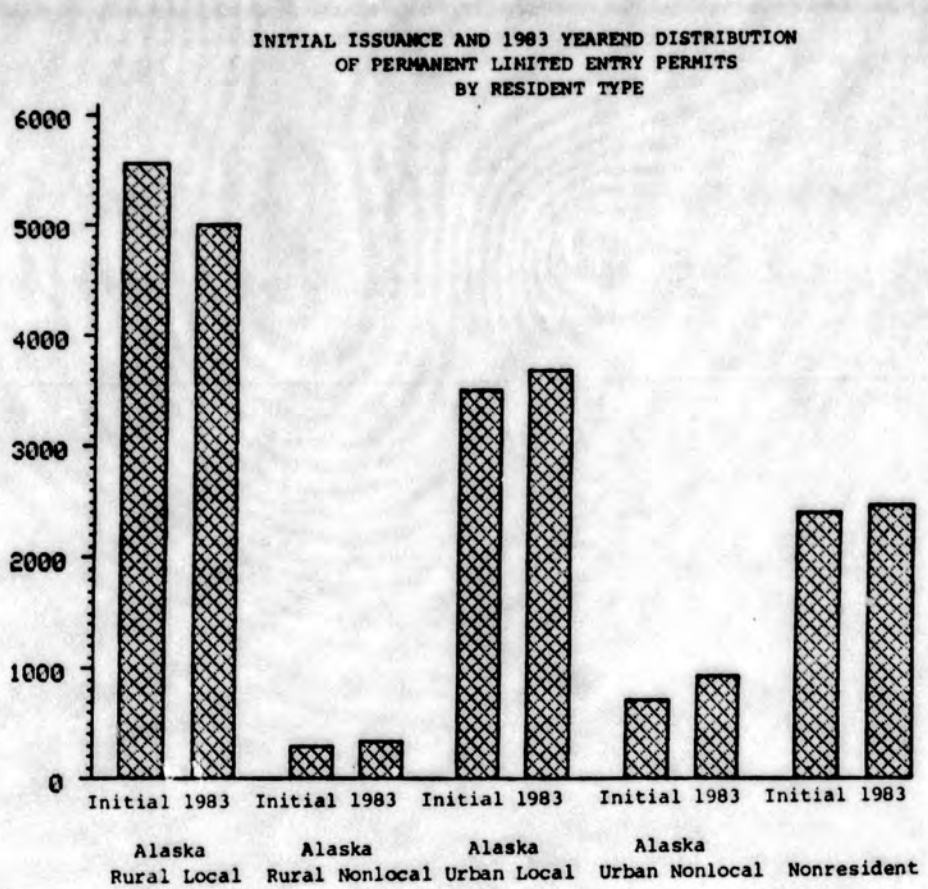
F. Department of Commerce signifies permits which have been foreclosed and which are temporarily the property of the state (DOC) or of the Commercial Fishing and Agriculture Bank (CFAB).

The report presents summary data on a statewide basis and detailed information by fishery, year, and resident type.

Statewide Distribution of Entry Permits

Between 1975 and the end of 1983, 12,515 permanent permits were issued in Alaska's limited fisheries. 80.7% were issued to Alaska residents (10,103 permits) and 19.3% to Nonresidents (2,412 permits). Alaska Rural Locals received more permits than any other resident type, (44.4% or 5,556 permits), and Alaska Urban Locals received 28.2% (3,526 permits). Alaska Rural and Urban Nonlocals received 2.4% (300 permits) and 5.8% (721 permits) respectively.

By the end of 1983, as a result of transfers, migrations, revocations[3] and loan foreclosures, Alaskan residents owned 95 fewer permits than they had been originally issued and Nonresidents owned 68 more. Twenty-six Alaskan permits and one Nonresident permit had been



---

[3]By the end of 1983, 27 permits had been revoked as follows: (a) 1 permit was revoked under AS 16.43.960 for supplying false residency information in the initial application. (b) 11 permits were forfeited to the Commission because renewal fees had not been paid for two consecutive years [AS 15.43.150(d)]. (c) 14 permits were revoked because they had been originally issued as a result of administrative error. (d) 1 permit was revoked after revocation proceedings were initiated under AS 16.43.960 due to fal[illegible]aims involving the lease of an entry permit.

revoked. Thirteen of the 23 permits repossessed by the Department of Commerce and Economic Development had not been resold at year-end 1983. Thus, the percentage of permits owned by Alaskans had declined by 0.8% (9,995 permits) and the percentage of permits owned by Nonresidents had increased by 0.5% (2,480 permits).

The rate at which Nonresident permit ownership has increased has not been steady throughout the time period. Transfer and migration activities resulted in a net decrease of 100 permits held by Nonresidents in 1975 and 1976. From 1977 through 1982, Nonresident permit ownership increased each year resulting in a net increase of 208 permits during this period. In 1983 Nonresident permit ownership decreased by 40 permits.

Among Alaskan residents, permit ownership had increased in every resident type except Alaska Rural Local. Permit ownership by this resident type has declined by 553 permits statewide, a 10.0% decrease from the number of permits originally issued. At the end of the 1983, 40.1% of all permits were owned by Alaska Rural Locals (5,003 permits), 29.5% were owned by Alaska Urban Locals (3,689 permits),[4] 2.8% were owned by Alaska Rural Nonlocals (351 permits), and 7.6% were owned by Alaska Urban Nonlocals (952 permits).

---

[4]Alaska Urban Local permit ownership has increased by 163 over the entire period. However, transfer activities during 1982 and 1983 resulted in a net decrease of 29 AUL owned permits.

Permit Transfer

Of the 12,515 permanent permits issued, 1,535 were designated as nontransferable[5] and 10,980 as fully transferable. During the 1975-1983 period, there were 9,504 permanent transfers. Of these, 5,478 were transfers from the original owner. Thus 50.0% of all transferable permits originally issued were transferred at least once. Annual ratios of transfers to number of permits varied between 0.08 and 0.13 over the time period and averaged 0.11 for all years combined. Most (66.2%) of the 9,504 transfers were between people of the same resident type.

Age Distribution of Permit Holders

The statewide average age of permit holders decreased from approximately 43 years in 1975 to 41 years in 1977, and has remained at 41 years through 1983. This suggests that the persons entering limited fisheries have been young enough to offset the natural aging of those retaining their permits. The statewide average age of transfer recipients has consistently been in the 32 to 34 year range over the entire 1975 to 1983 time period.

---

[5]As 16.43.250 required CFEC to rank individuals by determining the degree of hardship they would experience if excluded from a fishery and also to determine if any of these classifications represented only minor economic hardship. Permits issued to persons in minor economic classifications were nontransferable.

Transfer Survey Information

Since 1980, the Commercial Fisheries Entry Commission has required transfer recipients to provide information concerning the relationship between transfer parties, whether the transfer was a gift, sale or trade, how the permit was financed, and the sales price. The survey has been the sole source of information for CFEC permit price estimates which are used by the Department of Commerce and the Alaska Commercial Fishing and Agriculture Bank (CFAB) as appraisals for fishing loans. The 4,353 survey responses received by CFEC represent 96.6% of the total number of transfers during 1980-1983. Key results from the survey can be briefly summarized as follows:

A. Relationship of Transfer Parties

Over seventy percent of the transfer recipients responding to the 1980-1983 survey indicated a prior relationship with the transferor. On a statewide basis, 33.2% of the transferors were immediate family members, 31.8% were friends or business partners, and 6.2% were other relatives. The relationship between transfer parties varied according the transfer recipient's resident type. For example, Alaska Rural Locals were more likely to have received their permit from a family member or relative (61.1%) and less likely to have received one from someone they did not know (11.9%).

B. Methods of Payment

Statewide, 59.0% of the transfers occurring in 1980-1983 were sales, 37.1% were gifts, 2.1% were trades, and 1.8% could not be classified as any of the above. These percentages varied considerably by fishery and by resident type. For example, 57.9% of the transfers to Alaska Rural Locals were gifts and only 38.4% were sales.

C. Sources of Permit Financing

Of the 2,556 permit sales, 38.3% were financed through personal resources, 23.5% through the Alaska Department of Commerce's fishing loan program, 21.7% through the seller, and 10.4% through private lending institutions. CFAB financed 1.2% and seafood processors financed less than 1% of the sales, and 4.3% could not be classified into any of the above.

When only purchases by Alaskan residents (1,799 out of 2,556) are considered, 33.3% indicated the use of state loan programs. Seventy percent of these (423 out of 599) were to the urban resident types.

Alaska Rural Local Permit Ownership

From initial issuance through 1983, Alaska Rural Local ownership of permits declined by 553 permits as the net result of transfer activity with other resident types. Statewide, 68.0% of this decrease went to urban Alaskans: 43.4% to Alaskan Urban Nonlocals and 24.6% to Alaskan Urban Locals (240 and 136 permits respectively). 26.4% of the net

decrease went to Nonresidents (146 permits) and 5.1% to Alaskan Rural Nonlocals (28 permits). Three permits of the net decrease were a result of loan foreclosures (0.5%).

Information from the 1980-1983 surveys on 573 transfers from Alaska Rural Locals to other resident types indicate that:

1. Only 51.5% of the transfer parties had a pre-existing relationship, compared to 71.2% statewide;
2. Sales represented 79.9% of the transfers, compared to 59.0% statewide;
3. Of the 458 transfers which were sales, 46.7% were financed through personal resources, and 17.5% through state financing. Similar statewide percentages were 38.3% and 23.5% respectively.

Alaska Local Permit Ownership

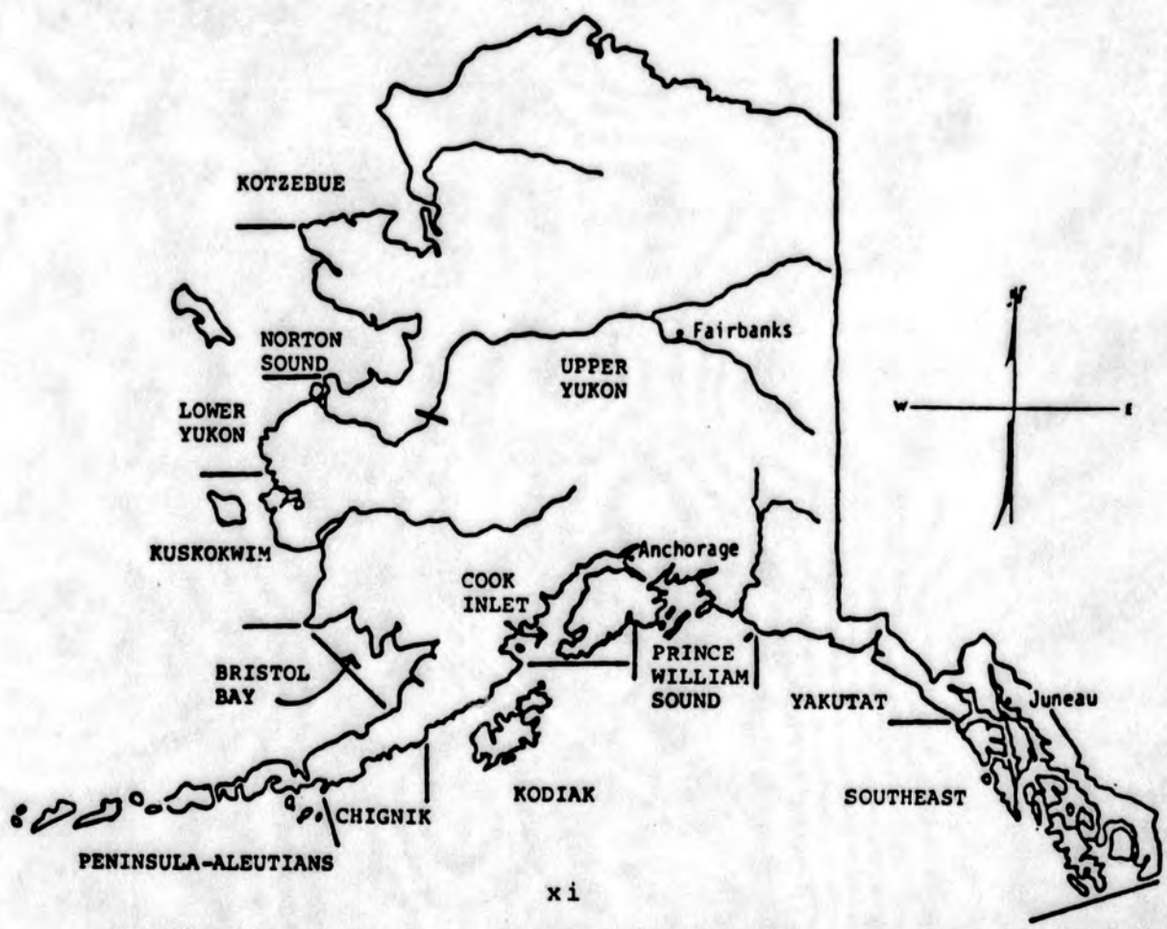
Changes in local permit ownership can be seen by combining urban and rural local permit holders into a single resident type. During 1975-1983 there has been a decrease of 359 locally owned permits as the net result of transfers with other resident types. 65.7% (236 permits) of the decrease went to Alaska Urban Nonlocals; 28.1% (101 permits) went to Nonresidents, and remainder to either Alaska Rural Nonlocal permit holders or the Department of Commerce.

Examination of the fishery specific data indicates that 61.3% of the statewide decrease in local permit ownership occurred in the Bristol Bay drift and set gill net fisheries (220 permits).

Information from the 1980-1983 surveys on 856 transfers from Alaska Locals to other resident types is also provided. Compared to statewide percentages, there was a substantially lower percentage of transfers between family, friends, or relatives (54.7%), a higher percentage of sales (77.9%), and a higher percentage of self financing (45.3%).

Summary

This report provides detailed information by fishery, year and resident type in the body of the text and its appendices. CFEC plans to update this report on an annual basis and hopes that it will serve as a useful reference document for all persons concerned with the changes in permit ownership that have occurred since limited entry began in 1975.



#2

Abstract

The issue of non-pecuniary benefits in commercial fishing is examined using data from the Alaska salmon fisheries, which are subject to entry limitations. It is concluded that, while limited entry permit prices reflect primarily pecuniary factors, the continued presence of many low-revenue fishers in the fisheries suggests that they, at least, derive non-money benefits. However, the existence of non-pecuniary benefits does not appear to substantially depend on the gear type or geography of the fishery.

NON-PECUNIARY BENEFITS IN COMMERCIAL FISHING:

EMPIRICAL FINDINGS FROM THE ALASKA SALMON FISHERIES

It is popular to speculate that participants in commercial fishing derive significant non-pecuniary benefits. Anderson (1980) has noted that a failure to acknowledge non-pecuniary benefits would lead a fishery regulator to a non-optimal allocation of labor and capital in the fishery. Smith (1981) uses non-money benefit factors to explain the apparent willingness of fishermen in Washington and Oregon to continue in the business while suffering financial losses. Langdon come to the same conclusion while considering the seeming disparity between fishing incomes and prices of permits which convey the right to fish commercially in the Alaska salmon fisheries:

> "...(Permit buyers) are willing to pay ever increasing amounts to lose money at an astonishingly high rate and with predictable certainty. Clearly some commercial fishermen are obtaining alternate utilities from participating in commercial fishing other than economic return alone."[1/]

This paper derives tests for the hypothesis that fishermen receive significant non-pecuniary benefits, using data from the Alaska salmon fisheries. Because they have been the subject of an entry limitation program since 1975, these fisheries are particularly suited for these tests. To participate in these fisheries, a fisherman must have a permit. These permits are relatively fixed in number, but are freely transferable in an open market. Market prices of these permits thus

contain information about the marginal permit holder's demand-price for fishing. Very roughly, one test employed here uses fishing income data to estimate the present value of the expected rent stream from fishing. Permit prices are then examined to judge whether they reflect a premium above what monetary incomes alone would suggest. The existence of such a premium could be interpreted as evidence of non-pecuniary factors valued by permit holders. This approach has an advantage over one which depends on survey data (e.g., Smith 1981), because it uses market information and does not depend solely on responses to survey questions.[2/]

This paper contains four sections. Part I describes the essential features of the limited entry system as it works in the Alaska salmon fisheries, and notes current arguments which contain the non-pecuniary hypothesis. Part II examines data which seem to indicate the existence of non-pecuniary benefits (npb's). Part III provides an explanation of how npb's can effect permit prices, while Part IV examines the nature of npb's.

#3

Abstract

This paper evaluates the impact of loans at subsidized rates on the markets for the affected assets. The predictions of microeconomic theory are confirmed by data from the Alaska salmon fisheries. Transferable permits convey rights to participate in these fisheries, and trade at prices which represent the capitalized values of those rights. The initiation of a state low-interest loan program coincided with unmistakable increases in both transfer volume and permit prices which are not "explained" by other factors.

This paper analyzes the effects on the market price of an asset when subsidized loan money is made available for its purchase. Under specific consideration is a State of Alaska program to provide loans at below market rates of interest for up to 90% of the appraised price for the purchase of a limited entry permit. These permits are state-granted, privately owned assets which convey the "privilege" to fish commercially for salmon.[1/] This particular program is conducive to analysis because the number of permits is determined by a state regulatory commission and has remained nearly constant for most salmon fisheries over recent years. This eliminates the need to consider a changing supply elasticity over time. Also, data on permit prices and gross fishing revenues are available. The hypothesis advanced and tested is an extension of supply and demand analysis: that loan subsidies increase the demand for the affected asset by an amount equal to the present value of the subsidy. The price of the affected asset will increase by an amount that is positively related to this demand shift and inversely related to the elasticity of the supply-flow curve. To the extent that supply-flow is price inelastic, current owners of the asset are beneficiaries of loan subsidy programs.

This paper has four parts. Part I describes the limited entry program in the Alaska salmon fisheries and the accompanying permit loan program. Part II employs supply and demand tools to predict the effects of the loan subsidy program on market price and quantity. Included is an algebraic derivation of a loan subsidy's anticipated effect on the related asset's demand curve. Parts III and IV relate empirical tests of these predictions using data from the Alaska salmon fisheries.

THE
1983
ANNUAL REPORT
OF THE
COMMERCIAL FISHERIES
ENTRY COMMISSION



COMMERCIAL FISHERIES ENTRY COMMISSION

Commission

Bruce Twomley, Chairman
Rich Listowski, Commissioner
Phil Smith, Commissioner

Adjudications

David A. Ingram, Managing Hearing Officer

Administration

Judith Akrep, Administrative Officer

Data Processing

Roger Kolden, Director

Licensing

Christine Kelly, Licensing Administrator

Research

Kurt Schelle, Director

Office Location

Capital Office Park, 1255 West Eighth Street, Juneau, Alaska

Mailing Address

Pouch KB, Juneau, Alaska 99811

Telephone

(907) 586-3456

Remote Licensing Site

Shelley Eldridge
c/o Department of Fish and Game, Mission and Kashervaroff Roads,
Kodiak, Alaska
Telephone (907) 486-4791

Typist

Lynn Lindsay

Cover Art

Lourie Crone

TABLE OF CONTENTS

	Page
INTRODUCTION	1
COMMISSION ORGANIZATION	2
ADJUDICATIONS	
Administrative Proceedings and Decisions	3
Investigations	5
Judicial Rulings and Appeals	6
Decision Digesting System	9
LICENSING	
1983 Commercial Fisheries Licensing	10
Kodiak Remote Licensing Project	13
Bristol Bay Pilot Project	14
RESEARCH	
Permit Prices	16
Operating Costs and Net Returns	17
Permit Ownership Patterns	19
Other Reports	20
Research Computing	22
BIBLIOGRAPHY	23
APPENDIX	
Table 2	25
Table 3	33
Table 3A	34

INTRODUCTION

The Commercial Fisheries Entry Commission (CFEC) is a quasi-judicial agency responsible for promoting the conservation and sustained yield management of Alaska's fisheries resources and the economic health and stability of commercial fishing by regulating entry into the fisheries in the public interest. Entry limitation is governed by a balance of biological, economic and equitable considerations, with entry permits initially awarded to those with greatest historical participation in and economic dependence on the fisheries.

Commission activities include:

Establishing maximum numbers of permits for fisheries to be limited.

Reestablishing application periods and implementing systems to rank eligible applicants according to their relative hardship suffered if excluded from a limited fishery.

Processing entry permit applications and adjudicating claims not resolved in initial classification.

Issuing entry permits in limited fisheries and interim-use permits in unlimited fisheries.

Processing requests for emergency transfer and permanent transfer of entry permits, and compiling data on ownership trends and permit prices.

Enforcing provisions of the Limited Entry Act by regulating permit transfer activities, conducting investigations, and bringing civil and criminal actions.

Monitoring unlimited fisheries to assess the rate of development, the effectiveness of biological management measures, and the economic viability for the participating operators.

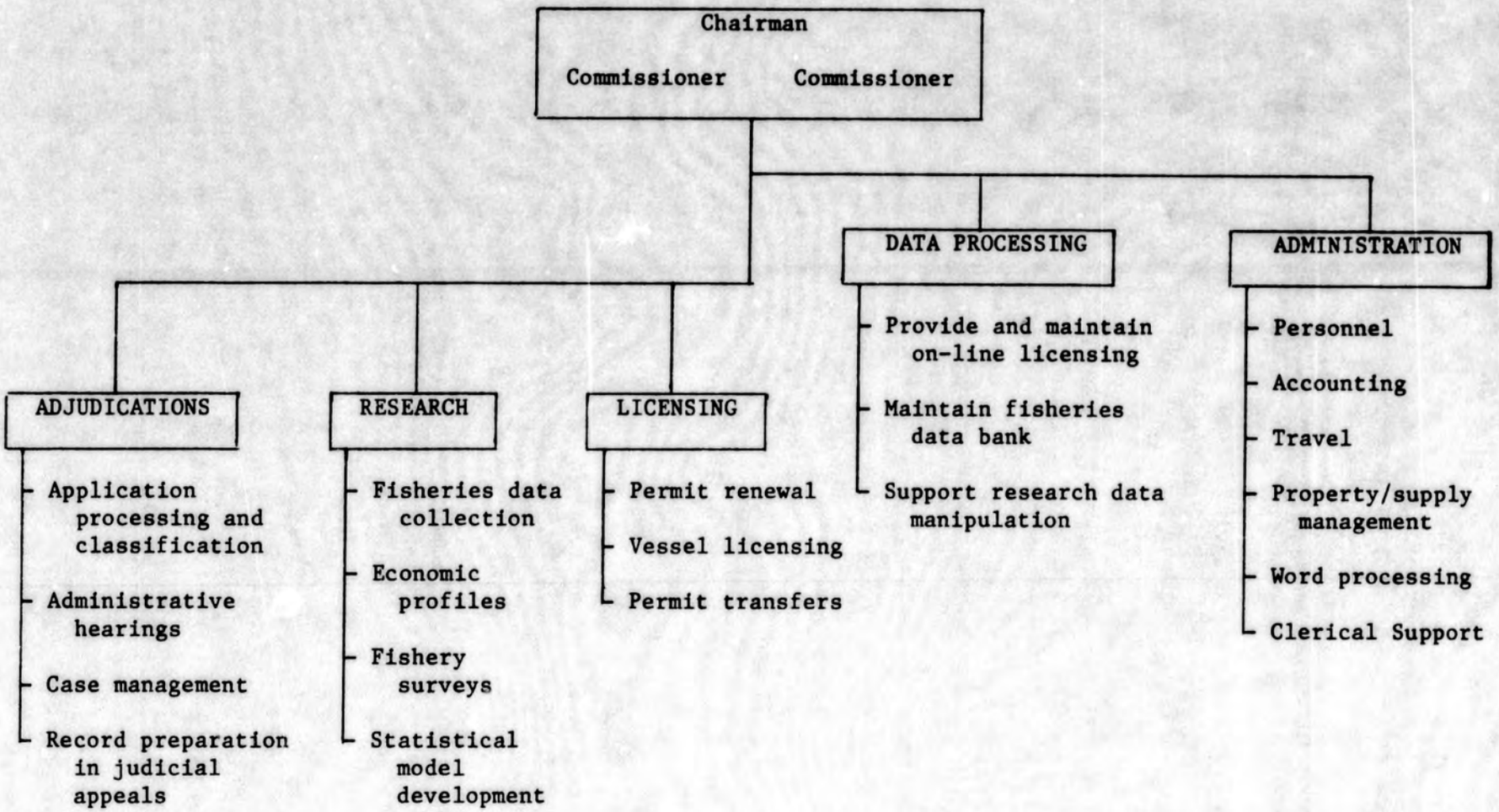
Monitoring long term effects of entry limitation.

Monitoring the limited fisheries to obtain information needed for setting optimum numbers in those fisheries, and to determine the need for reductions in the number of gear units through buyback programs.

Participating in the development of comprehensive fisheries data and research.

Working closely with other management agencies including the Alaska Department of Fish and Game, Alaska Board of Fisheries, Alaska Department of Commerce, North Pacific Fishery Management Council, National Marine Fisheries Service, and the International Pacific Halibut Commission to develop and coordinate fisheries policies.

COMMISSION ORGANIZATION



The above organization chart presents a general view of the Commission's primary functions. It by no means lists all functions undertaken to meet the Commission's statutory responsibilities.

ADMINISTRATIVE PROCEEDINGS AND DECISIONS

Partially due to augmentation by contract personnel, hearing officers were able to issue a total of 91 recommended decisions during 1983. Of those, 79 involved entry permit applications, 10 involved denied permit transfer requests and 2 involved alleged fee arrearages. Hearing officers conducted a total of 39 administrative hearings during the year, 24 of which involved entry permit applications, 13 of which involved denied permit transfer requests, and 2 of which involved alleged fee arrearages. At the end of the year, 112 cases were in various stages of the hearing process leading up to the issuance of recommended decisions.

The commissioners adjudicated a total of 89 cases during the year. Of those, 83 involved entry permit applications, and 6 involved denied permit transfer requests. The commissioners conducted 47 oral presentation proceedings during the year, 46 of which involved entry permit applications and 1 of which involved a denied permit transfer request. At the end of the year, 320 cases were in various stages of the adjudication process leading up to the issuance of final decisions.

ADJUDICATIONS

In addition to the activities set forth on the previous page, 2 revocation proceedings were conducted during 1983. As required by statute, a hearing officer conducted each of the proceedings with the commissioners in attendance. One of the proceedings resulted in the permanent revocation of a Cook Inlet drift gill net entry permit. The other revocation proceeding has not been concluded, but a recommended decision was issued in April of 1984 recommending that a Bristol Bay drift gill net entry permit and a Bristol Bay set gill net entry permit be permanently revoked due to false claims made to the Commission.

INVESTIGATIONS

During 1983 the Commission made further progress in its continuing investigation of suspected false claims relating to permit applications, residency, permit transfers, leasing of permits, and other matters of mutual concern to the Commission, Public Safety's Division of Fish and Wildlife Protection, the Department of Law, the Department of Commerce and Economic Development, the Department of Revenue, and other agencies.

A variety of administrative and criminal actions have been brought against individuals believed to have made false claims to the Commission. During 1983 the value of total actionable fraud cases arising from Commission investigations rose to $1,974,650. The cases giving rise to that figure include fines levied and fee arrearages assessed, together with the value of permits subject to revocation proceedings.

JUDICIAL RULINGS AND APPEALS

In 1983, 13 new appeals of Commission decisions were filed in Superior Court. Final decisions were rendered by the Superior or Supreme Court in 10 cases. At year end, 102 court appeals were still pending.

Synopses of major decisions follow.

State of Alaska v. Ostrosky

(Alaska Supreme Court Opinion No. 2702, July 19, 1983. Upheld by United States Supreme Court on May 21, 1984.)

Harold Ostrosky and his two daughters, Lori and Julianne, were convicted of fishing without a limited entry permit in Bristol Bay. They asked for post-conviction relief, challenging the constitutionality of the Limited Entry Act. The Alaska Supreme Court in July 1983 ruled on their case, upholding the constitutionality of the Limited Entry Act generally and the free transferability provisions in particular. The Court found that the 1972 amendment to the state constitution was intended to authorize limited entry and overrides any previous constitutional provisions that might otherwise prohibit it. The Court went on to find that free transferability places no greater burden on the various rights and privileges conferred by the Alaska constitution than do alternative transfer methods. The legislative objectives in adopting free transferability were affirmed as legitimate, and no equal protection violation was found.

The objectives cited by the Court were:

--By making permits inheritable and transferable among family members, the Act ensures that a fishing family will be able to continue to fish if the permit holder dies or is disabled, thus protecting the family's source of income and its investment in vessel and gear. This prevents economic distress among fishermen and those dependent upon them for a livelihood.

--By making it possible for a person who has fished one permit to purchase a different one, the Act allows fishermen to move to more profitable gear types (from hand troll to purse seine, for instance) and to fish a different area when their usual area becomes distressed. This prevents economic distress among fishermen, and retains the mobility that Alaska fishermen have enjoyed in the past.

--By making permits salable, the Act creates a market for them. Price depends largely on the state of the fishery. Thus, in order to keep the fisheries healthy, fishermen will obey conservation laws, assist in the apprehension of violators of those laws, and willingly contribute to aquaculture programs.

--By giving permit holders an incentive--money--to transfer their permits, the Act prevents the creation of a closed class of fishermen. The number of transfers to date has been very large.

--By making the acquisition of a permit certain by payment of the purchase price, the Act allows fishermen to plan where they will fish, what type of gear they will use, and what investments in vessels and gear they can prudently make.

--By not setting up any complex eligibility formulae for new entrants, the Act makes the transfer system readily understandable to those it will affect.

--By not requiring the Commission to get involved in transfers to an extent beyond the simple processing of transfer applications and the certification that the proposed transferee has the present ability to fish, the Act eases the Commission's administrative burden and allows it to focus its attention on other necessary duties, such as the setting of optimum numbers for limited fisheries and deciding whether presently open fisheries should be limited.

The Ostroskys appealed the foregoing decision to the U.S. Supreme Court. In response to an invitation from the Court to file a brief in the case as amicus curiae, the U.S. Solicitor General expressed the opinion of the federal government that Alaska's Limited Entry Act is constitutional and urged the Court to uphold the decision of the Alaska Supreme Court. On May 21, 1984, the U.S. Supreme Court dismissed the Ostroskys' appeal for want of a substantial federal question, leaving undisturbed the foregoing decision of the Alaska Supreme Court and upholding the constitutionality of the Limited Entry Act.

Rutter v. CFEC

(Supreme Court Opinion No. 2712, August 26, 1983.)

In a second major limited entry decision, the Alaska Supreme Court struck down the point system in the handtroll fishery. The Court found that the point system violated the statutory mandate to consider the percentage of income derived from the fishery, reliance on alternative occupations, and investment in vessel and gear. The Court upheld the maximum number adopted for the fishery. In response to the Court's decision, the Commission is currently preparing a revised point system for the handtroll fishery.

DECISION DIGESTING SYSTEM

A digest of Commission precedent was made available to the public through law libraries around the state and by subscription in June of 1983. The digest consists of synopses of Commission decisions categorized and listed by subject. This provides a valuable research aid for applicants or their attorneys in bringing cases before the Commission. Synopses by case number and a cross index by name are also provided. Expansion, editing, and updating of the digest are continuing activities.

1983 COMMERCIAL FISHERIES LICENSING

The Commercial Fisheries Entry Commission (CFEC) issued a total of 47,948 permits and vessel licenses for calendar year 1983, a 3% increase over the 1982 total. This generated $3,006,635 in gross revenues, a 4% increase over 1982's receipts.

The Commission's net revenues for the General Fund totalled $2,549,219 for 1983. Net revenues decreased 7% from the 1982 level, as a result of the much larger contribution the Commission made to the Fishermen's Fund in accordance with AS 23.35.060. The contribution to Fishermen's Fund rose from $151,308 in 1982 to $457,416 in 1983. This 202% increase resulted from changes in the fee schedule which raised the commercial fishing license fee from $10 to $30 for residents and from $30 to $90 for nonresidents; the Commission transfers 60% of the commercial fishing license fee for each permit holder to the Fishermen's Fund.

The following is a categorical breakdown of permits for calendar year 1983:

Number of limited entry permits renewed..... 10,896

Number of limited entry permits not renewed..... 383

Number of new limited entry permits issued.....	1,210*
Number of interim permits in limited fisheries.....	686
Number of interim permits in unlimited fisheries.....	17,995
Number of Institutional (hatchery) permits.....	8
TOTAL PERMITS.....	30,795
Percentage change from preceding year.....	+2%

* This figure primarily represents non-transferable salmon hand troll permits issued during 1983.

Beginning in 1982, the Commission offered permit holders the option of renewing for two years at a time. During 1983, 6% of the permits (1,975) were renewed for 1983 and 1984.

Vessel licensing during 1983 increased 5% over 1982, from 16,633 to 17,536, generating $350,720 in revenue for the General Fund.

LICENSING

The following table illustrates licensing history from 1974 through 1983, showing the cumulative percentage increase in total licenses issued each year as compared to 1974 when the Commission first began issuing licenses.

Table 1.--CFEC licensing history for the years 1974 through 1983, including the total number of permits issued in all limited and unlimited fisheries, the total number of vessel licenses issued each year since CFEC assumed that function in 1978, and annual and cumulative percent changes in the total number of permits and vessel licenses issued.

Calendar Year	Total Number of Permits Issued	Total Number of Vessel Licenses Issued	Percent Change From Preceding Calendar Year	Cumulative % Change Since 1974
1974	18,771	-0-		
1975	19,134	-0-	2.0	2.0
1976	19,245	-0-	1.0	2.6
1977	20,801	-0-	8.1	10.8
1978	23,799	14,500	84.1	104.0
1979	28,728	15,683	15.9	136.5
1980	32,211	16,903	10.6	161.6
1981	29,790	16,313	- 6.0	146.0
1982	30,081	16,633	1.3	148.8
1983	30,795	17,536	3.0	157.0

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1242 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

KODIAK REMOTE LICENSING PROJECT

The Entry Commission opened a licensing office at the Department of Fish and Game office in Kodiak on January 10, 1983. This was a pilot project to determine the feasibility of issuing licenses from remote sites. The office is fully equipped to issue permit cards and vessel licenses for fishermen who come into the office.

The Kodiak office utilizes the same computer system which is in place in Juneau, linked by satellite via the Anchorage Data Center. Use of the Kodiak office for licensing purposes has yet to reach anticipated levels. During 1983, 1,793 permits and 1,018 vessel licenses were issued from the office. More than 99% of the licenses issued by the Kodiak office were to resident fishermen. To encourage greater use of the Kodiak office, the Commission has widely publicized the presence of the Kodiak office in newspapers and fishing industry periodicals.

In addition to issuing licenses, the Kodiak office provides information to the public and data to the Alaska Department of Fish and Game. Public response to the Kodiak office has been very favorable.

BRISTOL BAY PILOT PROJECT

During the months of June and July 1983, the Entry Commission conducted a pilot project intended to reduce illegal fishing activity in the Bristol Bay area resulting from abuse of the emergency transfer provision. Requested by the legislature, the project also sped up the emergency transfer process. The Commission employed two transfer technicians to work out of the King Salmon and Dillingham Department of Fish and Game offices. The technicians were to review all requests for emergency transfers of salmon permits and contact the Transfer Officer in Juneau by telephone to obtain immediate approval or denial of the requested transfer; the transferee was allowed to retain a copy of the form to use for fishing only if the transfer was approved. In order to facilitate this procedure, despite the difference in time zones existing then, the Juneau office was staffed seven days a week until 6:30 pm.

This project was very successful in reducing the number of emergency transfers requested for unacceptable reasons; fishermen who in the past would request emergency transfers knowing that the transferee could fish with the carbon copy of the form until he received notice of denial apparently did not bother to request transfers during the course of the project as the ratio of denied to approved transfers decreased

significantly. The Dillingham office received 31 requests for emergency transfer during June and July, of which 29 were approved and 2 denied; the King Salmon office received 25 requests, of which 20 were approved and 5 denied. Although comparable statistics are not available for prior years, a logbook kept in King Salmon reflected that the ADF&G office there dealt with 44 individuals requesting emergency transfers or related information during the months of June and July 1982.

In addition to requests for emergency transfers, the Commission staff in the field provided assistance with requests for duplicate licenses and provided general information about Commission regulations and policies. As time allowed, efforts were made to examine fish tickets for indicators of potentially illegal fishing activities so that local enforcement personnel could be alerted promptly. In most cases enforcement officers must see the illegal activity in progress in order to take any action. Reactions to the project were favorable, both from the public and from agencies in the two areas. It was very beneficial to have personnel in the field with training in Entry Commission regulations as it freed the staff of the Fish and Game and the staff of Fish and Wildlife Protection offices from having to respond to permit-related questions, and provided more accurate information to the public. The Commission intends to continue this project in 1984.

RESEARCH

In 1983, the Commission was involved in a number of different research projects. These projects were designed to help monitor trends in Alaska's fisheries, to document and evaluate changes occurring under the entry limitation program, and to provide a means to help forecast the consequences of gear reductions in limited fisheries. The following section provides a brief overview of 1983 research activities.

PERMIT PRICES

Extensive research on limited entry permit market values was completed in 1983. The results of the research conducted by Dr. Jonathan M. Karpoff are published in three reports, which are available through the Commission.

In Limited Entry Permit Prices (CFEC Report 83-6), Dr. Karpoff empirically tests hypotheses concerning valuation of entry permits. The findings indicate that permit prices are strongly correlated with expected future profitability, that expectations concerning future profitability are revised in accord with experience and Alaska Department of Fish and Game run forecasts, and that the advent of state subsidized permit loans in 1979 resulted in sharp increases in permit prices. Karpoff also found that contemporaneous price differentials were declining over time suggesting that permit markets are maturing.

In Non-Pecuniary Benefits in Commercial Fishing: Empirical Findings From the Alaska Salmon Fisheries (CFEC Report 83-7), Karpoff examines the importance of psychic benefits to fishermen. He concludes that, while limited entry permit prices reflect primarily pecuniary factors, the continued presence of many low-revenue fishers in these fisheries suggest that they, at least, derive non-money benefits. However, these benefits did not appear to depend upon gear type or geographic area of the fishery.

In Low-Interest Loans and the Markets for Limited Entry Permits in the Alaska Salmon Fisheries, Dr. Karpoff demonstrates empirically that the initiation of the state subsidized permit loan program coincided with increases in both transfer volume and entry permit prices which could not be explained by other factors.

OPERATING COSTS AND NET RETURNS

Information on operating costs, net earnings, and rates of return are useful for a wide range of policy analyses. The data is especially needed to monitor the limited entry program and to evaluate the consequences of further gear reductions. CFEC has developed a methodology for utilizing survey data, combined with licensing records and catch records, to derive models which estimate operating costs and net returns as functions of information which is collected on an ongoing

basis by administrative processes. This methodology is described in A Suggested Methodology for Estimating the Distribution of Operating Costs and Net Returns on Alaska's Salmon Fisheries (CFEC Report 83-9), a report prepared for the 34th Alaska Science Conference by Commission staff, Kurt Schelle and Ben Muse.

In 1983 preliminary fiscal models for the 1981 Southeast drift gill net, power troll, and seine fleets were developed. Draft reports (83-4, 83-5, and 83-6) on the models were circulated for comments. The models are currently being revised and extended to provide estimates for the 1980-1982 time period. Reports will be available in 1984.

In 1983 CFEC conducted operating costs surveys of the Prince William Sound drift gill net, Cook Inlet drift gill net, and Cook Inlet seine salmon fleets. Results from these surveys will be available in 1984. CFEC will use the data to develop fiscal models for those fisheries.

The fiscal models developed by CFEC will also be used to help evaluate the economic consequences of further gear reductions under alternative optimum number and buyback scenarios.

PERMIT OWNERSHIP PATTERNS

In 1983 CFEC prepared an updated version of an extensive study on permit ownership patterns. The report, Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries 1975-1982 (CFEC Report 84-1), examines the 31 limited fisheries for which permanent permits had been issued by the end of 1982. It provides fishery specific and statewide data on transfer incidence, the initial geographic distribution of permit holders, changes due to transfer, changes due to migration, and the year-end 1982 geographic distribution of permit holders. Extensive information is also provided on the age distribution of permit holders, age differences between transferors and transfer recipients, the incidence of inter-family and business partner transfers, transfer payment methods, and transfer financing methods.

The report's findings indicate that from initial issuance through 1982, permit ownership by rural residents living in areas local to limited fisheries has declined, while permit ownership by urban residents of Alaska and non-residents has increased. Most of this change in the geographical distribution of permit ownership has occurred through permit transfers as opposed to migration of permit holders. 42.1% (195 permits) of the decrease in permits held by "rural local" residents resulting from transfers has occurred in the Bristol Bay fisheries.

The consequences of free transferability with respect to the geographical distribution of permit ownership are matters of widespread interest. CFEC will therefore continue to update this report on an annual basis so that the legislature, the administration, and other concerned parties will be kept accurately apprised of the facts.

OTHER REPORTS

CFEC Policy Discussion Paper

In early 1983, CFEC prepared a policy discussion paper titled Alaska's Limited Entry Program: Some Policy Considerations From an Administrator's Perspective. The paper provides an overview of some perceived problem areas with the present program and includes some suggestions for change which could provide for greater flexibility in the design of future programs. The paper was intended to provoke thought on alternatives and policy options.

Optimum Number Research

Dr. Karpoff also prepared a theoretical paper titled Regulatory Techniques in the Fishery: A Model for Pacific Salmon (CFEC Report 83-1). In the paper, costs and revenues of an individual fishing operation are modeled as functions of effort. Effort is composed of

time and capital inputs, and external effects from other vessels are incorporated into the model. Effects of gear restrictions, vessel restrictions, and season closures are derived. The substitutability of gear and vessel inputs, time spent fishing, and numbers of vessels is examined. Throughout, the regulated competitive common property fishery is contrasted with the fishery under a single owner.

Wholesale Price Report

1983 SLA Chapter 49 required that the Department of Commerce and Economic Development (DCED), in conjunction with the Commercial Fisheries Entry Commission and the Department of Revenue, report to the legislature on the potential development of a program to determine wholesale prices in the state for fresh, frozen, canned and cured salmon products. In January 1984, a report on the possible development of a program to determine Wholesale Price Averages for Salmon Products was submitted to the legislature. The report discussed alternative methodologies for reporting and collecting price information, and provided a qualitative analysis of the benefits and costs to the state and the commercial fishing industry of collecting and reporting wholesale price averages. This report is available from DCED.

RESEARCH COMPUTING

Commercial Fisheries Entry Commission, in cooperation with the Department of Administration, installed a mini-computer system in June of 1982 to address previously unmet and documented research and fisheries data reporting needs of the Commission. This project was the first attempt at a distributive approach to data processing in the state, which uses full communications networking. The Commission, as a result of this computing facility, has seen a tremendous growth in research products and activities thus attesting to the success of this distributed processing facility.

BIBLIOGRAPHY

Karpoff, Dr. Jonathan, Limited Entry Permit Prices, (CFEC Report 83-6).

------, A Model for Pacific Salmon: Regulatory Techniques in the Fishery, (CFEC Report 83-1).

------, Low-Interest Loans and the Markets for Limited Entry Permits in Alaska Salmon Fisheries, (CFEC Report 83-8).

------, Non-Pecuniary Benefits in Commercial Fishing: Empirical Findings From the Alaska Salmon Fisheries, (CFEC Report 83-7).

Schelle, Kurt and Ben Muse, A Suggested Methodology for Estimating the Distribution of Operating Costs and Net Returns on Alaska's Salmon Fisheries, (CFEC Report 83-9).

Staff, Commercial Fisheries Entry Commission, "Alaska's Limited Entry Program: Some Policy Considerations from an Administrator's Perspective."

Dinneford, Elaine and Nasser Kamali Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries, 1975-1982, (CFEC Report 81-4).

APPENDIX

Table 2.--Numbers of permits issued in limited fisheries; number held by Alaska residents; number of permit transfer transactions and the actual number of permits involved in these transactions; the net gain or loss of permits to Alaska residents; and transfer survey information.

		ACTUAL TRANSFER INFORMATION						TRANSFER SURVEY INFORMATION[1]			
Fishery & Year		Total No. of Permanent Permits[2]	No. of Permits Held By Alaska Residents[3]	No. of Permit Transfer Transactions	No. of Permits Involved in Transfers	Net Gain or Loss in Permits To Alaska Residents	No. of Permits Financed By Department of Commerce or CFAB[4]	No. of[5] Non-Monetary Transfers	No. of[5] Monetary Transfers	Average Price Paid For Permits	No. of Trans. That Were Financed
HERRING, PURSE SEINE, SAC ROE											
Southeastern	1977	38	36	0	0	0	--				
	1978	41	37	2	2	- 1	--	0	0	0	0
	1979	42	38	2	2	0	1	1	0	0	0
	1980	42	38	2	2	+ 1	1	2	0	0	0
	1981	41	38	1	1	0	4	1	0	0	0
	1982	42	39	4	4	0	4	2	2	*	2
	1983	42	37	3	3	- 2	5	1	2	*	1
Prince William Sound	1977	85	77	3	3	- 1	--	0	1	*	1
	1978	91	80	7	6	0	--	0	1	*	0
	1979	92	81	16	13	+ 1	0	1	2	*	1
	1980	92	79	7	7	0	4	1	5	45,000	3
	1981	92	77	4	4	- 1	7	1	3	*	3
	1982	93	78	10	10	0	12	3	7	71,250	6
	1983	97	82	2	2	+ 2	14	1	1	*	1
Cook Inlet	1977	61	57	1	1	0	--	0	1	*	0
	1978	67	62	9	7	0	--	1	1	*	1
	1979	68	61	10	7	0	0	0	4	27,500	1
	1980	68	59	3	3	0	5	0	2	*	1
	1981	68	58	4	4	- 2	6	0	4	7,917	1
	1982	69	60	2	2	0	6	0	1	*	1
	1983	70	59	1	1	0	6	0	1	*	1
HERRING, GILL NET, SAC ROE											
Southeastern	1978	10	10	1	1	0	--	0	0	0	0
	1979	39	35	2	2	0	1	0	0	0	0
	1980	44	38	4	4	+ 1	2	0	4	13,362	4
	1981	45	39	4	4	+ 1	6	0	4	13,875	2
	1982	59	47	6	6	- 1	10	0	6	27,500	6
	1983	67	47	12	12	- 6	7	9	3	29,167	2
Prince William Sound	1982	24	22	4	4	+ 1	0	1	3	*	1
	1983	24	23	4	4	+ 1	3	0	4	17,000	4
SALMON PURSE SEINE											
Southeastern	1975	398	198	51	51	- 4	--	8	15	10,633	12
	1976	409	202	24	21	- 3	--	1	9	9,222	5
	1977	411	196	53	50	- 6	--	6	21	16,667	14
	1978	413	194	56	50	- 8	--	5	16	30,929	13
	1979	413	190	38	36	- 3	1	3	12	39,917	10
	1980	414	195	35	34	+ 3	13	9	20	39,778	14
	1981	414	194	35	34	0	16	12	23	40,435	12
	1982	414	187	31	31	- 6	24	8	22	40,636	13
	1983	416	188	34	32	0	26	14	20	38,531	16

See footnotes on page 32

		ACTUAL TRANSFER INFORMATION						TRANSFER SURVEY INFORMATION			
Fishery & Year		Total No. of Permanent Permits	No. of Permits Held By Alaska Residents	No. of Permit Transfer Transactions	No. of Permits Involved in Transfers	Net Gain or Loss In Permits To Alaska Residents	No. of Permits Financed By Department of Commerce or CFAB 3/	No. of Non-Monetary Transfers	No. of Monetary Transfers	Average Price Paid For Permits	No. of Trans. That Were Financed
Prince William Sound	1975	210	164	19	17	+ 2	--	0	7	8,000	5
	1976	247	194	42	36	- 5	--	5	11	10,700	6
	1977	255	198	28	24	- 3	--	1	6	29,800	5
	1978	257	195	36	32	- 5	--	3	10	24,272	4
	1979	258	196	47	41	+ 1	5	3	13	33,846	5
	1980	258	199	29	28	+ 1	15	9	19	38,259	9
	1981	259	192	34	34	- 5	32	18	16	74,250	11
	1982	259	190	26	26	+ 1	40	8	17	97,587	14
	1983	259	188	29	28	- 2	53	10	19	143,186	14
Cook Inlet	1975	49	49	3	2	0	--	0	0	0	0
	1976	63	62	7	6	- 1	--	1	2	*	2
	1977	72	72	12	11	0	--	2	4	10,625	2
	1978	74	74	10	9	0	--	2	5	40,000	4
	1979	75	74	9	8	0	1	2	1	*	1
	1980	75	74	12	12	0	4	3	8	82,785	3
	1981	75	73	10	9	- 1	10	3	7	83,714	5
	1982	77	75	11	11	0	14	6	5	84,267	5
	1983	78	78	15	14	+ 1	21	7	8	90,000	7
Kodiak	1975	334	242	22	22	+ 4	--	4	7	4,571	5
	1976	358	262	42	40	- 1	--	6	13	9,736	5
	1977	365	270	72	62	+ 3	--	13	19	17,611	7
	1978	371	275	61	52	+ 2	--	11	9	47,611	9
	1979	374	274	57	41	- 2	3	5	12	66,045	6
	1980	375	277	35	34	+ 3	25	4	25	70,960	20
	1981	375	282	37	36	+ 6	50	18	19	69,605	14
	1982	376	285	43	42	+ 4	64	14	29	75,511	29
	1983	377	290	47	47	+ 4	81	19	28	69,903	26
Chignik	1975	85	64	4	4	0	--	1	1	*	1
	1976	90	72	4	4	0	--	2	0	0	0
	1977	90	73	6	5	+ 1	--	2	1	*	1
	1978	90	76	3	3	0	--	1	0	0	0
	1979	90	76	1	1	+ 1	0	0	0	0	0
	1980	90	76	1	1	0	2	1	0	0	0
	1981	90	74	5	4	- 1	5	2	3	*	3
	1982	90	74	7	6	0	5	5	2	*	1
	1983	90	74	4	4	0	9	2	2	*	1
Alaska Peninsula	1975	108	95	3	3	0	--	0	0	0	0
	1976	112	99	6	5	0	--	3	0	0	0
	1977	113	100	15	13	0	--	4	1	*	0
	1978	115	105	12	12	+ 1	--	2	3	*	2
	1979	117	103	13	12	- 3	0	3	5	66,000	1
	1980	117	99	19	17	- 3	3	11	5	102,500	2
	1981	117	98	9	9	0	7	7	2	*	2
	1982	118	99	5	5	0	6	3	2	*	0
	1983	118	98	22	19	- 2	7	16	6	195,000	8

See footnotes on page 32

Fishery & Year		ACTUAL TRANSFER INFORMATION: Total No. of Permanent Permits	No. of Permits Held By Alaska Residents	No. of Permit Transfer Transactions	No. of Permits Involved in Transfers	Net Gain or Loss in Permits To Alaska Residents	No. of Permits Financed By Department of Commerce or CFAB	TRANSFER SURVEY INFORMATION: No. of Non-Monetary Transfers 1/	No. of Monetary Transfers	Average Price Paid For Permits	No. of Trans. That Were Financed
SALMON BEACH SEINE											
Kodiak	1975	21	20	0	0	0	--	0	0	0	0
	1976	23	22	2	2	0	--	0	0	0	0
	1977	30	27	10	8	- 1	--	1	3	*	2
	1978	31	30	16	14	0	--	4	3	*	1
	1979	33	30	7	7	- 1	0	1	4	36,500	3
	1980	34	31	9	9	- 1	0	2	4	41,375	2
	1981	34	32	10	8	0	4	3	7	42,429	5
	1982	34	32	4	4	0	3	2	2	*	2
	1983	35	32	5	5	0	6	2	3	50,000	3
SALMON DRIFT GILL NET											
Southeastern	1975	431	293	94	79	+ 6	--	9	28	9,211	21
	1976	449	313	59	48	+ 4	--	6	12	10,213	7
	1977	460	323	71	68	+ 6	--	11	25	16,262	17
	1978	463	329	81	67	+ 4	--	11	26	34,604	18
	1979	464	324	72	60	- 6	9	8	19	41,763	14
	1980	464	320	59	56	- 3	34	15	42	41,250	31
	1981	464	317	66	61	- 2	54	25	41	43,898	35
	1982	466	318	74	66	- 8	64	29	44	38,650	37
	1983	467	323	50	45	0	76	12	38	34,653	26
Prince William Sound	1975	494	366	36	33	+ 1	--	4	9	3,089	6
	1976	514	390	70	64	+ 3	--	10	18	4,500	15
	1977	524	393	83	71	- 2	--	8	30	13,750	20
	1978	528	386	84	69	- 2	--	8	25	27,742	19
	1979	531	386	68	62	+ 1	3	11	22	35,632	13
	1980	531	388	54	51	+ 4	14	14	30	27,810	22
	1981	531	399	74	73	+ 8	54	19	55	32,836	37
	1982	531	385	78	72	-11	69	23	54	46,337	37
	1983	533	396	54	53	+ 1	99	15	39	61,760	30
Cook Inlet	1975	453	291	30	30	+ 3	--	3	10	3,911	3
	1976	514	342	76	73	+ 1	--	9	29	5,552	12
	1977	539	359	87	79	- 4	--	13	28	9,643	14
	1978	549	365	87	82	- 2	--	20	21	36,825	15
	1979	554	371	86	75	+ 3	6	13	24	82,636	18
	1980	554	373	76	72	+ 1	42	32	38	67,224	30
	1981	554	374	76	73	- 1	81	28	48	67,629	43
	1982	555	383	64	61	+ 4	92	22	42	58,176	34
	1983	555	390	72	69	+ 5	115	19	53	69,919	40

See footnotes on page 32

		ACTUAL TRANSFER INFORMATION						TRANSFER SURVEY INFORMATION			
Fishery & Year		Total No. of Permanent Permits	No. of Permits Held By Alaska Residents	No. of Permit Transfer Transactions	No. of Permits Involved in Transfers	Net Gain or Loss In Permits To Alaska Residents	No. of Permits Financed By Department of Commerce or CFAB 3/	No. of Non-Monetary Transfers	No. of Monetary Transfers	Average Price Paid For Permits	No. of Trans. That Were Financed
Alaska Peninsula	1975	152	109	4	4	0	--	1	0	0	0
	1976	153	110	17	17	0	--	1	4	6,333	1
	1977	154	108	31	26	- 1	--	7	7	10,286	5
	1978	156	109	27	25	- 5	--	6	5	15,000	3
	1979	156	108	32	26	- 1	0	7	4	60,625	3
	1980	156	104	28	25	- 4	12	16	11	92,454	6
	1981	156	101	23	23	- 4	15	13	10	123,500	7
	1982	156	98	25	24	- 2	18	10	14	128,833	8
	1983	156	96	26	23	- 1	17	16	10	157,700	6
Bristol Bay	1975	1,416	767	81	80	+ 9	--	16	19	1,166	9
	1976	1,622	918	126	120	0	--	34	30	2,536	10
	1977	1,663	947	213	196	-11	--	47	63	6,180	40
	1978	1,700	973	235	211	-13	--	49	78	21,638	52
	1979	1,717	973	225	197	-11	7	44	51	64,588	37
	1980	1,717	968	169	162	0	87	57	90	91,925	65
	1981	1,720	967	168	161	- 3	143	81	87	84,327	68
	1982	1,724	964	183	179	-14	188	60	122	95,936	87
	1983	1,727	993	160	155	+17	281	60	100	98,923	90
SALMON SET GILL NET											
Yakutat	1975	147	131	9	8	+ 2	--	1	3	*	2
	1976	156	140	15	15	+ 1	--	8	4	6,000	2
	1977	158	141	16	15	- 1	--	2	5	7,000	1
	1978	161	142	22	20	- 1	--	4	5	10,480	2
	1979	164	143	13	12	- 3	0	3	3	*	1
	1980	164	146	16	15	0	2	10	3	32,500	2
	1981	164	145	23	20	0	5	12	11	26,682	7
	1982	164	145	15	14	- 2	11	7	8	32,792	5
	1983	164	144	18	17	- 2	12	14	4	27,250	2
Prince William Sound	1975	26	21	2	2	+ 2	--	0	0	0	0
	1976	28	23	0	0	0	--	0	0	0	0
	1977	28	21	2	2	- 1	--	0	0	0	0
	1978	28	23	5	4	+ 1	--	0	2	*	1
	1979	28	23	2	2	0	0	0	1	*	1
	1980	28	24	3	3	+ 1	0	2	0	0	0
	1981	29	24	2	2	0	1	0	2	*	1
	1982	30	27	5	5	+ 2	2	0	5	19,400	5
	1983	30	28	9	8	+ 1	2	2	6	24,167	6

See footnotes on page 32

Fishery & Year		ACTUAL TRANSFER INFORMATION						TRANSFER SURVEY INFORMATION			
		Total No. of Permanent Permits	No. of Permits Held By Alaska Residents	No. of Permit Transfer Transactions	No. of Permits Involved in Transfers	Net Gain or Loss in Permits To Alaska Residents	No. of Permits Financed By Department of Commerce or CFAB 3/	No. of Non-Monetary Transfers	No. of Monetary Transfers	Average Price Paid For Permits	No. of Trans. That Were Financed
Cook Inlet	1975	652	608	47	46	0	--	7	9	2,250	6
	1976	712	670	77	74	+ 9	--	14	14	1,778	7
	1977	731	690	93	90	+ 3	--	12	29	4,821	15
	1978	742	698	129	120	+ 1	--	23	46	9,824	15
	1979	744	699	99	92	- 6	0	24	20	23,412	9
	1980	744	697	89	87	+ 4	5	35	48	18,362	28
	1981	744	685	110	103	- 7	17	52	58	15,276	36
	1982	744	693	90	86	0	25	41	47	17,200	22
	1983	743	683	103	101	-11	32	52	51	18,340	27
Kodiak	1975	139	103	22	22	+ 8	--	7	7	5,380	5
	1976	176	133	37	34	- 2	--	4	10	3,900	2
	1977	181	137	28	26	+ 1	--	5	7	6,600	4
	1978	184	141	28	25	+ 2	--	9	6	19,800	4
	1979	185	140	32	27	0	1	4	10	33,667	6
	1980	186	140	34	33	+ 1	6	12	12	38,750	9
	1981	186	142	25	25	+ 1	17	16	9	41,278	9
	1982	186	139	28	28	- 3	18	15	12	39,817	8
	1983	186	140	19	18	+ 1	20	11	8	76,525	4
Alaska Peninsula	1975	82	76	4	3	0	--	2	0	0	0
	1976	105	98	5	5	0	--	2	3	*	1
	1977	106	95	15	14	- 1	--	1	4	5,150	1
	1978	108	100	14	13	+ 1	--	3	2	*	0
	1979	108	100	12	11	0	0	2	0	0	0
	1980	109	99	17	14	- 2	1	6	6	15,625	3
	1981	109	99	21	21	0	3	12	9	54,278	7
	1982	109	97	19	19	- 1	5	8	11	54,636	7
	1983	109	97	24	24	0	5	14	10	55,420	3
Bristol Bay	1975	716	592	22	22	+ 2	--	9	0	0	0
	1976	759	620	68	65	- 4	--	23	11	2,755	6
	1977	824	669	76	74	- 6	--	21	19	2,694	4
	1978	891	733	133	125	+ 4	--	39	27	8,507	9
	1979	910	745	133	125	- 5	1	32	38	18,184	16
	1980	913	731	113	111	- 9	11	43	55	32,014	26
	1981	914	717	112	106	-16	30	55	57	26,000	34
	1982	916	708	118	115	-12	48	36	79	37,394	47
	1983	929	712	97	94	- 4	66	47	50	41,246	31

See footnotes on page 32

Fishery & Year		ACTUAL TRANSFER INFORMATION						TRANSFER SURVEY INFORMATION			
		Total No. of Permanent Permits	No. of Permits Held By Alaska Residents	No. of Permit Transfer Transactions	No. of Permits Involved in Transfers	Net Gain or Loss in Permits To Alaska Residents	No. of Permits Financed By Department of Commerce or CFAB[3/]	No. of Non-Monetary Transfers	No. of Monetary Transfers	Average Price Paid For Permits	No. of Trans. That Were Financed
SALMON POWER TROLL											
Southeastern	1975	849	619	137	130	+23	--	11	52	5,303	27
	1976	915	677	78	76	+ 2	--	14	29	5,065	18
	1977	929	698	159	147	+16	--	11	64	8,831	25
	1978	934	720	143	127	+13	--	13	78	15,457	39
	1979	939	720	126	108	- 2	23	13	61	26,680	39
	1980	939	706	97	94	-12	70	11	82	33,596	51
	1981	939	715	95	92	+ 7	119	27	68	28,938	48
	1982	940	720	86	83	- 3	143	12	74	21,630	50
	1983	939	726	95	94	0	158	19	76	20,878	76
SALMON HAND TROLL											
Southeastern	1982	696	665	56	53	- 2	0	20	36	3,828	4
	1983	2,121	1,979	100	98	- 6	7	14	86	4,948	22
SALMON FISHWHEEL											
Upper Yukon	1976	80	80	2	2	0	--	0	0	0	0
	1977	107	107	2	2	0	--	0	0	0	0
	1978	108	107	11	10	0	--	0	0	0	0
	1979	114	114	6	6	0	0	1	3	*	1
	1980	114	114	9	9	0	0	2	7	9,320	2
	1981	123	123	16	16	0	0	2	14	10,893	5
	1982	130	130	12	12	0	0	4	8	10,500	2
	1983	130	129	19	19	- 1	2	12	7	11,643	4
A-Y-K GILL NET											
Upper Yukon	1976	35	35	1	1	0	--	0	0	0	0
	1977	44	44	1	1	0	--	0	1	*	0
	1978	47	46	2	2	0	--	0	0	0	0
	1979	49	48	5	5	0	0	1	2	*	1
	1980	48[5/]	47	6	5	0	0	4	1	*	0
	1981	64	64	8	8	0	0	6	4	5,000	0
	1982	72	71	9	8	+ 1	0	3	6	8,366	0
	1983	72	70	10	9	- 1	0	5	5	10,600	1
Kuskokwim	1976	688	688	8	8	0	--	3	0	0	0
	1977	761	761	18	18	0	--	11	0	0	0
	1978	766	765	50	47	0	--	26	6	6,100	2
	1979	781	780	39	37	0	1	17	10	6,420	4
	1980	782	781	59	56	0	3	30	18	6,912	6
	1981	785	784	49	47	- 1	4	35	14	8,339	4
	1982	831	829	44	44	- 1	4	35	10	9,722	3
	1983	831	828	64	63	0	4	55	9	10,222	3

See footnotes on page 32

		ACTUAL TRANSFER INFORMATION						TRANSFER SURVEY INFORMATION			
Fishery & Year		Total No. of Permanent Permits	No. of Permits Held By Alaska Residents	No. of Permit Transfer Transactions	No. of Permits Involved in Transfers	Net Gain or Loss in Permits To Alaska Residents	No. of Permits Financed By Department of Commerce or CFAB[3/]	No. of Non-Monetary Transfers	No. of Monetary Transfers	Average Price Paid For Permits	No. of Trans. That Were Financed
Kotzebue	1976	118	118	4	4	0	--	2	0	0	0
	1977	175	175	2	2	0	--	0	0	0	0
	1978	177	177	17	17	0	--	5	1	*	1
	1979	180	180	18	18	0	0	3	8	5,200	2
	1980	194	193	12	11	0	0	6	3	*	1
	1981	211	208	18	18	- 1	0	10	8	7,812	0
	1982	219	216	25	23	- 1	2	14	11	9,591	3
	1983	219	216	17	17	0	5	5	12	13,083	6
Lower Yukon	1976	678	677	6	5	0	--	4	0	0	0
	1977	692	691	9	9	0	--	3	2	*	0
	1978	695	691	26	25	- 1	--	14	5	6,700	3
	1979	702	698	28	27	0	0	12	8	5,834	1
	1980	703	698	45	44	0	1	26	10	9,060	3
	1981	706	703	36	35	0	1	24	12	9,333	5
	1982	707	704	40	38	0	2	27	13	18,250	6
	1983	703	698	74	71	- 1	4	47	27	22,630	6
Norton Sound	1976	169	169	0	0	0	--	0	0	0	0
	1977	176	174	2	2	- 1	--	0	0	0	0
	1978	176	176	8	8	0	--	1	4	4,350	3
	1979	177	176	11	11	- 1	0	2	5	6,300	1
	1980	177	175	18	18	- 1	1	3	12	7,833	4
	1981	195	194	17	16	0	2	7	10	9,450	5
	1982	200	199	20	19	0	3	9	11	10,100	3
	1983	201	199	22	20	- 1	7	14	8	11,500	3
TOTAL[6/]	1975	6,762	4,808	590	568	+58	--	83	167	5,634	102
	1976	9,173	7,114	776	729	+ 4	--	152	199	5,488	99
	1977	9,772	7,639	1,108	1,019	- 9	--	181	341	10,206	178
	1978	9,975	7,819	1,315	1,185	- 9	--	260	385	20,445	220
	1979	10,104	7,886	1,209	1,071	-37	63	216	342	29,291	194
	1980	10,132	7,869	1,060	1,017	-15	363	366	560	45,946	348
	1981	10,204	7,918	1,092	1,047	-22	693	442	605	44,731	409
	1982	11,031	8,679	1,144	1,100	-54	882	425	706	49,603	448
	1983	12,488	10,043	1,211	1,169	- 7	1,150	516	695	50,442	469

See footnotes on page 32

Footnotes to Table 2

1/ Completion of the transfer survey has been required only since January 26, 1981. Transfer information for the years 1975 through 1980 is based on voluntary completion of surveys by some of those involved in permit transfers.

2/ Decreases in numbers of permanent permits is caused by revocations.

3/ From 1975-1978 residency figures were calculated using the permit holder's address. After 1978 permit holders were required to declare their residency status on the renewal form and residency figures were taken from those declarations. These numbers may differ somewhat from those reported in Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries published by CFEC. In that report all persons who declared Alaska residency status but had out-of-state addresses are counted as non-residents.

4/ The Department of Commerce permit loan program began in 1979; the Commercial Fishing and Agricultural Bank loan program began in 1980. The numbers shown in this column are not the numbers of new loans made per year. They are numbers of loan indicators on the CFEC permit file each year. A loan is counted each year until paid off. The figures include financing of permit transfers and permits used as collateral for commercial fishing loans.

5/ Permit sales used to compute average permit prices are counted here as monetary transfers. All other transfers are counted as non-monetary. For a different version of this data, where gifts, trades, sales and "other" forms of transfer are examined, see Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries, CFEC, Jan. 1984.

6/ Total average price is the sum of the total amount paid for transfers (as shown by the transfer surveys) divided by the total number of sales shown on the surveys.

* An asterisk indicates that there were fewer than 4 sales. Price is omitted to preserve confidentiality.

Table 3--Loans made by Department of Commerce and Economic Development for the purchase of entry permits, all years through FY 1982 in the 22 House Election Districts[1/]

House Election District	Permit Only		Permit & Vessel		Total	
	No.	Dollars	No.	Dollars	No.	Dollars
1	35	$1,095,228	8	$ 456,350	43	$1,551,578
2	40	1,455,646	12	1,081,983	52	2,537,629
3	40	1,259,203	4	155,030	44	1,414,233
4	59	2,219,870	23	1,414,937	82	3,634,807
5	34	1,474,816	9	628,750	43	2,103,566
6	15	700,921	1	160,000	16	860,921
7-12	93	4,492,966	8	606,200	101	5,099,166
13	96	5,175,152	19	1,400,725	115	6,575,877
14	51	2,712,120	6	609,900	57	3,322,020
15	8	589,500	4	363,000	12	952,500
16	28	1,373,829	7	661,200	35	2,035,029
17,18,19	10	454,177	-	-	10	454,177
20	9	334,100	1	55,000	10	389,100
21	1	5,625	-	-	1	5,625
22	3	20,873	-	-	3	20,873
TOTALS	522	$23,364,026	102	$7,593,075	624	$30,957,101

TOTALS BY FISCAL YEAR

FY 72-78	3	$ 103,250	-	$ -	3	$ 103,250
FY 79	22	673,775	38	2,810,608	60	3,484,383
FY 80	98	4,221,676	48	3,598,686	146	7,820,362
FY 81	174	7,637,392	16	1,183,781	190	8,821,173
FY 82	225	10,727,933	-	-	225	10,727,933
TOTALS	522	$23,364,026	102	$7,593,075	624	$30,957,101

[1/] Information through 6/30/82 supplied by Department of Commerce and Development on the basis of the 22 House Eleaction Districts under the 1970 reapportionment. Table 3A, on the facing page, shows loans subsequent to 6/30/82 on the basis of the 27 new House Election Districts created by the 1980 reapportionment which became effective in 1982.

Table 3A--Loans made by Department of Commerce and Economic Development for the purchase of entry permits in the 27 House Election Districts, 7/1/82 through 12/31/83[1/]

	House Election District[2/]	Permit Only		Permit & Vessel		Total	
		No.	Dollars	No.	Dollars	No.	Dollars
1	Ketchikan-Wrangell-Petersburg	27	$967,088	1	$ 57,600	28	$ 1,024,688
2	Cordova-Hydaburg[3/]	32	1,208,613	2	171,815	34	1,380,428
3	Sitka-Pelican-Port Alexander	13	194,200	2	53,550	15	247,750
4	Juneau	14	480,349	2	86,580	16	566,929
5	Homer-Soldotna	40	2,460,827	-	-	40	2,460,827
6	Seward-Valdez	11	820,215	-	-	11	820,215
7-15	Anchorage	35	2,112,763	-	-	35	2,112,763
16	Palmer-Wasilla-Talkeetna	1	71,500	-	-	1	71,500
17	Delta-Nenana-Glennallen	1	7,200	-	-	1	7,200
18	Badger-Eielson AFB[4/]	-	-	-	-	-	-
19	Steese-Ft. Wainwright[4/]	-	-	-	-	-	-
20	Fairbanks	6	306,480	1	92,893	7	399,373
21	University-Chena[4/]	-	-	-	-	-	-
22	Kotzebue-Barrow	2	93,976	-	-	2	93,976
23	Lower Yukon-Norton Sound	1	11,000	-	-	1	11,000
24	Interior Yukon River	-	-	-	-	-	-
25	Kuskokwin	4	254,010	-	-	4	254,010
26	Bristol Bay-Aleutians	9	737,764	-	-	9	737,764
27	Kodiak-Chignik	21	1,360,565	1	83,500	22	1,444,065
	TOTALS	217	$11,086,550	9	$545,938	226	$11,632,488
	TOTALS BY FISCAL YEAR						
FY83		188	$ 9,466,624	6	$397,935	194	$9,864,559

1/ Information supplied by the Department of Commerce on the basis of the 27 House Election Districts under the 1980 reapportionment effective in 1982.

2/ Election districts are designated by official number; unofficial names are also supplied here.

3/ The "Iceworm District," which includes Cordova and Yakutat, plus Skagway, Haines and other small Southeastern communities.

4/ Outlying areas surrounding Fairbanks.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

MEMORANDUM February 18, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: 1979 Legislative Study of Limited Entry

As we begin to delve into limited entry, a quick review of a Legislative study of the program six years ago is appropriate.

In response to mounting concerns about the skyrocketing cost of permits and other problems associated with limited entry, the Legislature established a joint House-Senate Limited Entry Study Committee. The interim committee explored a number of "solutions" and arrived at some conclusions that may be beneficial for the committee to consider as it examines the loss of permits by rural Alaskans.

The options explored in depth by the committee included: (1) apprenticeship program; (2) capital gains tax; (3) amortization; and (4) a subsidized loan program "targeted" at rural residents. The first three options were discarded by the committee for a variety of legal, financial, administrative and political reasons. The 1980 Legislature adopted the recommendation of the joint committee and created a "targeted" loan program.

APPRENTICESHIPS

This option was vigorously pursued by the committee. The concept was attractive: permits would be distributed to individuals who had demonstrated their competence and commitment to a specific fishery by serving as a crewmember for a certain number of years. To implement this plan, free transferability would have to be halted and permits would revert back to the state when an individual had not fished for a specific period of time.

A federal court decision struck down an apprenticeship approved by the Legislature in 1968 because it allowed fishermen to select the apprentices involved. Consequently, the 1979 limited entry work group studied a state-run program.

The concept was abandoned for several reasons: fishermen balked at the concept of having to accept a complete stranger of unknown ability for a crewmember; the removal of free transferability could eliminate intra-family transfers and reduce the number of permits in circulation; a "use-it-or-lose-it" clause could increase fishing pressure; and administration of the program would be very costly.

CAPITAL GAINS TAX

This proposal would have the state setting a permit price ceiling by statute and taxing any sale price above the limit at 100 percent. Although this concept was greeted somewhat more favorably by the fishing community, it was dropped because of two primary concerns: (1) the cost of instituting a state system capable of preventing "under-the-table" payments above the ceiling would be prohibitive; and (2) fishermen who have purchased permits would lose millions of dollars or the state would be required to compensate to offset the losses.

AMORTIZATION

In the event the Legislature decided to abolish free transferability, the committee developed a system for to compensate individuals who purchased limited entry permits. The proposal would have allowed fishermen to write the cost of permits, vessels and gear from state income taxes. The option was abandoned before the concept was fully developed. The elimination of the state income tax makes this proposal moot.

TARGETED LOAN PROGRAM

As the only constitutional method of favoring residents over non-residents, the creation of a subsidized state loan program "targeting" rural residents who want to enter the commercial fisheries quickly gathered support from lawmakers and fishermen. The loan program was established in 1980, but it took two more years before the first loan was made.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M January 31, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Limited Entry Background

Attached is a booklet that helps explain the history of the state's limited entry program and sets into perspective some of the shortcomings of the system. Keep in mind that this explanation is four years old and is dated in a couple of respects. The state's loan programs have undergone a major overhaul since the pamphlet was written, with the elimination of the five-year residency clause following the Zobel decision. As touched upon during an earlier committee meeting, the migration of permits from the rural areas has increased dramatically. We will explore the latter issue in depth in the coming weeks. In the meantime, this pamphlet should help explain the history of limited entry.



LIMITED ENTRY

A necessary evil?

Prepared for the Legislative Council
Sen. George Hohman, chairman
January 1981

by Rodger Painter
Fish and Fish

The state legislature's 1973 vote limiting the number of fishermen allowed to harvest Alaska's huge salmon runs prompted predictable howls of outrage.

The salmon fisheries always had been open to anyone willing to invest a lot of sweat and brave some of the toughest seas in the world. It seemed a God-given right to be able to go fishing to cover the winter's grubstake.

No one was surprised by the opposition from those locked out of the fisheries by limited entry. Also expected were objections from staunch opponents of government intervention in the free enterprise system.

Recent debate is laden with irony, however, as the most vocal critics have been the very people the system was designed to protect--rural Alaskans who rely heavily on the commercial salmon fisheries. And, the dramatic biological recovery of the salmon runs and economic turnaround of the industry appear to be responsible for most recent criticism of limited entry.

Considering the massive amount of flak directed at the fishing restrictions, many observers were taken aback when these very squeaky wheels got no grease during the legislature's re-examination of limited entry in 1979-80.

What lawmakers found is widespread, though quiet, support of limited entry. Fisheries managers, for instance, prefer the

steady effort and smaller numbers of limited fisheries to the boom-and-bust history of the salmon industry. Then there are the 8,100 permit holders, whose attitudes may have been expressed best by a former director of the commission administering the state program:

"The people who received entry permits and believe limited entry is necessary tend to remain quiet about it and do not crow about the system for fear of offending a neighbor or friend."

With courts recently upholding the program against major legal challenges, it appears limited entry is here to stay. Far less clear is whether the program will remain intact under growing sentiment for change.

Many of the harshest critics of limited entry oppose doing away with the system entirely, but want to give the program a major overhaul. Even the most ardent supporters agree that at least some fine tuning is in order.

But as the legislature discovered, tinkering with limited entry is not easy. Alaska's limited entry program is a highly complicated system of fisheries management based on interwoven social and political considerations, as well as economics and biology. It's difficult to make large changes without risking chaos in one of the state's most important industries.

This pamphlet shows the evolution of the present system of limited entry and points out some of the problems looming on the horizon.



ROOTS: Moonlighters and the company store

When Governor William A. Egan proposed in early 1973 to limit entry into the state's commercial salmon fisheries, Alaska's salmon resources were recovering nicely from the rape-and-run management of Territorial days. But the economic lot of those most dependent on the fisheries was not following a similar course.

"Even with substantially improved biological management since Statehood, the salmon fisheries are not as healthy as they can be because a steadily increasing number of fishermen are participating in the harvest," Egan said in his letter to the legislature. "These new entrants into the fishery have driven the profitability of fishing down to marginal levels for those professional fishermen who must depend upon fishing for a major share of their livelihood."

"The character of these new entrants varies. In Bristol Bay it may be the school teacher from Anchorage or the Boeing worker from Seattle; in Southeastern the sport-commercial troller with a well-paid government job; in Cook Inlet the vacationing set-netter from the Lower-48. However, in almost every area these moonlighters are adding substantially to the economic distress of the vocational fishermen who must derive their primary livelihood from fishing."

Although Egan never specified who he was trying to help, it was clear throughout his 300-page proposal that the program was meant to protect Alaskans. The Governor had reason to be careful, as two earlier attempts to restrict the salmon fisheries ran afoul of the equal protection clauses in the state and federal constitutions.

State officials long had been interested in trying to boost the incomes of resident commercial fishermen by restricting non-Alaskans. The now-infamous loathing of Outsiders by Alaskans was particularly strong in the Seattle-dominated commercial fisheries before Alaska became flushed with oil riches.

Consider this statistic offered to lawmakers during the debate over limited entry: in 1970 non-residents had 40 percent of the salmon fishing income with an average gross share of $15,169, compared to $7,283 for each Alaska-based gear operator.

By 1973 the courts made it clear that any system discriminating against non-residents would be slapped down. The emphasis was shifted to pressuring the growing number of part-time fishermen and trying to at least preserve the foothold in the fisheries Alaskans had gained with the abolition of company-owned fish traps and the manpower-short years of World War II.

Supporters argued limited entry would protect Alaskans to the best extent allowed under law by favoring long-time fishermen and rural residents through a complex point system.

Another major goal of lawmakers in limiting the fisheries had been lost in the current debate: to unchain fishermen from the Company Store. In the days before Big Oil, the canned salmon industry was the dominant economic and political force in Alaska.

A 1939 government study reported that of the 2,810 Weste Alaska commercial fishermen 96.7 percent were "cannery fishermen," considered company employees; only 94 fishermen were independents.



Alan Adasiak, former chairman of the Alaska Commercial Fisheries Entry Commission, explained in a 1978 paper the control canneries had over the lives of individual fishermen:

"If, for example, a man had made himself unpopular during price negotiations, he might find himself without a vessel or a market for his fish that following year. The ability to 'import' non-resident fishermen was also used in connection with price negotiations. And there was control through the classic arrangement of the 'company store,' which made easy credit available, and employed payment-on-demand notes.

"In 1973, when the Alaskan legislature was considering the current limited entry law, there was a general belief that salmon processors still maintained a significant hold over individual fishermen, both through credit and financing arrangements and through the untrammeled power to decide whether a fisherman would fish for a particular company. The decision to issue permits to individuals was made primarily because people believed that it would strengthen the individual fisherman's bargaining power vis-a-vis fish buyers and processors. With only a fixed number of permits to go around, and with the requirement that a unit of gear may be operated only by a permit holder, the need that the processor had for the individual fisherman was increased."

The debate over limited entry split many fishing communities and caused still-open rifts in the ranks of fishermen. Supporters far outnumbered opponents, however, as attested by the formation of the state's largest fishermen's organization -- The United Fishermen of Alaska -- around the issue of limited entry.

When an initiative to repeal the limited entry act was placed

on the 1976 statewide ballot, the UFA raised $170,000 to wage a campaign to keep the restrictions. Endorsements supporting the program were gathered from the state Boards of Fisheries and Game, Alaska Federation of Natives, Rural Alaska Community Action Program and the Alaska Chapter of the American Fisheries Society.

The initiative was defeated by a resounding vote of 75,125 to 44,304.

The margin of victory can be partially attributed to the extremely depressed condition of the salmon fisheries at the time of the election. Observers speculate a similar vote in the 1980s would be too close to call.



the legal story



THE LEGAL STORY: The constitution and the right to fish

It was no small coincidence that the state Attorney General spearheaded the group putting together Egan's limited entry proposal. The first step in the process, in fact, was to place a proposed constitutional amendment for limited entry: "No exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the State."

The amendment, which gained strong voter support, added: "This section does not restrict the power of the State to limit entry into any fishery for purposes of resource conservation, to prevent economic distress among fishermen and those dependent upon them for a livelihood and to promote the efficient development of aquaculture."

There have been few quarrels over the issues of resource conservation and aquaculture; the battle lines over limited entry always have been drawn around the right to fish. And, despite the care taken in constructing a legally defensible program, limited entry from its beginning has been under constant attack in the courts over who is eligible to harvest the valuable salmon resource.

The Commercial Fisheries Entry Commission, created to oversee the program, was given quasi-judicial powers to hear administrative appeals of decisions on individual applications for a permit. Of the hundreds of appeals filed, scores resulted in lawsuits, creating a huge backlog of contested permits and throwing the entire program into limbo.

The state lost the first major legal challenge to limited entry and that decision became the basis for many following lawsuits. In Isakson vs. Rickey, a group of fishermen who

first held gear licenses in 1973 and 1974 went to court over a provision in the law restricting permit eligibility to those who held gear licenses before January 1, 1973.

The Alaska Supreme Court eventually agreed with the fishermen and a new application period was ordered. The ruling, however, had much broader impact than the awarding of a few more permits to the later-coming fishermen.

In early 1979, a Superior Court judge used the Isakson decision to strike down a requirement that applicants for permits must have held a gear license. State officials said the ruling would have the effect of invalidating limited entry.

But after a year of deliberation, the Supreme Court backtracked and "superceded" the Isakson language. The gear license requirement does have a "rational connection" to the "legitimate purpose" of the limited entry act, the court said.

"Admittedly, individual cases will arise in which those barred may be able to show extreme hardship," the court said. "The legislature in its wisdom could conceivably have better provided for such instances. But equal protection, even under Alaska's stricter standard, does not demand perfection in classification."

There still were more than 100 court cases pending against the Alaska Commercial Fisheries Entry Commission in late 1980.



ACCESSIBILITY: Rural residents and $130,000 permits

The most emotionally charged debate over restricting access to Alaska's fisheries centers on the skyrocketing cost of entry permits.

Perhaps the most crucial, fundamental decision lawmakers made in 1973 was to treat permits essentially as property. This was done primarily to allow fishing rights to be transferred within families and communities, give fishermen the mobility to change fisheries, and avoid constitutional problems caused by creating a special closed class of fishermen.

No restrictions were put on the market price of permits as it was assumed there would be natural limitations to what someone would pay. In his proposal to the legislature, Governor Egan speculated:

"New people will be able to get into a fishery for whatever the fair market price of permits happens to be. Naturally, this will vary. The quality and size of fish runs, and other things, may cause more people to want to get out, or in, at a particular time. There is likely to be a limit, however, to how high the price of a permit will go since the bill requires that only the holder can fish it.

"One person may not hold a permit and have another person at his net site or in a boat working it for him as his agent. This means that the person buying a permit will have to work it, and he will have to expect to make enough money commercial fishing to cover the cost of the permit, as well as his other expenses and profits. Otherwise, it would not make sense for him to buy in. Consequently, there will be some practical limits on the price of entry permits."



Obviously unforeseen in this analysis was the dramatic rise in fish prices and biological recovery of Alaska's salmon fisheries during the late 1970s. As predicted, the price of permits has risen with the profitability of the particular fishery. Consider, for instance, that Bristol Bay drift gillnet permits shot up from a mere $2,000 in 1976 to as high as $130,000 prior to the 1980 season.

Understandably, these trends have created great concern among officials from rural areas over the ability of future generations to buy their way into the fisheries. Many Native leaders fear the high prices are bringing an exodus of permits from villages heavily dependent upon fishing.

The validity of those fears is open to debate. The Commercial Fisheries Entry Commission says statistics don't show any significant trends of permits flowing out of rural areas. With the exception of a single Southeast village troubled with an unusual set of circumstances, records show the distribution of permits in rural areas has been remarkably stable.

A study of the same statistics by a University of Alaska researcher in 1979, however, concluded there is some cause for concern. While Alaska residents in general have actually gained a handful of permits since they originally were doled out, the analysis by Dr. Steve Langdon showed rural residents have lost a significant number.

Residents of rural Alaska communities lost 145 permits, while urban Alaskans gained 170. Significantly, Alaskans who live in rural communities near the fishing grounds lost 3.5 percent of their initial holding of 3,897 licenses.

Langdon concluded that the "outflow of permits that has occurred and that potentially can occur must be regarded as

a significant threat to the rural Alaska economic base and the well-being of rural Alaskans."

The high cost of permits alarmed not only rural officials, though, as opposition to limited entry in urban and non-fishing areas seemed to grow in direct proportion to the cost of getting into the fisheries. When the legislature created the Limited Entry Study Group in 1979 the price of permits was the primary motivating force.

The question of how to deal with $130,000 permits presented a tough dilemma to the legislative committee. Every alternative to freely transferable permits investigated by the study group was fraught with legal, financial, administrative or political problems.

In the end, the committee backed away from supporting any major changes in the program, concluding that the medicine was worse than the ailment. The only recommendation of the committee culminated in the 1980 creation of a special loan program designed to help rural residents enter the fisheries. (This so-called "targeted loan program" is described in a later section.)

problems



OTHER PROBLEMS: Efficiency, spinoffs and a ponderous process

When studying Alaska's system of limiting entry into the fisheries, one can reach radically different conclusions about its relative merits and evils. If there is one thing all sides can agree upon, it is that the 1973 act has spawned a tremendously complex system.

The goal of lawmakers creating the system was clear enough, as demonstrated in the straight-forward approach of the first attempt at limited entry in 1962:

"Whenever the Board (of Fish and Game) determines that the year run of salmon in any one registration area will be substantially less than the optimum run, and that under anticipated fishing conditions Alaska residents licensed by the area or district will not catch sufficient fish to sustain them for the year, the Board may, with the consent of the local advisory board or boards, promulgate regulations temporarily closing the area or district to fishing by all non-residents of Alaska."

Before the law was ever used a federal judge declared it unconstitutional.

To get by the constitutional barriers, a program was built around economic and social considerations with a keen eye for protecting residents as much as law would allow. The result is an extremely complicated system that defies easy explanation.

Consider these factors:

-- The "optimum" number of permits issued in a fishery is to be sufficent to provide a "reasonable rate of economic return to the fishermen particiapting in that fishery," land

the allowable catch "in an orderly, efficient manner and consistent with sound fishery management techniques," and "avoid serious economic hardship to those currently engaged in the fishery, considering the other economic opportunities available to them."

Permits then are handed out to applicants ranked by their past participation in the particular fishery and their degree of economic dependence, such as their percentage of income derived from fishing, reliance on alternative occupations, and availability of alternative occupations and investments.

The complex requirements involve careful crafting of regulations and point systems, and extensive public hearings and application periods. The process takes anywhere from one to three years before permits are issued.

Administrative review of appeals of point allocations throw contested permits into limbo for months or even years. Some appealed permit applications for fisheries limited in 1975 still were pending in 1980.

-- The initial number of permits issued in the limited fisheries was equal to the largest number of units of gear fishing in any of the four years preceding 1973. Those maximum permit numbers later were to be whittled down to "optimum" figures through a buy-back program under which the state would buy boats, gear and permits at going market rates.

Work on setting optimum numbers was delayed by the more pressing needs of issuing permits, then stalled for years by lack of funding for economists to study long-range trends in the fisheries. The buy-back program eventually was suspended indefinitely. By 1980 the optimum numbers of permits

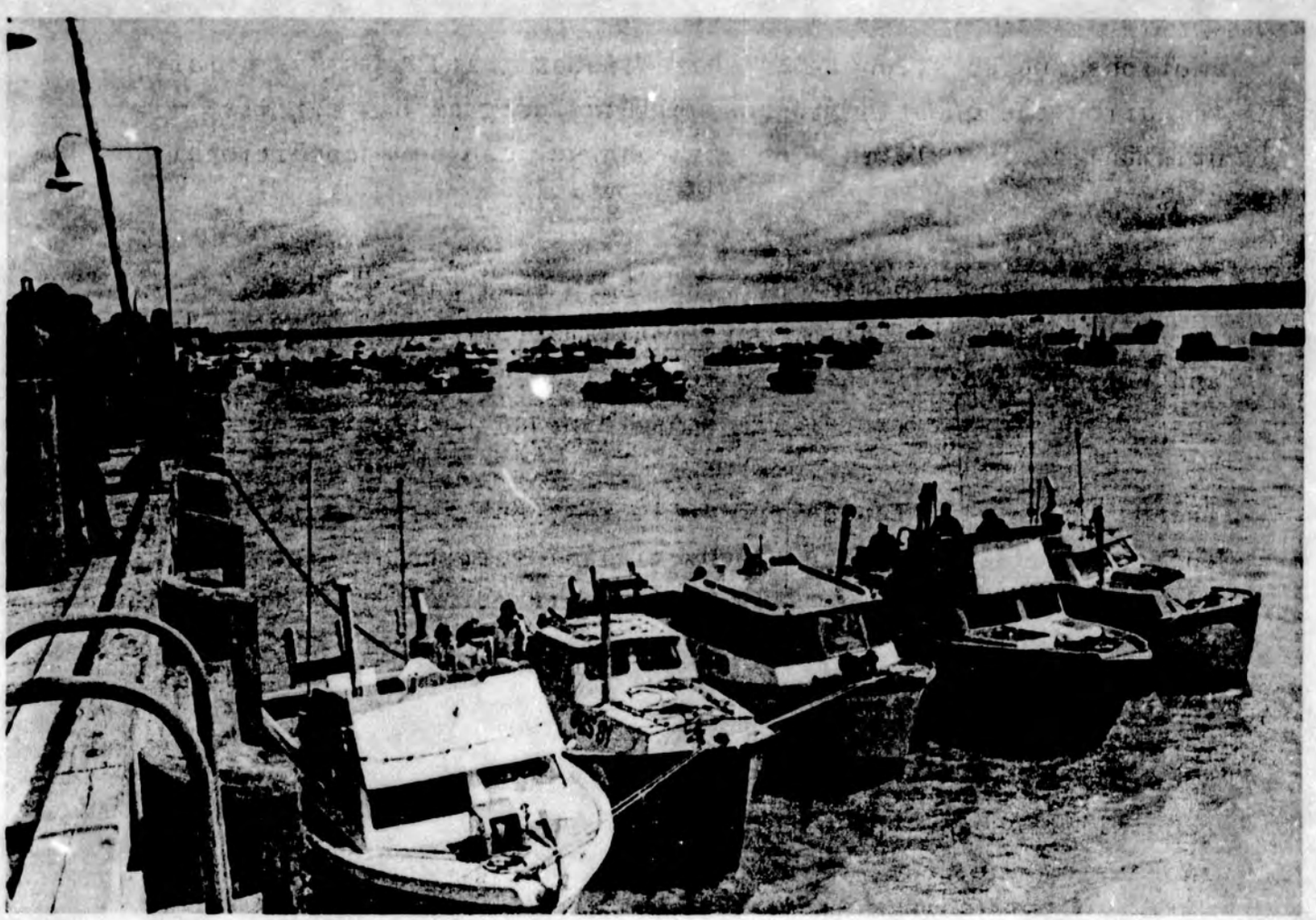
still hadn't been issued for the 19 salmon fisheries originally brought under limited entry.

-- Whenever there is even a distant possibility of a developing fishery being brought under limted entry, it seems to create a flurry of activity by fishermen trying to put themselves in the position of earning a permit, should they eventually be issued. This phenomenon, in turn, creates pressure to impose the restrictions from fishermen nervously eyeing new competitors on the fishing grounds.

The high cost of permits also has served to increase fishing pressure in the limited fisheries, as fishermen who have to pay $130,000 for a permit can scarcely afford to sit out poor seasons just because income is marginal. Loan payments won't wait for a better salmon run.

If limited entry has met any of the original goals of its creators it has been the evolution of the salmon fisheries into "professional" fisheries. With the lid on numbers fishermen have poured increased earnings into building expensive, highly efficient fleets of fishing vessels. Long-time fishermen say competition in the limited fisheries is much fiercer than it has ever been.

conclusion



CONCLUSION: A necessary evil?

In considering whether limited entry has worked, it is important to strip the equation of the cumbersome clothing of right or wrong. Does it violate the spirit of the free enterprise system? Did it create an exclusive rich man's club? Is it an unconstitutional allocation of natural resources belonging to all citizens of the state?

Emotions run so strongly on these issues that it is essential to narrow the question to how well the program has met its original goals. To this end, the answer can be a conditional "yes".

Statistics show limited entry has been remarkably successful in stabilizing the balance of fishing effort between Alaskans and non-residents. The only identifiable shift has been the loss of permits by rural Alaskans to urban residents.

Trends before limited entry were toward non-resident gains in the salmon fisheries, but when original permits were handed out Alaskans controlled a few more units of gear than they had before 1973. Since then, residents have gained another handful of permits.

Showing the exact degree of success limited entry has had in accomplishing another major goal of lawmakers in 1973 -- increasing the power of fishermen in dealing with processors -- is impossible. The lot of individual fishermen has increased dramatically since the early 1970s, but it's unclear how much of that was caused by limiting the number of fishermen.

Unquestionably, limited entry has given fishermen a powerful tool in negotiating fish prices, since the system has given permit holders the exclusive right to harvest Alaska's valuable

salmon resources. Processors can no longer simply hire another skipper willing to fish for lower prices.

A case in point is price negotiations in Bristol Bay where fish prices were increased by nearly 50 percent in 1979 after a virtual shutdown of the fisheries by boycotting fishermen. Although fish prices tumbled the next season following collapse of major Japanese markets, fishermen held out during the peak of the largest salmon run in history. About 21 million harvestable sockeye salmon passed by the fishing grounds because of the long price dispute.

By restricting the number of people allowed to fish salmon, lawmakers also hoped to increase the incomes of individual fishermen. While average gross incomes of gear operators have risen dramatically since 1973, the improved economic outlook mostly is due to spectacularly increased fish prices. There can be little doubt, though, that the allowable harvest would be split among a much larger group of fishermen if the salmon fisheries were open to all interested.

When all is said and done, the essential question regarding limited entry probably is:

"What's the alternative?"

Perhaps there wasn't justification to limit entry to Alaska's salmon fisheries. Maybe a better method of protecting residents could have been devised. But it's too late to debate those issues; the important point now is what would happen if the system were abolished.

With the current high level of interest in Alaska's salmon fisheries, the lifting of limited entry would invite a gear rush rivaling the Klondike gold rush. Examples of the interest in the state's fisheries are easy to find, as a glance at the

crowded halibut, crab, cod and open herring fisheries will show. Particularly troublesome is the large fleet of Washington State vessels squeezed out by the "Boldt decision" which allocated half the natural and hatchery salmon runs of that area to treaty Indian tribes.

Despite development of other fisheries and the emergence of the oil industry, salmon continues to be the economic mainstay of most of the communities spread out along Alaska's 34,000-mile coastline. Hundreds of millions of dollars have been invested on the assumption limited entry is here to stay. Abolition of the system would disrupt the economies of much of rural Alaska.

Although the cost of buying a permit adds a big barrier to entering the salmon fisheries for rural Alaskans, state loan programs can given an edge to residents. The programs will cover 90 percent of the market value of permits, and the recent "targeted loans" designed to help rural residents may carry 100 percent of the cost. Permits can be used as collateral only under state loan programs.

The threat of a gear stampede trampling long-time fishermen is responsible for the continuing support of limited entry by many harsh critics. Notably absent from the legislature's 1979-80 evaluation of limited entry was the possibility of removing the restrictions altogether.

Since limited entry is widely seen as an evil made necessary by the lack of alternatives, continuing support of the program by lawmakers appears likely. Equally likely are continuing opposition from a host of critics and pressure to substantially modify the present system.

FINANCING: The state and CFAB

When it comes to finding financing for limited entry permits, Alaska residents have a decided advantage. Under state law, permits can be owned only by individuals. Banks cannot take possession of permits in the event a borrower defaults on a loan. Thus, permits may not be used as collateral, except under the state loan program which is open only to five-year residents. The Alaska Commercial Fishing and Agriculture Bank (CFAB) also is able to hold permits as collateral since the state initially funded the bank and remains a major stockholder. CFAB uses the same requirements as the state for permit loans.

Through the state's Commercial Fishing and Revolving Loan Fund, applications for permit loans are made directly to the Division of Business Loans in the Department of Commerce and Economic Development.

Permit loans require five years state residency immediately preceding the date of application, with one year of commercial fishing experience during that time. The interest rate is 9.5 percent, and the maximum loan term is fifteen years.

The state can lend up to 90 percent of the average resale value or the actual cost of the permit, whichever is less, when the permit itself is used as collateral. The Entry Commission computes this average resale value quarterly, based upon what prices were paid for permits during the preceding quarter. It is important to keep this in mind, as the amount of money you can get varies as permit prices go up or, more rarely, down.

The newly-created Fishermen's Revolving Mortgage and Note Fund, targeted to assist fishermen in rural areas of the state

who are not eligible for regular commercial fishing loans, also may be used for the purchase of limited entry permits.

Under this program, the state will buy mortgages and notes from banks or other financial institutions. The interest rate is 10.5 percent.

The state may buy a mortgage or note for up to 100 percent of the appraised value of the collateral if the loan is for the purchase of an entry permit and if the borrower has at least three years experience as a commercial fisherman under the direction of a permit holder in the fishery for which he is buying the permit.

To be eligible for this program, an applicant must have five years state residency immediately preceding the date of application, but he does not necessarily need to have had commercial fishing experience as long as the lender finds that he is reasonably likely to succeed as a fisherman and be able to repay the loan.

For further information on loans for limited entry permits, contact one of the regional offices of the Division of Business Loans, Department of Commerce and Economic Development:

Juneau	Pouch D Juneau, Alaska 99811 465-2510
Anchorage	201 East Ninth, Suite 103 Anchorage, Alaska 99501 274-6693
Fairbanks	675 Seventh Avenue, Station A Fairbanks, Alaska 99701 452-8182

or

Alaska Commercial Fishing and Agriculture Bank
Gary Anderson, President
P. O. Box 4-2070
2550 Denali Street, Suite 1201
Anchorage, Alaska 99509
278-4553

CFAB also has offices in Homer, Kodiak, Cordova, and Seattle.

MISCELLANEOUS: A checklist

Attempting to deal long distance with the many and complex limited entry regulations is a constant source of frustration to fishermen and the Entry Commission alike. Misunderstandings are often a cause of delay, which can be critical and costly when the fish are going by the fishing grounds.

The following checklist offers important points to keep in mind about limited entry and is offered to help keep the level of red tape frustration at a minimum:

- The permit holder must have his card in his possession and must be present while his gear is being fished;
- A permit cannot be lent to anyone, not even a relative;
- A permit holder and crew must be able to produce identification at the request of an enforcement officer;
- Emergency transfers are to be used in cases of unavoidable hardship; they are not for leasing a permit. Send an emergency transfer form to the Commission, including documentation and your permit card;
- There is a 60-day waiting period between the time an intent to transfer form is filed with the Commission and the permit can actually be transferred;
- Once a permit is transferred permanently, it's gone. The Commisison strongly recommends using an escrow agent to hold the money (contact your local Legal Services Agent);
- If a permit holder dies, the spouse or heir should contact the local superior court clerk for instructions on having an administrator of the estate appointed; and contact the Commission;
- Permit holders should allow at least three weeks for processing renewals, and more if they live in an area where mail is slow;
- Decisions of the Commission are subject to review, and an applicant may reqest a hearing;
- When in doubt, contact the Commission.

DEPARTMENT of COMMERCE & ECONOMIC DEVELOPMENT

Division of Accounting & Collections

Commercial Fish Summary

March 5, 1985

STATISTICS ON DCED LOAN PROGRAMS
(Thousands of Dollars)

January 31, 1985

	Veterans	Small Business	Commercial Fish	Tourism	Bulk Fuel	Child Care	Hist Dist	Mining	Alternate Energy	Resid. Energy	Fish Enhance	Power Dev.	Water Resource	Total
Commitments														
Total No. Loans Committed FY '72-85	7,718	1,338	2,657	59	148	42	9	65	2,691	2,173	97	3	5	17,005
Total Dollar Amount Committed FY '72-85	371,795.2	202,529.3	154,396.7	29,874.7	5,482.6	1,320.4	667.7	28,160.0	17,140.9	8,151.2	37,084.1	191,165.0	2,500.0	1,050,267.8
Total No. Loans Committed FY '85	-0-	-0-	110	-0-	28	6	-0-	2	183	159	9	3	-0-	500
Total Dollar Amount Committed FY '85	-0-	-0-	6,148.1	-0-	962.9	276.2	-0-	1,128.1	1,394.2	404.4	3,780.1	191,165.0	-0-	205,259.0
Appropriations														
FY '83	-0-	-0-	9,400.0	-0-	1,000.0	400.0	500.0	15,000.0	4,000.0	4,500.0	22,000.0 [1]	N/A	-0-	56,800.0
FY '84	-0-	-0-	9,091.0	-0-	-0-	869.5	500.0	-0-	2,400.0	3,123.4	6,500.0	N/A	-0-	22,483.9
FY '85	-0-	-0-	3,500.0	-0-	-0-	-0-	-0-	-0-	1,000.0	-0-	5,000.0	210,000.0	-0-	219,500.0
Loans Outstanding														
Owned by Fund														
Number of Loans Outstanding	135	268	999	5	49	25	3	48	1,944	1,571	81	3	1	5,132
Principal Amount Outstanding	6,129.4	33,835.6	48,402.5	3,258.2	1,257.0	867.0	339.9	18,833.6	12,051.7	4,966.0	31,116.2	191,165.0	909.8	353,131.9
Average Loan Amount Outstanding	45.5	201.4	48.5	651.6	25.7	34.7	113.9	392.4	6.2	3.2	38.5	63,721.7	909.8	68.8
Serviced for the Dept. of Revenue														
Number of Loans Outstanding	1,841	225	764	14	N/A	3	3	N/A	N/A	N/A	14	N/A	N/A	2,864
Principal Amount Outstanding	83,241.0	18,587.5	30,215.1	2,578.9		16.9	124.3				6,604.2			141,367.9
Average Loan Amount Outstanding	45.2	82.6	39.5	184.2		5.6	41.4				471.7			49.4
Summary														
Total No. of Loans Outstanding	1,976	493	1,763	19	49	28	6	48	1,944	1,571	95	3	1	7,996
Total Principal Amount Outstanding	89,370.4	52,423.1	78,617.6	5,837.1	1,257.0	883.9	464.2	18,833.6	12,051.7	4,966.0	37,720.4	191,165.0	909.8	494,499.8
Delinquency Rates (includes defaults)														
Number of Loans %	18.3%	32.8% [2]	14.9% [3]	10.5% [2]	20.4%	14.8%	-0-	47.9%	16.6%	15.8%	N/A	N/A	-0-	17.8%
Outstanding Balance %	19.2%	34.1%	18.5%	3.5%	11.1%	13.9%	-0-	56.3%	15.8%	16.0%	N/A	N/A	-0-	24.0%

1 See Ch 114, Sec 5 and Ch 141, Sec 242 SLA 1982, and Ch 106 Sec 11 SLA 1983.
2 Adjusted for Bank Participation system inaccuracies
3 Adjusted for approved extension requests

Prepared by: Division of Accounting and Collections, 465-2555

2/25/85

Department of Commerce and Economic Development
Commercial Fish Loan Commitments

Dollar Amount of Loans Approved
(Thousands of Dollars)

	FY 72/73	FY 74/75	FY 76/77	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85 thru 01/31/85	Total
Commercial Fish Loan Act	11.5	3,460.5	9,419.1	13,044.3	29,733.6	32,548.1	21,205.6	9,054.3	2,282.2			120,759.2
Fisherman's Mortgage & Note								1,797.6				1,797.6
Commercial Fish - Type "A"									5,914.9	6,527.0	2,613.4	15,055.3
"B"									5,743.7	7,371.2	3,534.7	16,649.6
"C"									118.4	16.5	ø	134.9
Total	11.5	3,460.5	9,419.1	13,044.3	29,733.6	32,548.1	21,205.6	10,851.9	14,059.2	13,914.7	6,148.1	154,396.6

Number of Loans Approved

Commercial Fish Loan Act	2	87	211	234	357	555	352	197	11			2,006
Fisherman's Mortgage & Note								31				31
Commercial Fish - Type "A"									147	95	34	276
"B"									121	144	76	341
"C"									2	1	ø	3
Total	2	87	211	234	357	555	352	228	281	240	110	2,657

Prepared by Division of Accounting and Collections - 465-2555

DEPARTMENT of COMMERCE and ECONOMIC DEVELOPMENT 2-25-85

Division of Accounting & Collections

Commercial Fishing Loan Delinquency Analysis by Type:

	Total	Delinquency Rate (Unadjusted)	Delinquency Rate[1] (Adjusted)
Commercial Fish Loans			
Type 0 (Other, Old)	1205	21.5%	16.4%
Type A	257	12.0%	7.8%
Type B	274	22.6%	11.7%
Type C	2	100.0%	100.0%
FM&N	25	48.0%	48.0%
TOTAL	1763	20.8%	14.9%
Outstanding Balances:			
Type 0	$49,880.0	27.7%	21.8%
Type A	13,845.0	13.1%	7.4%
Type B	12,884.0	27.9%	14.4%
Type C	94.0	100.0%	100.0%
FM&N	1,380.0	44.6%	44.6%
TOTAL	$78,085.0	25.5%	18.5%

[1]Adjusted for approved 1984 payment extension requests

Department of Commerce & Economic Development
Division of Accounting and Collections

1984 COMMERCIAL FISH LOAN PAYMENT EXTENSION REQUESTS
(1-25-85)

	PAID[1]	APPROVED	TABLED[2]	DENIED	TOTAL
Bristol Bay	1	61	0	6	68
Cook Inlet	1	36	2	7	46
Prince William Sound	0	22	0	5	27
Kodiak	0	16	0	5	21
Southeastern	1	10	1	1	13
Norton Sound	0	3	0	0	3
Yakutat	0	0	0	1	1
Peninsula/Aleutians	0	1	0	1	2
Kotzebue	0	1	0	0	1
Chignik	0	0	0	1	1
Other	0	15	3	7	25
TOTAL	3	165	6	34	208

REQUEST HISTORY

	1983	1984	Change	% Change
Bristol Bay	18	68	+50	+278%
Cook Inlet	22	46	+24	+109%
Prince William Sound	48	27	-21	-43.8%
Kodiak	62	21	-41	-66.1%
Southeastern	56	13	-43	-76.8%
Norton Sound	N/A	3	Unk	Unk
Yakutat	N/A	1	Unk	Unk
Peninsula/Aleutians	14	2	-12	-85.7%
Kotzebue	N/A	1	Unk	Unk
Chignik	5	1	-4	-80.0%
Other	11	25	+14	+127.7%
TOTAL	236	208		-11.9%

---

[1]Borrower paid current before extension request was reviewed.

[2]Requests tabled by loan committee (or returned prior to committee review) for additional information.

DG/cwl184c
22785a

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

POLICY AND PROCEDURES

P & P No.	Page
COL-001	1 OF 1
Effective Date: March 1, 1984	
Superseded P & P No.	Dated: 10/1/83
APPROVED BY: [signature]	

SUBJECT: LOAN PAYMENT EXTENSION

DIVISION: Accounting & Collections

SECTION: Collections/Customer Service

PURPOSE

To provide guidelines for evaluating requests for loan payment extensions.

POLICY & PROCEDURE

The borrower:

1. Should not have funds available to make the payment;
2. Should not have had any nonessential expenditures within a reasonable time prior to payment due date;
3. Should have a strong payment history on the loan, and should not demonstrate excessive problems keeping contractual agreements;
4. Should demonstrate good faith effort to earn payment money; and
5. Should have reasonable potential to make future payments.

The loan should still be well-secured after the extension. Additional collateral must be required when loan-to-value ratio is excessive.

The following subjective questions should be answerable in the affirmative:

1. Is the requested action reasonable?
2. Will granting the requested action be in the best interest of both the borrower and the State?
3. Will granting the extension promote the intent of the program as specified by law?

A loan which was not in default at the time of the division's receipt of the extension application will not be considered delinquent during the time the request is under consideration. Should the extension be denied, in this instance, the borrower shall have 45 days from the date notice of denial is mailed to make the payment without being considered delinquent, and the payment will not accrue a late fee.

When an extension is granted, an extension fee equal to the contractual late fee will be charged, subject to a maximum of $125.00 for all annual payment extensions less than $35,000. Extensions of annual payments greater than $35,000 shall bear a fee equal to the contractual late fee subject to a maximum of $2,500.

A modification agreement may:

1. Add interest to principal and defer payment to maturity (will cause loan to amortize incorrectly and should be used only when borrower/State agree there is no other option).
2. Extend term of loan to statutory maximum. (NOTE: recording fee must be collected from borrower to record an amendment to First Preferred Ship Mortgage or any other legal document which may require it.)
3. Reamortize loan.
4. Allow double payment the following year.
5. Include other mutually-agreeable work-out arrangements.

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

POLICY AND PROCEDURES

P & P No.	Page
COL-003	1 OF 1
Effective Date: December 1, 1984	
Supersedes P & P No.	Dated
APPROVED BY: Hugh Hutchison	

SUBJECT: Commercial Fish Problem Loans Requesting Assumption Approval

DIVISION: Accounting & Collections

SECTION: Collections

PURPOSE

To establish guidelines for borrowers who are requesting approval of an assumption as a "cure" for a problem commercial fishing loan, when an extension is not feasible and foreclosure is impending.

POLICY

We believe there is a strong probability that legislation will be introduced in January 1985 which would allow assumptions of commercial fishing loans in most cases where they are not assumable at present.

Present statutes are interpreted as not allowing assumptions for individuals and/or loans that do not meet all the requirements of the current loan program for new loans. This eliminates assumption of any vessel where the assumed balance would be greater than $100,000; an assuming borrower for any vessel less than $100,000 presently must meet Type B loan requirements: (1) no alternative financing, (2) limited by training or location to fishing, (3) fishing is only occupation, (4) fishing has been way of life.

The Department of Commerce and Economic Development has recommended statutory changes allowing assumptions because we feel viable assumptions are in every case a better solution for the borrower and the State than foreclosure.

Pending action on the proposed legislation, the department's policy will be:

(1) to continue to examine problem loans on individual basis;

(2) to approve extensions where requests meet extension guideline criteria;

(3) where extensions are denied, and an assumption has been proposed by the borrower as "the solution," to hold legal action until after 6-30-85, when it is known whether the assumption legislation passed; a letter will be sent to any borrower where foreclosure action is being delayed pending action on this proposed legislation (see attached).

1462t

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF ACCOUNTING AND COLLECTIONS

POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 465-2555

_____

AC.94
Wang #1100t
12/4/84

_____

_____

_____

Dear _____:

Re: _____

_____

Your loan has been reviewed by the loan committee and it has been determined that no legal action will be taken at this time; we believe that an assumption of your loan could be a reasonable solution for both you and the State. However, the statutes currently do not allow assumptions for individuals who do not meet all the requirements of the current loan program for new loans. Many vessels used as security on older loans exceed the $100,000 statutory limit as well.

We believe that new legislation relating to commercial fish loans has a good chance of passing the 1985 Legislature, especially if commercial fishermen and women around the State let their legislators know the importance of this issue. We are delaying legal action on your loan _____-_____-_____ until July 1, 1985, at which time we will know whether your loan legally can be assumed. (This letter is not an approval of the assumption; if the proposed legislation becomes law, assumption applications will be reviewed individually by the Division of Investments to determine acceptability.)

Please contact our Collections Section at (907) 465-2555 or Zenith 5500 if you have any questions.

Yours truly,

Margaret I. Hamley
Director

MIH/_____

08-H3LH

STATE LOAN PAMPHLET

JUNE 1984

STATE OF ALASKA

Department of Commerce and Economic Development

Department of Community and Regional Affairs

STATE OF ALASKA
STATE LOAN PAMPHLET

TABLE OF CONTENTS

		Page(s)
1.	AGRICULTURAL LOAN PROGRAM	1
2.	ALASKA HOUSING FINANCE CORPORATION	2-3
3.	ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY	
	a. Federal Guarantee Program	4
	b. General Obligation Bond Program	5
4.	ALASKA MUNICIPAL BOND BANK AUTHORITY	6
5.	ALASKA POWER AUTHORITY	
	a. Power Project Loan Program	7
	b. Rural Electrification Loan Program	8
6.	ALASKA STUDENT LOAN PROGRAM	9
7.	ALTERNATIVE TECHNOLOGY AND ENERGY LOAN PROGRAM	10
8.	BULK FUEL LOAN PROGRAM	11
9.	CHILD CARE FACILITY LOAN PROGRAM	12
10.	COMMERCIAL FISHING LOAN PROGRAM	
	a. Permit Loans to Individuals	13
	b. Permit, Vessel, and Gear Loans to Individuals	14
	c. Vessel and Gear Loans to Corporations, Partnerships or Joint Ventures	15
11.	FISHERIES ENHANCEMENT LOAN PROGRAM	16
12.	HISTORICAL DISTRICT LOAN PROGRAM	17
13.	HOUSING ASSISTANCE LOAN PROGRAMS	18-23
	a. Nonconforming Housing Loan Program	18-19
	b. Rural Nonowner-Occupied Loan Program	20-21
	c. Rural Owner-Occupied Loan Program	22-23

14. MINING LOAN PROGRAM 24

15. RESIDENTIAL ENERGY CONSERVATION LOAN PROGRAM 25

16. VETERANS' LOAN ASSUMPTION 26

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF AGRICULTURE

AGRICULTURAL LOAN PROGRAM
Alaska Statutes 03.10.010-.060

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing to promote development of agriculture as an industry in Alaska through low interest loans for product processing, land clearing, chattel loans (for purchase of equipment and livestock), farm development, irrigation, and short-term loans.

WHO CAN APPLY FOR A LOAN?

Individual farmers, ranchers, homesteaders, partnerships or corporations who are Alaskan residents and have farming or business experience with related skills and training may apply for a loan.

HOW MUCH CAN BE BORROWED?

Short-term loans may be made for up to $200,000. Product processing and land clearing loans may be made for up to $250,000, and chattel (equipment and livestock), irrigation or farm development loans may be made for up to $1,000,000.

WHAT IS THE INTEREST RATE?

Currently, an interest rate of 8% per year will be charged on the total amount of the outstanding loan balance. The interest rate will not be less than 8% nor more than the commercial rate.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

A short-term loan must be repaid within one year. A loan for land clearing may be allowed up to 20 years to repay the loan. A loan for product processing, chattel (equipment and livestock), irrigation or farm development may be allowed up to 30 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a mortgage on real property, or a security interest in machinery, equipment, crops, livestock, or some other asset until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Agricultural Loan Program
915 South Baily
P.O. Box 2470
Palmer, Alaska 99645
Telephone: 745-7200

Agricultural Loan Program
Nistler Building
P.O. Box 268
Delta Junction, Alaska 99737
Telephone: 895-4921

Agricultural Loan Program
1514 S. Cushman, Room 312
Fairbanks, Alaska 99701
Telephone: 452-1570

STATE OF ALASKA
DEPARTMENT OF REVENUE

ALASKA HOUSING FINANCE CORPORATION (AHFC)
Alaska Statutes 18.56

WHAT IS THIS LOAN PROGRAM FOR?

The loan programs are for the purpose of purchasing owner-occupied new or existing homes, mobile homes, or obtaining a second mortgage when purchasing a dwelling that has an assumable first mortgage, or for obtaining a home improvement loan. Interim financing for construction or for rehabilitation is not available under the program, but funds for long-term financing once the construction or rehabilitation is completed are available.

WHO CAN APPLY FOR A LOAN?

The program is open to all eligible borrowers who are purchasing a home as their primary residence.

HOW MUCH CAN BE BORROWED?

There are several different programs available through AHFC and the maximum loan amount varies with the different programs.

WHAT IS THE INTEREST RATE?

Interest rates will fluctuate according to the cost AHFC pays to obtain its funds. By law, AHFC is required to provide below market or subsidized rates to eligible borrowers on the first $90,000 of the mortgage loan when interest rates exceed 10%. For any portion above $90,000, the borrower is required to pay the cost AHFC pays to obtain its funds.

For example, the interest rates in effect in May 1984 were:

Type of Bond	1st $90,000	Cost of Funds Amount Over $90,000
Taxable Bonds	12% (11% eligible Veterans)	15.06%
Tax-Exempt Bonds	(no funding is available at this time)	
General Obligation Veterans Bonds	11%	12.67%
2nd Mortgage Bonds	12% (11% eligible Veterans)	15.06%

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

On mobile home loans, you may be allowed up to 20 years to repay the loan or the remaining life of the unit, whichever is less. The maximum term for second mortgage loans depends on the amount borrowed and ranges from 5 to 15 years. On all other loans offered through AHFC an ABE (Alaska Building Equity) mortgage is used. An ABE structured mortgage is similar to a 30 year level payment mortgage in that the interest rate is fixed and the payments in the first 3 years are the same as under a 30 year mortgage. In years 4 through 9, the monthly payment is increased by 5% each year. The increased portion of the payment is applied to the outstanding principal balance resulting in a repayment of the loan within approximately 18 years.

IS COLLATERAL REQUIRED?

The dwelling being purchased is the collateral for the loan.

WHERE CAN I APPLY FOR A LOAN?

The Corporation does not lend funds directly to the borrower. AHFC is a secondary investor in mortgages and purchases mortgage loans originated by private lenders. Since we do not directly lend money, you must apply for an AHFC loan through an approved lending institution. For a list of approved lending institutions or for more information on the programs, please contact:

Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, Alaska 99510
Telephone: 276-5599

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY (AIDA)
Alaska Statutes 44.88.010-.220

FEDERAL GUARANTEE PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the purchase of the federally guaranteed portion (primarily Small Business Administration guarantees) of a loan approved by a lending institution such as a loan for business, building or property, and allows the borrower a fixed-rate, long-term loan. The Alaska Industrial Development Authority is always a secondary market investor.

WHO CAN APPLY FOR A LOAN?

Any business entity (individual, partnership or corporation) whose loan needs meet the requirements of the Small Business Administration or other guaranteeing federal agency may apply for a loan.

HOW MUCH CAN BE BORROWED?

Up to $500,000, plus whatever portion the originating lender will retain (a minimum of 10% originating lender participation) can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

The interest rate is equal to the most recent index of AA corporate bond yield averages as published by Moody's Investors Service (13.3% as of 4/19/84) plus 1½% on loans of $100,000 or less, or plus 1% on loans over $100,000.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The loan term, as negotiated by the lending institution and borrower, and approved by the Small Business Administration, is acceptable to AIDA.

IS COLLATERAL REQUIRED?

The collateral requirements, as negotiated by the lending institution and borrower, and approved by the Small Business Administration, is acceptable to AIDA.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. AIDA can participate only after a lender and the Small Business Administration have approved the loan. For more information on this program, please contact:

Alaska Industrial Development Authority
1577 C Street, Suite 304
Anchorage, Alaska 99501
Telephone: 274-1651

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY (AIDA)
Alaska Statutes 44.88.010-.220

GENERAL OBLIGATION BOND PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program assists in providing long-term financing for capital business purposes, such as buildings, plants, property and equipment. No inventory, working capital, or refinancing is available under this program.

WHO CAN APPLY FOR A LOAN?

Any business entity (individual, partnership or corporation) whose business is located in the State of Alaska may apply for a loan.

HOW MUCH CAN BE BORROWED?

Up to $10,000,000 plus whatever portion the originating lender will retain (a minimum originating lender participation amount of 10% is required on loans of $1 million or less, and 20% for loans over $1 million), can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

The interest rate varies based on the cost of bond funds. For example, the interest rates in April 1984 were approximately 12% for tax exempt bonds and 14¼% for taxable bonds.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The borrower may be allowed up to 25 years to repay the loan.

IS COLLATERAL REQUIRED?

AIDA will require collateral to protect its loan investment, such as a mortgage on real property or a security interest in machinery, equipment, or some other asset until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. AIDA can participate only after a lender has approved the loan. For more information on this program, please contact:

Alaska Industrial Development Authority
1577 C Street, Suite 304
Anchorage, Alaska 99501
Telephone: 274-1651

STATE OF ALASKA

ALASKA MUNICIPAL BOND BANK AUTHORITY
Alaska Statutes 44.85.050-.420

WHAT IS THIS LOAN PROGRAM FOR?

The Alaska Municipal Bond Bank is a public corporation created by State law to assist Alaskan communities with financing for capital projects such as schools, water and sewer systems, public buildings, harbors and docks.

WHO CAN APPLY FOR A LOAN?

A community who has held a successful general obligation bond election, has the project designed and costs estimated may apply for assistance.

HOW MUCH CAN BE BORROWED?

There is no maximum loan amount. The community is required to submit a detailed application form along with current audited financial statements, illustrating the ability of the community to repay the Bond Bank.

WHAT IS THE INTEREST RATE?

The Bond Bank sells its bonds on the national financial market and uses the proceeds to purchase the local community's bonds under the same terms. The Bond Bank has received extremely good bond ratings and is able to borrow money at a lower interest rate. For example, in April 1984, the approximate interest rate for a 20 year loan varied from 9½% to 10%.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The bond repayment schedule varies depending upon the total amount of the sale and the terms established at the time of the bond sale.

IS COLLATERAL REQUIRED?

In the case of default by a community, the Bond Bank has first claim on any funds the community would receive from the State of Alaska. The bonds are also backed by the municipality's taxing powers. In addition, the Bond Bank establishes a 15 percent reserve fund at the time of the bond sale to protect their investment.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact:

Alaska Municipal Bond Bank Authority
601 West 5th Avenue, Suite 430
Anchorage, Alaska 99501
Telephone: 274-7366

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
ALASKA POWER AUTHORITY (APA)

POWER PROJECT LOAN PROGRAM
Alaska Statutes 44.83.170

WHAT IS THIS LOAN PROGRAM FOR?

The Alaska State Legislature appropriates funds to the Alaska Power Authority's Power Project Loan Program to be loaned to cities and utilities for power project development.

WHO CAN APPLY FOR A LOAN?

Electric utilities, regional electric authorities, municipalities, cities, boroughs, regional and village corporations, village councils, and nonprofit marketing cooperatives may apply for a Power Project Loan.

HOW MUCH CAN BE BORROWED?

There is no actual borrowing limitation set. The amount that can be borrowed is based upon the actual need of the applicant.

WHAT IS THE INTEREST RATE?

The loan must bear an interest rate or rates as determined by APA which meets the criteria established in AS 44.83.170(f), but the interest rate may not be less than 5 percent, nor more than a market rate based on a 12 month average of bond yield rates.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The maturity date is determined by APA, but may not extend beyond the productive life of the project being financed.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a pledge of the revenues from the project, a mortgage on the project being financed, or a pledge of the taxing power of the borrower.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program, please contact:

Alaska Power Authority
334 West 5th Avenue
Anchorage, Alaska 99501
Telephone: 276-0001

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
ALASKA POWER AUTHORITY (APA)

RURAL ELECTRIFICATION LOAN PROGRAM
Alaska Statutes 44.83.361

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the extension of new electric service into an area of the State that an electric utility is authorized to serve. Loan monies may only be used for a utility's transmission and distribution system.

WHO CAN APPLY FOR A LOAN?

Utilities that do not have access to the Rural Electrification Administration (REA) loan program and REA utility borrowers that are having difficulty obtaining REA loans due to federal cutbacks can apply. To be eligible, utilities must be certificated and must provide service to at least three new customers.

HOW MUCH CAN BE BORROWED?

There is no actual borrowing limitation set. The amount that can be borrowed is based upon the actual need of the applicant.

WHAT IS THE INTEREST RATE?

Loans are made at an interest rate of two percent, with the principal to be paid back as future service connections are added to the extension.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

Utilities may be allowed up to 20 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require a mortgage on the project being financed to protect its loan investment.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program, please contact:

Alaska Power Authority
334 West 5th Avenue
Anchorage, Alaska 99501
Telephone: 276-0001

STATE OF ALASKA
ALASKA COMMISSION ON POSTSECONDARY EDUCATION

ALASKA STUDENT LOAN PROGRAM
Alaska Statutes 14.43.090-.160

WHAT IS THIS LOAN PROGRAM FOR?

This program provides low-cost educational loans to Alaska students enrolled in a full-time undergraduate, graduate, or career degree programs.

WHO CAN APPLY FOR A LOAN?

Individuals who are two-year residents of Alaska may apply for a loan and must maintain full-time study in good standing to continue to receive financial assistance under this program.

HOW MUCH CAN BE BORROWED?

Up to $6,000 per year can be borrowed by undergraduate and vocational students. Up to $7,000 per year can be borrowed by graduate students.

WHAT IS THE INTEREST RATE?

An interest rate of 5% will be charged.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 10 years to repay the loan with provisions for extending repayment to 15 years, if necessary.

IS COLLATERAL REQUIRED?

At present, there is no requirement for collateral on student loans.

WHERE CAN I APPLY FOR A LOAN?

Applications are due by May 15 for priority processing. For more information on this program or a loan application form, please contact:

Alaska Commission on Postsecondary Education
Division of Student Financial Aid
Pouch FP
Juneau, Alaska 99811
Telephone? 465-2962

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

ALTERNATIVE TECHNOLOGY AND ENERGY LOAN PROGRAM
Alaska Statutes 45.88.010-.050

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in purchasing, constructing, or installing alternative energy systems or centralized multifuel heating systems for energy conservation and cost savings, this program may provide financial assistance. This would include projects such as wood stoves with catalytic converters, solar systems, wind systems, hydro systems, catalytic converters for wood stoves, and centralized multifuel heating systems.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older, you may apply for an Alternative Energy Loan if the project is located in Alaska.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $30,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 5% per year will be charged for the first $15,000 of the loan and a rate of 15% will be charged for the amount of the loan that exceeds $15,000.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 20 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a mortgage on the home being improved until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

BULK FUEL LOAN PROGRAM
Alaska Statutes 45.87.010-.500

WHAT IS THIS LOAN PROGRAM FOR?

To help communities purchase bulk fuel oil.

WHO CAN APPLY FOR A LOAN?

An organized municipality or unincorporated village with a population under 2,000, or an individual endorsed by the municipality may apply for this loan.

HOW MUCH CAN BE BORROWED?

Depending upon a community's needs, up to $50,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

In most cases, a community is not required to pay any interest on its first bulk fuel loan. An interest rate of 5% may be charted on a community's second bulk fuel loan, and an interest rate based upon the municipal bond rate may be charged on a community's third bulk fuel loan or any additional bulk fuel loans.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

A bulk fuel loan must be repaid within one year.

IS COLLATERAL REQUIRED?

At present, there is no requirement for collateral on bulk fuel loans.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

CHILD CARE FACILITY LOAN PROGRAM
Alaska Statutes 44.33.240-.275

WHAT IS THIS LOAN PROGRAM FOR?

If you operate or would like to operate a child facility in Alaska and need help with construction, renovation, or the purchase of equipment, this program may provide financial assistance. Interim financing for construction or renovation is not allowed under this program, but funds would be available for long-term financing once the construction or renovation is completed.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older and your facility provides care to children who are not related to you, if you take care of children in your home, or if you operate or plan to operate a day care center or preschool, you may apply for a loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $50,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 7% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 20 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a mortgage on the child care facility or a security interest in the equipment, until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

COMMERCIAL FISHING LOAN PROGRAM
Alaska Statutes 16.10.310-.370

SECTION A
(Permit Loans to Individuals)

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in buying a limited entry permit, this program may provide financial assistance.

NOTE: If you receive a loan under this section, you will not be able to borrow under sections B or C in the future.

WHO CAN APPLY FOR A LOAN?

An individual who is 18 years old or older, is a two-year resident of Alaska, and has experience in a commercial fishery during three of the last five years, including the season prior to filing a loan application, may apply for a loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $300,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protects its loan investment, such as a security interest in the limited entry permit until the loan is repaid. Under certain circumstances, the State may require additional collateral.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

COMMERCIAL FISHING LOAN PROGRAM
Alaska Statutes 16.10.310-.370

SECTION B
(Permit, Vessel and Gear Loans to Individuals)

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in the repair, restoration, or upgrading of your vessels and gear, or in the purchase of limited entry permits, gear, and vessel, this program may provide financial assistance if no other source of financing is available to you.

WHO CAN APPLY FOR A LOAN?

An individual who is 18 years old or older, and is a two-year resident of Alaska may apply for a loan if 1) because of lack of training or employment opportunities is dependent upon commercial fishing; OR 2) is economically dependent upon commercial fishing for earning a living, and for whom commercial fishing has been a traditional way of life in Alaska.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $100,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10⅛% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protects its loan investment, such as a security interest in the limited entry permit, the vessel or gear until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1243 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

COMMERCIAL FISHING LOAN PROGRAM
Alaska Statutes 16.10.310-.370

SECTION C
(Vessel and Gear Loans to Corporations, Partnerships, or Joint Ventures)

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in the repair, restoration, or upgrading of your vessels and gear, or in the purchase of gear and vessels, this program may provide financial assistance if no other source of financing is available to you.

WHO CAN APPLY FOR A LOAN?

A corporation, partnership or joint venture may apply for a loan if they are owned 100% by individuals who are 18 years old or older and are two-year residents of Alaska and if 1) they have experience in a commercial fishery during three of the last five years including the season prior to filing a loan application; 2) because of lack of training or employment opportunities are dependent upon commercial fishing; OR 3) are economically dependent upon commercial fishing for earning a living, and for whom commercial fishing has been a traditional way of life in Alaska.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $100,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protects its loan investment, such as a security interest in the vessel or gear until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

FISHERIES ENHANCEMENT LOAN PROGRAM
Alaska Statutes 16.10.500-.620

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in planning, construction, and operation of hatchery facilities, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

A qualified regional association or private nonprofit corporation which has obtained a private nonprofit hatchery permit from the Alaska Department of Fish and Game may apply for a loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $10,000,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 9⅛% per year will be charged on the total amount of the outstanding loan balance. No repayment of the principal is required for an initial period of six to ten years, and no interest will accrue during that time.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on the hatchery facility, or a security interest in equipment, assignment of enhancement tax receipts, or sale of surplus fish from the hatchery until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

HISTORICAL DISTRICT LOAN PROGRAM
Alaska Statutes 45.98.010-.070

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in restoration, improvement, rehabilitation, or maintenance of historical buildings, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

An individual who is 18 years old or older, a firm, business or municipality may apply for a loan. The building must be located in a historical district and the project must be approved by a local Historical District Commission and by the Historic Sites Advisory Committee.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $250,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 7½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on the building being improved until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

HOUSING ASSISTANCE LOAN PROGRAM
Alaska Statutes 44.47.360-.560

Three kinds of loans are available under this program; Nonconforming Housing, Rural Nonowner-occupied and Rural Owner-occupied.

NONCONFORMING HOUSING LOAN PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for construction, rehabilitation or purchase of single family or duplex housing which, because of uncommon design, construction practices, materials, foundation systems, utilities and minimum space requirements may not qualify for financing by private financial institutions.

WHO CAN APPLY FOR A LOAN?

Individuals who are at least 18 years old or older, and a resident of the State of Alaska, may apply for a loan. The borrower must occupy one of the units as a principal residence.

HOW MUCH CAN BE BORROWED?

Maximum loans under the program equal the limits set by the Federal National Mortgage Association, currently $171,000 for a single family residence and $218,700 for a duplex.

WHAT IS THE INTEREST RATE?

The interest rate for nonconforming housing is ¼% higher than the rate based on the most current Alaska Housing Finance Corporation bond sale. A one point discount is available to veterans.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years or the remaining economic life of the property, whichever is less, to repay the loan.

IS COLLATERAL REQUIRED?

The loan must be secured by collateral. The structure being financed is usually sufficient collateral.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. Applying for a loan under this program is basically the same as applying for a conventional home mortgage loan.

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

For additional information on this program or loan application forms, please contact a participating lending institution or the Housing Assistance Division office located in your area:

Anchorage:
Housing Assistance Division
949 E. 36th Avenue, Suite 400
Anchorage, Alaska 99508
Telephone: 561-0900
Toll Free Number: ZENITH 4585

Regional Offices:

Housing Assistance Division
P.O. Box 41
Nome, Alaska 99762
Telephone: 443-2655

Housing Assistance Division
Kuskokwim Office Building
P.O. Box 348
Bethel, Alaska 99559
Telephone: 543-3864

Housing Assistance Division
Drift Inn, 2nd Floor
P.O. Box 280
Kotzebue, Alaska 99752
Telephone: 442-3675

Housing Assistance Division
Kangiiqutaq Office Building
P.O. Box 10041
Dillingham, Alaska 99576
Telephone: 842-2245 or 2255

Housing Assistance Division
1514 Cushman St., Room 206
Fairbanks, Alaska 99701
Telephone: 452-4468

Housing Assistance Division
Community Building, Room 209
Pouch B
Juneau, Alaska 99811
Telephone: 465-2267

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

HOUSING ASSISTANCE LOAN PROGRAM
Alaska Statutes 44.47.360-.560

RURAL NONOWNER-OCCUPIED PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the construction, purchase or rehabilitation of two, up to eight, rural nonowner-occupied rental housing units. Under extraordinary circumstances, the division may finance up to 16 rental units.

WHO CAN APPLY FOR A LOAN?

Individuals who are at least 18 years old and residents of the State of Alaska, and Alaska businesses may apply for a loan. The borrower may not occupy any of the units as a principal balance.

HOW MUCH CAN BE BORROWED?

The maximum loan amount is $1,250,000.

WHAT IS THE INTEREST RATE?

The interest rate for this program is 10⅛%

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years or the remaining economic life of the structure, whichever is less, to repay the loan.

IS COLLATERAL REQUIRED?

The loan must be secured by collateral. The structure(s) being financed is (are) usually sufficient collateral.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. The division may issue loans directly to borrowers in areas not regularly served by commercial mortgage lending institutions.

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

For additional information on this program or loan application forms, please cotnact a participating lending institution or the Housing Assistance Division office located in your area:

Anchorage:
Housing Assistance Division
949 E. 36th Avenue, Suite 400
Anchorage, Alaska 99508
Telephone: 561-0900
Toll Free Number: ZENITH 4585

Regional Offices:

Housing Assistance Division
P.O. Box 41
Nome, Alaska 99762
Telephone: 443-2655

Housing Assistance Division
Kuskokwim Office Building
P.O. Box 348
Bethel, Alaska 99559
Telephone: 543-3864

Housing Assistance Division
Drift Inn, 2nd Floor
P.O. Box 280
Kotzebue, Alaska 99752
Telephone: 442-3675

Housing Assistance Division
Kangiiqutaq Office Building
P.O. Box 10041
Dillingham, Alaska 99576
Telephone: 842-2245 or 2255

Housing Assistance Division
1514 Cushman St., Room 206
Fairbanks, Alaska 99701
Telephone: 452-4468

Housing Assistance Division
Community Building, Room 209
Pouch B
Juneau, Alaska 99811
Telephone: 465-2267

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

HOUSING ASSISTANCE LOAN PROGRAM
Alaska Statutes 44.47.360-.560

RURAL OWNER-OCCUPIED PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the construction, rehabilitation or purchase of single family or duplex housing.

WHO CAN APPLY FOR A LOAN?

Individuals who are at least 18 years old and residents of the State of Alaska may apply for a loan. The borrower must occupy one of the units as a principal residence. A borrower is limited to one State subsidized housing loan for owner-occupancy.

HOW MUCH CAN BE BORROWED?

Maximum loans under the program equal the limits set by the Federal National Mortgage Association, currently $171,000 for a single family residence and $218,700 for a duplex.

WHAT IS THE INTEREST RATE?

The interest rate is one point less than the rate based on the most current Alaska Housing Taxable Bond Sale. Traditionally, the interest rate for nonveterans under this program has been in the 8 to 11 percent range. an additional one point discount is available to veterans.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years or the remaining economic life of the structure, whichever is less, to repay the loan.

IS COLLATERAL REQUIRED?

The loan must be secured by collateral. The structure being financed is usually sufficient collateral.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. The division may issue loans directly to borrowers in areas not regularly served by commercial mortgage lending institutions.

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

For additional information on this program or loan application forms, please cotnact a participating lending institution or the Housing Assistance Division office located in your area:

Anchorage:
Housing Assistance Division
949 E. 36th Avenue, Suite 400
Anchorage, Alaska 99508
Telephone: 561-0900
Toll Free Number: ZENITH 4585

Regional Offices:

Housing Assistance Division
P.O. Box 41
Nome, Alaska 99762
Telephone: 443-2655

Housing Assistance Division
Kuskokwim Office Building
P.O. Box 348
Bethel, Alaska 99559
Telephone: 543-3864

Housing Assistance Division
Drift Inn, 2nd Floor
P.O. Box 280
Kotzebue, Alaska 99752
Telephone: 442-3675

Housing Assistance Division
Kangiiqutaq Office Building
P.O. Box 10041
Dillingham, Alaska 99576
Telephone: 842-2245 or 2255

Housing Assistance Division
1514 Cushman St., Room 206
Fairbanks, Alaska 99701
Telephone: 452-4468

Housing Assistance Division
Community Building, Room 209
Pouch B
Juneau, Alaska 99811
Telephone: 465-2267

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

MINING LOAN PROGRAM
Alaska Statutes 27.09.010-.060

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in advanced mineral exploration, development, or mining in Alaska, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

Residents of Alaska who are 18 years or older, with five years' mining or prospecting experience in the State may apply for a loan. A partnership may apply if at least half of the partners each have five years' mining or prospecting experience in the State and at least half are residents of Alaska. A corporation may apply if at least 51% of its shares are held by persons with a least five years' mining or prospecting experience in the State and who are residents.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $5,000,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on real property, a mortgage secured by assignment of the leasehold interest in the mining claim, or a security interest in machinery or equipment until the loan is paid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

RESIDENTIAL ENERGY CONSERVATION LOAN PROGRAM
Alaska Statutes 45.89.010-.500

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in purchasing, constructing, or installing energy conservation improvements in an existing residential building, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older, you may apply for a Residential Energy Conservation Loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to $5,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

The interest rate charged is based upon the municipal bond rate and varies slightly from month to month. For example, the interest rate charged in January 1984 was 10.25% and the rate for April 1984 was 10.05%.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 10 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on the home being improved until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

VETERANS' ASSUMPTION
Alaska Statutes 26.15.010-.170

WHAT IS THIS PROGRAM FOR?

If you are interested in assuming an existing veteran's single or multiple family dwelling, or small business loan, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older, you may apply to assume a veteran's loan.

HOW MUCH CAN BE BORROWED?

An assumption would be for the amount of the outstanding loan balance.

WHAT IS THE INTEREST RATE?

The interest rate charged would be the same as the rate charged for the original loan. In most cases, the interest rate varies from 7% to 9%.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The amount of time allowed to repay the loan would be determined by the term allowed under the original loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment. Generally, in an assumption, the collateral offered is the same as that offered to secure the original loan.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

The contents of this pamphlet are intended to provide general information on State loan programs. For complete information on a specific loan program, please contact the appropriate State agency.

For additional copies of the State Loan Pamphlet, please contact:

Division of Investments
Pouch D
Juneau, Alaska 99811

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: February 26, 1985 — Limited Entry

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
KURT SCHELLE	Pouch KB Juneau	C.F.E.C.	Yes	465-4083
Rich Lisowski	Pouch KB	C.F.E.C.	NO	
BRUCE TWOMLEY	"	"	No	4081
David Garrison	Pouch V	Rep. Jeffrin	No	4453
JON NEUSTROM	"	Speaker's office	NO	3736
GENEVA DAVENPORT	P.O. BOX 21285 AUKE BAY	GOLL	NO	—
ASST PUBLIC	319 Second St.	U.F.A.	No	6-2820
PAT MALONE	Pouch V	Rep. NAVARRE	No	3893
Debbie Guillaume	Pouch D Juneau	DCED, Div Acctg + Coll.	No	2555
Helen Fisher		Rep Thompson	NO	—
MAGGIE HAMLEY	POUCH D	DCED	YES	2555
PAUL B. ARNOLDT	POUCH A	ACED - INVESTMENTS	YES	2510
GREG WINEGAR	POUCH D	DEED - INVESTMENTS	NO	2510
HOWARD WAYNE	POUCH V	REP. SUND	NO	4919

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE:

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
F. Gregory Baker	Pouch D	DCED/Fisheries	yes	2162

Alaska State Legislature

House of Representatives

SPECIAL

COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: Feb 19 Limited Entry

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Bruce Twomley	Pouch KB	CFEC	Yes	
Phil Smith	Pouch KB	CFEC	Yes	
Rich Lisowski	Pouch KB	CFEC	Yes	
Roger Painter	Pouch V	Fisheries Com.	NO	
Helen Fisher	"	Thompson	NO	
Greg Wingard	Pouch D	Commerce	NO	
Maggie Hamley	Pouch D	DCED	NO	
Catherine Walker	Pouch D	Dept. of Commerce	NO	2504
Bob Clarke	Juneau	Rep Brinkley	NO	—
Chris Kelley	"	CFEC	NO	4081
Kurt Schelle	"	CFEC	NO	4081
Greg Baker	Pouch D	DCED/Fisheries	No	2162
David Garrison	Pouch V	Rep. Jenkins	No	4453
Cass Parsons	319 Second St.	UFA	No	6-2820
Jon Nielsen	CAP 208	Speaker's Off	NO	3720

Alaska State Legislature

House of Representatives

SPECIAL

COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: March 5, 1985 — HB 208 Limited Entry / ANB

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
MAGGIE HAMLEY	POUCH D	DCED - Accts + Coll	YES	2555
John McCluskey	P.O. Box 93	Close-up	no	788-3222
Jan Mason	Box 109	Close-up	no	788-3227
Machelle Jim	Box 3	Close-up	no	788-3881
Kurt Fowler	POUCH KB	C.F.E.C.	—	465-4083
Paul Larson	Dawson	ADF&G	No	465-4250
Bob Clasby	Box 3-2000	ADF&G	NO	4210
JEFF SMITH	Pouch B	DCRA	NO	4780
JON NEWBROUGH	POUCH V	SPEAKER'S OFFICE	NO	3720
JANET FRIES	POUCH V	REP. HERLEMAN	NO	4942
MARGOT KNUTH	Pouch K	Dept of Law	Yes-if asked	3600
Phil Smith	Pouch KB	CFEC	"	4081
Rich Listowski	POUCH KB	CFEC	NO	4081
Cleo Pierson	319 Second St.	UFA	Yes HB 208	6-2870

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE:

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Bruce Twomley	CFEC		No	465-4081
Greg Winegar	Pouch D	DCED - Investments	No	465-2510
Debbie Guillaume	Pouch D	DCED - Accounting + Collections	No	465-2555
David Garrison	Pouch V		No	4453
Paul B. Arnocst	Pouch D	DCED - Investments	No	465-2510
Ron Williams		ANB	Yes	586-9400
Richard Stitt		ANB	Yes	"

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 2/19/85, 8:30am
" " " " 2/26/85, 8:30am

NOTICE: This opinion is subject to formal correction before publication in the Pacific Reporter. Readers are requested to bring typographical or other formal errors to the attention of the Clerk of the Appellate Courts, 303 K Street, Anchorage, Alaska 99501, in order that corrections may be made prior to permanent publication.

THE SUPREME COURT OF THE STATE OF ALASKA

GENE MADISON, LUCY CASEY, KEN McGAHAN, SR., ANDY JOHNSON, MARGIE KIVI, J. W. WARE, DICK FRANCIS, DON GROLESKE, KEN JORDON and SHIRLEY DEVAULT, Appellants, v. ALASKA DEPARTMENT OF FISH AND GAME, and ALASKA BOARD OF FISHERIES, Appellees, and THE ALASKA FEDERATION OF NATIVES, Intervenor.	File Nos. 6824/ 7181 O P I N I O N
ALASKA DEPARTMENT OF FISH AND GAME, RONALD SKOOG, ALASKA BOARD OF FISHERIES, Appellants, v. LOUIS GJOSUND, DORA MULCH, and KACHEMAK BAY SUBSISTENCY GROUP, INC., Cross-Appellees.	File No. 7410 [No. 2911 - February 22, 1985

Appeal from the Superior Court of the State of Alaska, Third Judicial District, Anchorage, Victor D. Carlson, Judge, and Third Judicial District, Homer, Paul B. Jones, Judge.

Appearances: Martin Friedman, Homer, Arthur Robinson, Soldotna, for Appellants/Cross-Appellees. Larri Irene Spengler, Assistant Attorney General, Norman C. Gorsuch, Attorney General, Juneau, for Appellees/Appellants. Donald C. Mitchell, Anchorage, for Intervenor/Amicus Curiae.

Before: Rabinowitz, Chief Justice, Burke, Matthews, Compton and Moore, Justices.

MOORE, Justice.

This case arises as a consolidated appeal of two cases. It concerns the validity of a Board of Fisheries' (hereafter board) regulation designed to identify eligibility for subsistence fishing in the Cook Inlet region.

Appellants (hereafter Madison and Gjosund) are two groups of Alaskan residents who live along the Kenai coastline and near Homer. For many years, they have fished with set nets for salmon for their personal and family use. Nonetheless, the board denied subsistence permits to Madison and Gjosund because their use of salmon did not meet the board's regulatory definition of subsistence. Both Madison and Gjosund challenged the regulation as exceeding the scope of the state's subsistence law. In both cases, the trial courts upheld the regulation as consistent with the

statutory grant of authority. We hold the regulation invalid since it is inconsistent with AS 16.05.251(b), AS 16.05.940(22) and AS 16.05.940(23) and contrary to the legislature's intent in enacting the 1978 subsistence law.

I. SUMMARY OF FACTS

Records indicate that subsistence fishing in Cook Inlet was minimal through the mid-1970s.[1] However, a core group of residents of each Cook Inlet community has traditionally fished for Cook Inlet salmon for subsistence. Participation in the subsistence salmon fishery is most visible in the smaller, more isolated villages, where the subsistence group represents a larger percentage of the population.

In 1977 the board established a comprehensive management policy for Cook Inlet, 5 AAC 21.363, which essentially allocated specific salmon stocks to sports fishermen and commercial fishermen on the basis of seasonal fish movements. See Kenai Peninsula Fisherman's Cooperative

---

1. From 1971 to 1977, the average number of subsistence permits issued annually for the Upper Cook Inlet was 87 and the average catch was 405 salmon. Commercial harvest averaged about two million fish per year. However, this statistical data does not necessarily reveal the total subsistence use since many people did not obtain permits and some commercially caught salmon were used for subsistence.

Ass'n v. State, 628 P.2d 897 (Alaska 1981). Although the policy did not specifically refer to subsistence uses of salmon in Cook Inlet, it had a substantial impact on subsistence fishing. Commercial fishermen, accustomed to taking subsistence salmon from their commercial catch, instead obtained subsistence salmon fishing permits in order to fish for their personal and family use after the commercial season was over.

Before 1978, subsistence fishing was defined in AS 16.05.940(17) as fishing for "personal use and not for sale or barter."[2] In 1978, the Alaska State Legislature enacted ch. 151 SLA 1978 (hereafter the 1978 subsistence law). Subsistence fishing was redefined as fishing for "subsistence uses."[3] Subsistence uses were defined as "customary and

---

2. Section 4, ch. 131 SLA 1960:

> "subsistence fishing": the taking, fishing for or possession of fish, shellfish, or other fishery resources for personal use and not for sale or barter, with gill net, seine, fish wheel, long line, or other means as defined by the Board.

3. AS 16.05.940(22), (formerly AS 16.05.940(17)), states:

> "subsistence fishing" means the taking, fishing for, or possession of fish, shellfish, or other fisheries resources for subsistence uses with gill net, seine, fish wheel, long line, or other means defined by

(Footnote Continued)

traditional uses . . . for direct personal or family consumption, and for the customary trade, barter or sharing. . . ." AS 16.05.940(23).[4] Furthermore, the legislation required the board to adopt regulations permitting "subsistence uses" of fish stocks, absent a showing that this use would jeopardize the sustained yield principle. AS 16.05.251(b).[5] Under AS 16.05.251(b), subsistence uses have

---

(Footnote Continued)

the Board of Fisheries.

4. AS 16.05.940(23), (formerly AS 16.05.940(26)), states:

> "subsistence uses" means the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation, for the making and selling of handicraft articles out of nonedible by-products of fish and wildlife resources taken for personal or family consumption, and for the customary trade, barter or sharing for personal or family consumption; for the purposes of this paragraph, "family" means all persons related by blood, marriage, or adoption, and any person living within the household on a permanent basis.

5. AS 16.05.251(b) states:

> The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) permitting the taking of fish for subsistence uses unless the board

(Footnote Continued)

priority over sport and commercial uses if the board finds it necessary to restrict the taking of fish to assure the maintenance of fish stocks or to assure the continuation of subsistence uses. If further restrictions are necessary after giving priority to all subsistence uses, the legislature established specific criteria to restrict subsistence uses based on the subsistence user's customary and direct dependence on the resource, local residency and availability of alternative resources. Id. As a result,

---

(Footnote Continued)

> determines, in accordance with the Administrative Procedure Act, that adoption of the regulations will jeopardize or interfere with the maintenance of fish stocks on a sustained-yield basis. Whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources, subsistence use shall be the priority use. If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:
>
> (1) customary and direct dependence upon the resource as the mainstay of one's livelihood;
>
> (2) local residency; and
>
> (3) availability of alternative resources.

the board could no longer allocate for subsistence uses at its discretion pursuant to AS 16.05.251(a).[6] The

---

6. AS 16.05.251(a) states:

> The Board of Fisheries may adopt regulations it considers advisable in accordance with the Administrative Procedures Act (AS 44.62) for
>
> (1) setting apart fish reserve areas, refuges and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;
>
> (2) establishing open and closed seasons and areas for the taking of fish;
>
> (3) setting quotas and bag limits on the taking of fish;
>
> (4) establishing the means and methods employed in the pursuit, capture and transport of fish;
>
> (5) establishing marking and identification requirements for means used in pursuit, capture and transport of fish;
>
> (6) classifying as commercial fish, sport fish or predators or other categories essential for regulatory purposes;
>
> (7) engaging in biological research, watershed and habitat improvement, fish management, protection, propagation and stocking;
>
> (8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(Footnote Continued)

legislature mandated in AS 16.05.251(b) that the board regulate for the protection of subsistence uses as the priority use of fish and game.

The passage of the 1978 subsistence law, combined with adoption of the board's 1977 management policy, heightened public awareness of the state's subsistence fishing provisions. This public interest resulted in a

---

(Footnote Continued)

> (9) entering into cooperative agreements with educational institutions and state, federal, or other agencies to promote fish research, management, education and information and to train persons for fish management;
>
> (10) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;
>
> (11) establishing seasons, areas, quotas and methods of harvest for aquatic plants;
>
> (12) establishing the times and dates during which the issuance of fishing licenses, permits and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43.

substantial increase in the demand for subsistence permits and a corresponding increase in total catch.[7] The board responded to the permit increase by restricting subsistence fishing; it limited areas open to subsistence fishing, length of fishing periods and maximum length of gill nets. Several lawsuits were filed, all of which resulted in decisions unfavorable to the board.

In December 1980, the board held hearings to respond to the 1978 subsistence law and received a considerable amount of testimony on subsistence uses in Cook Inlet. The meeting resulted in the establishment of characteristics for identification of "customary and traditional uses" of Cook Inlet salmon.[8] In addition, the

---

7. This chart reflects the trend in Upper Cook Inlet:

	Subsistence Use		Commercial Harvest
	Permits Issued	Salmon Caught	
1978	323	3,735	5,118,041
1979	1,161	9,923	1,923,229
1980	1,331	14,775	4,138,648

In 1980, household permits were issued instead of individual permits.

8. With some modification, these characteristics became the basis of 5 AAC 01.597, which states:

> CHARACTERISTICS OF SUBSISTENCE FISHERIES.
> (a) The Board of Fisheries finds that certain customary and traditional practices

(Footnote Continued)

board decided to "adopt a set of criteria drawn from the

(Footnote Continued)

and procedures associated with the utilization of fish in the Cook Inlet Area can be used to identify subsistence uses. Based on testimony to the board, the following characteristics are those that should be evaluated in the identification of subsistence fisheries:

(1) a long-term, stable, reliable pattern of use and dependency, excluding interruption generated by outside circumstances, e. g., regulatory action or fluctuations in resource abundance;

(2) a use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use;

(3) a use pattern associated with specific stocks and seasons;

(4) a use pattern based on the most efficient and productive gear ard economical use of time, energy and money;

(5) a use pattern occurring in reasonable geographic proximity to the primary residence of the community, group or individual;

(6) a use pattern occurring in locations with easiest and most direct access to the resources;

(7) a use pattern which includes a history of traditional modes of handling, preparing and storing the product without precluding recent technological advances;

(8) a use pattern which includes the intergenerational transmission of activities and skills;

(Footnote Continued)

characteristics . . . and apply [them] to communities, subcommunities, groups and individuals who wish to continue to participate in an established customary and traditional fishing effort in Cook Inlet."

At its March 1981 meeting, the board received written testimony from the public about subsistence uses of Cook Inlet salmon stock. Subsequently, it decided to apply all of the ten criteria to determine "customary and

---

(Footnote Continued)

> (9) a use pattern in which the effort and products are distributed on a community and family basis including trade, bartering, sharing and gift-giving; and
>
> (10) a use pattern which includes reliance on subsistence taking of a range of wild resources in proximity to the community or primary residency.
>
> (b) The board will identify established geographic communities which may be participating in a subsistence system. The board will then apply all of the characteristics in (a) of this section to the communities and to subcommunities, groups and individuals within the communities to determine which uses are customary and traditional and therefore, which communities are eligible for the subsistence priority.
>
> (c) For purposes of this section, a "community" is generally considered to be several households of full-time residents who all reside in a specific geographic area because of common interests.

traditional uses" eligible for the subsistence priority. When the board applied the ten criteria, it determined that no group or community in the Cook Inlet region other than Tyonek, English Bay and Port Graham satisfied all ten of the criteria. The board limited the 1981 subsistence catch to these three communities. As a result, the board eliminated from the protection of the state's subsistence statute the majority of Cook Inlet fishermen who formerly fished under subsistence regulations.

Madison and Gjosund challenged the validity of the board's subsistence criteria (now 5 AAC 01.597) on several grounds. They claimed that: (1) the criteria were inconsistent with the statutory language and legislative intent of the 1978 subsistence law; (2) the board failed to comply with the Administrative Procedure Act in adopting the criteria; and (3) their equal protection and due process rights were violated by the board's action.[9] Both courts issued preliminary injunctions compelling the board to authorize personal use fishing for Madison and Gjosund similar to that allowed in the previous year. The board

---

9. Since we hold the regulation invalid because it is inconsistent with AS 16.05.251(b) and AS 16.05.940(22) and (23), and contrary to the legislature's intent in enacting the 1978 subsistence law, we need not consider the APA, due process and equal protection issues raised regarding the regulation's validity.

moved for summary judgment on the plaintiffs' first claim. Both trial courts granted summary judgment to the board, after finding the subsistence criteria consistent with the legislative intent "to provide for and protect personal use . . . by persons who reside in rural communities. . . . "

On appeal, Madison and Gjosund seek reversal of the two trial court decisions. They claim that the board did not act within the legislative authority granted by AS 16.05.251(b) and AS 16.05.940(22) and (23) when it adopted the ten characteristics ultimately codified as 5 AAC 01.597.[10]

II. STANDARD OF REVIEW

We first consider the appropriate standard of review for this case. The legislature enacted AS 16.05.251(b), which requires the board to adopt regulations permitting the taking of fish for "subsistence uses." The legislature then defined subsistence uses as "customary and traditional" uses in AS 16.05.940(23), but it never defined

---

10. Madison and Gjosund also contend that the board exceeded its statutory authority under AS 16.05.251(a) when it established a personal use fishery to accommodate people excluded from the subsistence fishery by 5 AAC 01.597. Because we hold 5 AAC 01.597 invalid, we need not address the issue of the board's authority to establish a personal use fishery.

"customary and traditional." The board developed the ten criteria (now codified as 5 AAC 01.597) to identify customary and traditional uses qualifying for a subsistence priority under AS 16.05.251(b). Therefore, the board interpreted the 1978 subsistence law and devised its regulatory criteria accordingly.

In Kelly v. Zamarello, 486 P.2d 906, 917 (Alaska 1971), we stated that the "reasonable basis approach should be used for the most part in cases concerning administrative expertise as to either complex subject matter or fundamental policy formulations." However, the issues in this case concern statutory interpretation of the words "customary and traditional" and the question whether the board has acted within the scope of its statutory authority. Such issues "fall into the realm of special competency of the courts." Alaska Public Utility Commission v. Municipality of Anchorage, 555 P.2d 262, 266 (Alaska 1976). See also State, Commercial Fisheries Entry Commission v. Templeton, 598 P.2d 77, 80 (Alaska 1979).

In this instance, we are dealing with a question of statutory interpretation and will apply the substitution of judgment standard.

> The substitution of judgment standard is applied when the questions of law presented do not involve agency expertise, and, thus, a court need not take the deferential stance embodied in the rational basis test. . . . The standard is appropriate where the

> knowledge and experience of the agency is of little guidance to the court or where the case concerns "statutory interpretation or other analysis of legal relationships about which courts have specialized knowledge and experience."

Earth Resources Co. v. State, Department of Revenue, 665 P.2d 960, 965 (Alaska 1983), quoting Kelly v. Zamarello, 486 P.2d at 916 (emphasis added). Application of this standard allows the reviewing court to substitute its judgment about a statute's meaning for the board's interpretation, even if the board's interpretation had a reasonable basis in law. In this case, both trial courts erred by applying the rational basis standard to the board's statutory interpretation.

III. LEGISLATIVE HISTORY OF THE 1978 SUBSISTENCE LAW

Before 1978, subsistence fishing was defined as fishing for "personal use and not for sale or barter." Formerly AS 16.05.940(17). The 1978 subsistence law redefined subsistence fishing as fishing for "subsistence uses." AS 16.05.940(22). "Subsistence uses" were defined as "the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption . . . and for the customary trade, barter or sharing . . . . " AS 16.05.940(23). The board argues that the legislature intended to narrow the scope of subsistence fishing to mean fishing by individuals residing in those

rural communities that have historically depended on subsistence hunting and fishing. Under this interpretation, the board asserts that its criteria are consistent with the legislature's intent.

The board's argument reveals a fundamental misconception about the structure of the 1978 subsistence law. There are potentially two tiers of subsistence users under AS 16.05.251(b). The first tier includes all subsistence users. Under the statute, all subsistence uses have priority over sport and commercial uses "whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources. . . ." AS 16.05.251(b). If the statutory priority given all subsistence users over commercial and sport users still results in too few fish for all subsistence uses, then the board is authorized to establish a second tier of preferred subsistence users based on the legislative criteria expressed in AS 16.05.251(b), namely, customary and direct dependence on the resource, local residency, and availability of alternative resources.

Criteria like the ten criteria of 5 AAC 01.597(a) could be used to distinguish first-tier general subsistence users from second-tier preferred subsistence users, since most of the criteria relate to either "customary and direct

dependence" or "local residency," two of the three criteria set out in AS 16.05.251(b). However, before there is any occasion to restrict subsistence fishing to second-tier preferred subsistence users as distinct from all subsistence users, the board must make two findings. It must find: (1) that it is necessary to restrict the taking of fish for sustained-yield purposes; and (2) that eliminating sport and commercial uses will not assure the maintenance of fish stocks on a sustained-yield basis and, thus, establishing a priority among subsistence users is also necessary. The board erred because it applied the ten criteria without making these findings.

The board argues that the words "customary and traditional" in AS 16.05.940(23) authorize it to define first-tier subsistence users by their area of residence. We reject this argument for several reasons. First, the argument ignores the two-tier structure of AS 16.05.251(b) that defines only the second-tier subsistence users in terms of residency. If the legislature had intended to define the class of first-tier general subsistence users by area of residence, it would not have expressed that factor with respect to only the second tier of preferred subsistence users. Moreover, the phrase "customary and traditional" modifies the word "uses" in AS 16.05.940(23). It does not refer to users. The 1978 subsistence law refers to

"customary users" at only one point, when it defines the preferred subsistence users of the second tier with the three statutory criteria in AS 16.05.251(b).

The House Special Committee on Subsistence drafted a letter of intent for House Bill 960[11] that supports our interpretation. With respect to AS 16.05.251(b) (which was § 6 of House Bill 960),[12] the letter of intent made clear the priority to be given subsistence uses in general over sport and commercial uses and explained the two-tier system among subsistence users.

> Sections six and seven: These two sections, which are virtually identical for the Boards of Fisheries and the Board of Game, are intended to statutorily set out the priority given to subsistence use of fish and game resources. . . . Further, these sections set forth a priority of users if restrictions are needed because of the unavailability of resources. The priority list is an attempt to insure that those with the most dependence upon the fish and game resources are the last to be restricted.
>
> If there is a need to restrict the taking of fish or game in order to avoid damaging the fish stocks or game populations, or in order to assure that subsistence users may continue to take fish or game, it is the intent of the Committee that sports or commercial use be restricted before

---

11. HB 960 became the 1978 subsistence law, ch. 151 SLA 1978.

12. The committee also intended to provide a priority for subsistence hunting in AS 16.05.255, as indicated in § 6 of HB 960.

> subsistence use. If these restrictions are inadequate, restricting of subsistence use as well is authorized based upon the dependence on the resource, the local residence of the subsistence users, and the availability of alternate resources.

(Emphasis added).

Only in connection with AS 16.05.251(b) does the letter of intent discuss applying residence criteria to subsistence users, and it does so only with respect to second-tier subsistence users. With respect to the definition of subsistence uses in § 17 of House Bill 960 (now AS 16.05.940(23)), the letter of intent does not suggest that the phrase "customary and traditional" was meant to describe users as well as uses. The letter of intent states:

> Section seventeen: Subsection (26) defines what uses can be made of subsistence caught fish and game. It allows it to be used for direct personal or family consumption, for barter as defined in subsection (27) and for sharing the subsistence caught fish and game with other persons. This subsistence caught fish and game which is shared can then only be used for personal or family consumption. This subsection also broadens the definition of family to include the extended family situation.

The letter of intent clearly expressed the legislative resolve to establish a priority for subsistence use of fish and game. The 1978 subsistence law also increased the number of uses qualifying as subsistence fishing by including trade and barter.

The board based its restrictive regulation, 5 AAC 01.597, on the words "customary and traditional." The legislature did not define these words in the 1978 subsistence law. In such a case, reference to legislative history may provide an insight into the legislature's intent and a statute's meaning. North Slope Borough v. Sohio Petroleum Corp., 585 P.2d 534, 540 (Alaska 1978). In the House floor debate on House Bill 960, Representative Cotton introduced an amendment to delete the words "customary and traditional" from the statute. The floor manager of the bill, Representative Anderson, opposed the amendment in the following speech:

> The two words are used in this context to put some guidelines around the uses of Alaska's freedom of resources. What we were afraid of, it was brought to our attention by people who were concerned that this would leave the field of the definition wide open. That newcomers just coming to the State of Alaska would automatically be able to establish not only residency in 30 days, but be able to go out and state that they have a customary and traditional use of Alaska's fish and game resources. The use of customary and traditional also is in recognition of a historical use of fish and game for food, shelter, fuel, clothing, tools, transportation, etc. This is not only in conformance with the aboriginal uses, but also those that have come in, those people who have come in later. . . . [T]he nonnative people in the State of Alaska have established customary and traditional uses of Alaska's fish and game resources for subsistence purposes. And in order to give the Board of Fish and Game more clarification in the area, we have come up with the (inaudible) of customary and traditional rather than leaving that section

consisting of board members and staff, to identify subsistence uses of salmon in Cook Inlet. The committee drafted ten criteria to identify subsistence uses and presented them to the board.

Lonner worked with the committee to develop the ten criteria and explained them to the board. He stated: "These tenets here are . . . based on . . . the evidence about four relatively self-contained communities. . . . If, however, you have individual applicants, . . . this might not suffice as a test." Therefore, the board was fully aware of the limitations of the proposed criteria.

At its March 1981 meeting, the board received further testimony on uses of Cook Inlet salmon from the area advisory committees and several individual witnesses. After deliberation, the board decided to apply all of the ten criteria "to determine which uses are customary and traditional and therefore are eligible for the subsistence priority." Only the fisheries associated with Tyonek, English Bay and Port Graham met all ten criteria.

In its findings of fact, the board applied the ten criteria to individuals such as Madison and Gjosund. In particular, the individuals failed to meet the second

---

(Footnote Continued)

AS 44.62.310-12 (public meeting provision) at its December 1980 meeting.

> wide open. The design is not to be restrictive but to provide guidelines and that is basically what I feel and many . . . members felt it was necessary in . . . adding or retaining those two words "customary and traditional."

(Emphasis added).

We consider statements made by a bill's sponsor in the course of legislative deliberations to be relevant evidence when a court is trying to determine legislative intent. Alaska Public Employees Association v. State, 525 P.2d 12, 16 (Alaska 1974). Anderson argued for the retention of "customary and traditional" for use as a guideline. His major concern focused on the potential pressure put on resources by newcomers. In his view, the words "customary and traditional" recognized and protected a historical subsistence use by both native and non-native Alaskans. The words were not intended to restrict subsistence use.

Another part of the House debate serves to clarify the statute's meaning. Representative Parr expressed concern that the board might use AS 16.05.251(b) to eliminate Fairbanks residents from subsistence use. Some Fairbanks residents often traveled to the Chitina Dip Net Fishery near the Copper River for their fishing. Representative Anderson responded to these concerns:

> If we get into a condition where the fish stock gets down to the point where there is no way that you can allow any take, the first people that you are going to cut off are the commercial and then the sports, first, and

> then the last people that you are going to cut off are the subsistence people who have the greatest reliance on the resource. . . . [I]f it were defined that dip net fishing were for subsistence uses and not for sale or any other purpose, that would be allowed and I would think that people from Fairbanks would fall under these categories. I don't know where else they would go to . . . where people from Fairbanks make it a custom to go down to the Chitina area and if it was determined that that resource was down to the point where only subsistence would be allowed, those people would be taken care of under this section. I don't see that it is eliminating.

(Emphasis added).

In the House debate, Anderson attempted to assure Parr that residents of urban Fairbanks could be considered priority subsistence users. Contrary to the board's interpretation of the subsistence statutes, there is no indication that legislators understood the 1978 subsistence law to restrict subsistence use to either a rural or a community context. In fact, the House debate indicates that the 1978 subsistence law was necessary to protect subsistence uses as a priority use of Alaska's fish and game resources. This intent is clearly expressed by the preamble to the subsistence law:

> [I]t is in the public interest to clearly establish subsistence use as a priority use of Alaska's fish and game resources and to recognize the needs, customs and traditions of Alaskan residents. The legislature further finds that beneficial use of those resources by all state residents should be carefully monitored and regulated with as much input as possible from the affected

> users, so that the viability of fish and game resources is not threatened and so that resources are conserved in a manner consistent with the sustained yield principle.

(Emphasis added).

The legislative history indicates that the legislature intended to protect subsistence use, not limit it. The words "customary and traditional" serve as a guideline to recognize historical subsistence use by individuals, both native and non-native Alaskans. In addition, subsistence use is not strictly limited to rural communities. For these reasons, the board's interpretation of "customary and traditional" as a restrictive term conflicts squarely with the legislative intent.[13]

---

13. The board notes that the words "customary and traditional" in the 1978 subsistence law were taken from § 703 of HR 39, 95th Congress, 2nd Session (1978), which Congress passed in modified form in 1980 as the Alaska National Interests Land Conservation Act (ANILCA), Public Law No. 96-487, 16 U.S.C. § 3113. Therefore, the board argues that the words in the Alaska act should have the same meaning as the words in the federal act and limit subsistence uses to residents of rural Alaska. We reject this argument for several reasons. First, § 703 of HR 39 in its 1978 form did not contain the "rural Alaska residents" limitation now found in 16 U.S.C. § 3113. Second, the Alaska House floor debate reveals that Representative Anderson, the bill's floor manager, understood the 1978 subsistence law to allow the urban residents of Fairbanks to qualify as general subsistence users. Finally, in the preamble to the 1978 subsistence law, the Alaska Legislature expressed its intent to "recognize the needs, customs and traditions of Alaskan residents." While the legislature declared that beneficial use of fish and game resources "by

(Footnote Continued)

IV. THE BOARD'S ADOPTION AND APPLICATION OF 5 AAC 01.597

We now turn to the board's interpretation of the 1978 subsistence law. In December 1980, the board met to examine the uses of salmon in Cook Inlet and to determine which uses would qualify for the subsistence use priority. Tom Lonner, the director of the subsistence section of the Alaska Department of Fish and Game, presented the department's recommendations on the subsistence statute. He suggested that the board begin its analysis of customary and traditional uses with an assessment of user profiles and use patterns on a case by case basis. Lonner noted that such information was most lacking in the major Cook Inlet subsistence fishery because of the rapid growth of subsistence uses in recent years, and that obtaining such information would be expensive.

The board did not follow Lonner's suggested approach.[14] After the board heard extensive testimony on subsistence use, its chairman appointed a committee,[15]

(Footnote Continued)

all state residents" should be carefully monitored and regulated, it did not express an intention to limit subsistence uses to rural Alaska residents.

14. A board member, Nick Szabo, stated that the board's limited budget prevented implementation of a case by case approach.

15. The board stipulated in 1982 that it violated

(Footnote Continued)

criterion: "A use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use."[16] The board found:

> Although some users have shown the existence of a community of interest (e.g., the Kenaitze Tribe and the Kachemak Bay Subsistence Group), these persons either are too widely dispersed or are too heterogeneous to be considered an identifiable community, subcommunity or group. On the evidence presented, the Board cannot conclude either that activities are conducted in common or that sharing or other group interchange occurs in relation to the resource.

In other words, an individual subsistence user (such as Madison or Gjosund) would not qualify for a subsistence use priority from the board unless he were part of an identifiable subsistence community or group.[17] Under the

---

16. See 5 AAC 01.597 set out in n. 8 above.

17. In contrast, the Commercial Fisheries Entry Commission issues commercial fishing permits on an individual basis. See AS 16.43.250. We do not, however, read the words "customary and traditional" as a grant of authority to the Department of Fish and Game and the Board of Fisheries to impose a "grandfather" rights system with respect to subsistence users. Imposing an equitable system of grandfather rights is an extremely complicated task, as Alaska's experience with such a system in the commercial salmon and herring fisheries has demonstrated. See AS 16.43.010-990 and the numerous, and ever increasing, judicial decisions interpreting this act noted in the annotations. Such a system would also be extremely controversial. It is preposterous to suppose that the legislature intended to create such a system merely by using

(Footnote Continued)

board's regulation, many individual users who have historically depended on subsistence fishing are eliminated from subsistence use at the outset.

The board's regulation, 5 AAC 01.597, is inconsistent with the legislative intent to provide guidelines for the protection of subsistence fishing. The regulation exceeds the authority delegated to the board because it operates too restrictively in its initial differentiation between subsistence and non-subsistence uses. Under a statute designed to protect subsistence uses, the board has devised a regulation to disenfranchise many subsistence users whose interests the statute was designed to protect.

The decision of the two trial courts that 5 AAC 01.597 is consistent with AS 16.05.251(b) and AS 16.05.940(22) and (23) is REVERSED.

(Footnote Continued)

the words "customary and traditional" in the definition of subsistence uses, with no more notice or guidance than is inherent in those words.

the state files a civil complaint on the next working day following the seizure, and the owners are promptly notified, the owners are afforded procedural due process. State v. Baranof, Sup. Ct. Op. No. 2785 (File Nos. 7287, 7324), P.2d (1984).

Section not preempted by federal law. — The Fishery Conservation and Management Act, 16 U.S.C. § 1801 et seq., does not preempt state regulation of king crab harvesting in the extraterritorial fishery conservation zone by vessels registered in Alaska. State v. F/V Baranof, Sup. Ct. Op. No. 2787 (File Nos. 7287, 7324), 677 P.2d 1245 (1984).

The federal Fishery Management and Conservation Act does not preempt Alaskan king crab regulation of vessels registered in Alaska. State v. Baranof, Sup. Ct. Op. No. 2785 (File Nos. 7287, 7324), P.2d (1984).

Concurrent state jurisdiction of in rem admiralty forfeiture actions. — In rem admiralty forfeiture actions brought by the state to enforce violations of law may be brought in state courts under concurrent state jurisdiction. State v. Baranof, Sup. Ct. Op. No. 2785 (File Nos. 7287, 7324), P.2d (1984).

Article 2. Boards of Fisheries and Game.

Section
251. Regulations of the Board of Fisheries
255. Regulations of the Board of Game

Sec. 16.05.251. Regulations of the Board of Fisheries. (a) The Board of Fisheries may adopt regulations it considers advisable in accordance with the Administrative Procedure Act (AS 44.62) for

(1) setting apart fish reserve areas, refuges and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;

(2) establishing open and closed seasons and areas for the taking of fish;

(3) setting quotas, bag limits, harvest levels, and sex and size limitations on the taking of fish;

(4) establishing the means and methods employed in the pursuit, capture and transport of fish;

(5) establishing marking and identification requirements for means used in pursuit, capture and transport of fish;

(6) classifying as commercial fish, sport fish or predators or other categories essential for regulatory purposes;

(7) watershed and habitat improvement, and management, conservation, protection, use, disposal, propagation and stocking of fish;

(8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(9) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;

(10) establishing seasons, areas, quotas and methods of harvest for aquatic plants;

(11) establishing the times and dates during which the issuance of fishing licenses, permits and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43.

(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) permitting the taking of fish for subsistence uses unless the board determines, in accordance with the Administrative Procedure Act, that adoption of the regulations will jeopardize or interfere with the maintenance of fish stocks on a sustained-yield basis. Whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources, subsistence use shall be the priority use. If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:

(1) customary and direct dependence upon the resource as the mainstay of one's livelihood;

(2) local residency; and

(3) availability of alternative resources.

(c) If the Board of Fisheries denies a petition or proposal to amend, adopt, or repeal a regulation, the board, upon receiving a written request from the sponsor of the petition or proposal, shall in addition to the requirements of AS 44.62.230 provide a written explantion for the denial to the sponsor not later than 30 days after the board has officially met and denied the sponsor's petition or proposal, or 30 days after receiving the request for an explanation, whichever is later. (§ 3 ch 206 SLA 1975; am § 2 ch 218 SLA 1976; am § 4 ch 151 SLA 1978; am §§ 1, 2 ch 110 SLA 1980; am §§ 8, 9 ch 132 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 3, 1984, in subsection (a), substituted "bag limits, harvest levels, and sex and size limitations" for "and bag limits" in paragraph (3), deleted "engaging in biological research" from the beginning of paragraph (7), substituted "and management, conservation, protection, use, disposal, propagation and stocking of fish" for "fish management, protection, propagation and stocking" in paragraph (7), repealed paragraph (9), and renumbered former paragraphs (10)-(12) as present paragraphs (9)-(11). The amendment also added subsection (c).

NOTES TO DECISIONS

Cited in Langesater v. State, Ct. App. Op. No. 279 (File No. 7357), 668 P.2d 1359 (1983).

Sec. 16.05.255. Regulations of the Board of Game. (a) The Board of Game may adopt regulations it considers advisable in accordance with the Administrative Procedure Act (AS 44.62) for

Effective dates. — Section 30, ch. 132, SLA 1984, makes this section effective July 3, 1984, in accordance with AS 01.10.010(c).

Sec. 16.05.930. Exempted activities. (a) This chapter does not prevent the collection or exportation of fish and game, a part of fish or game or a nest or egg of a bird for scientific or educational purposes, or for propagation or exhibition purposes under a permit which the department may issue and prescribe the terms thereof.

(b) This chapter does not prohibit a person from taking fish or game during the closed season, in case of dire emergency, as defined by regulation adopted by the appropriate board.

(c) AS 16.05.920 does not prohibit rearing and sale of fish from private ponds, the raising of wild animals in captivity for food or the raising of game birds for the purpose of recreational hunting on game hunting preserves, under regulations adopted by the appropriate board. In this subsection, "animals" includes all animal life, including insects and bugs.

(d) Nondomestic animals of any species may not be transferred or transported from the state under (a) of this section unless approved by the Board of Game in regular or special meeting. Animals transferred or transported under (a) of this section shall be animals that are certified by the department to be surplus and unnecessary to the sustained yield management of the resource. Each application for a permit under (a) of this section shall be accompanied by a statement prepared by the Department of Fish and Game examining the probable environmental impact of the action.

(e) This chapter does not prevent the traditional barter of fish and game taken by subsistence hunting or fishing, except that the commissioner may prohibit the barter of subsistence-taken fish and game by regulation, emergency or otherwise, if a determination on the record is made that the barter is resulting in a waste of the resource, damage to fish stocks or game populations, or circumvention of fish or game management programs.

(f) A permit may not be required for possessing, importing or exporting mink and fox for fur farming purposes. (§ 28 art I ch 94 SLA 1959; am § 1 ch 7 SLA 1972; am § 2 ch 104 SLA 1972; am § 4 ch 82 SLA 1974; am §§ 16, 17 ch 206 SLA 1975; am § 1 ch 20 SLA 1976; am § 13 ch 151 SLA 1978; am § 4 ch 23 SLA 1983; am § 23 ch 132 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 3, 1984, in subsection (c), made a word correction in the first sentence and added the second sentence.

Sec. 16.05.940. Definitions. In AS 16.05 — AS 16.40

(1) "aquatic plant" means any species of plant, excluding the rushes, sedges and true grasses, growing in a marine aquatic or intertidal habitat;

(2) "barter" means the exchange or trade of fish or game, or their parts, taken for subsistence uses

(A) for other fish or game or their parts; or

(B) for other food or for nonedible items other than money if the exchange is of a limited and noncommercial nature;

(3) "a board" means either the Board of Fisheries or the Board of Game;

(4) "commercial fisherman" means an individual who fishes commercially for, takes, or attempts to take fish, shellfish, or other fishery resources of the state by any means, and includes every individual aboard a boat operated for fishing purposes who participates directly or indirectly in the taking of these raw fishery products, whether participation is on shares or as an employee or otherwise; however, this definition does not apply to anyone aboard a licensed vessel as a visitor or guest who does not directly or indirectly participate in the taking; and the term "commercial fisherman" includes the crews of tenders or other floating craft used in transporting fish;

(5) "commercial fishing" means the taking, fishing for, or possession of fish, shellfish, or other fishery resources with the intent of disposing of them for profit, or by sale, barter, trade, or in commercial channels; the failure to have a valid subsistence permit in possession, if required by statute or regulation, is considered prima facie evidence of commercial fishing if commercial fishing gear as specified by regulation is involved in the taking, fishing for, or possession of fish, shellfish, or other fish resources;

(6) "commissioner" means the commissioner of fish and game unless specifically provided otherwise;

(7) "department" means the Department of Fish and Game unless specifically provided otherwise;

(8) "domestic mammals" include musk oxen, bison, and reindeer, if they are lawfully owned;

(9) "fish" means any species of aquatic finfish, invertebrate, or amphibian, in any stage of its life cycle, found in or introduced into the state, and includes any part of such aquatic finfish, invertebrate, or amphibian;

(10) "fish derby" means a contest in which prizes are awarded for catching fish;

(11) "fishing derby association" means a civic, service, or charitable organization in the state, not for pecuniary profit, whose primary purpose is to promote interest in fishing for recreational purposes and which has been in existence for five years before applying for a permit under this chapter, but does not include an organization formed or operated for gaming or gambling purposes;

(12) "fish or game farming" means the business of propagating, breeding, raising, or producing fish or game in captivity for the purpose of marketing the fish or game or their products, and "captivity" means

having the fish or game under positive control, as in a pen, pond, or an area of land or water which is completely enclosed by a generally escape-proof barrier;

(13) "fur dealing" means engaging in the business of buying, selling, or trading in animal skins, but does not include the sale of animal skins by a trapper or hunter who has legally taken the animal, or the purchase of animal skins by a person, other than a fur dealer, for the person's own use;

(14) "game" means any species of bird, reptile, and mammal, including a feral domestic animal, found or introduced in the state, except domestic birds and mammals; and game may be classified by regulation as big game, small game, fur bearers or other categories considered essential for carrying out the intention and purposes of AS 16.05 — AS 16.40;

(15) "hunting" means the taking of game under AS 16.05 — AS 16.40 and the regulations adopted under those chapters;

(16) "nonresident" means a person who is not a resident of the state;

(17) "nonresident alien" means a person who is not a citizen of the United States and whose permanent place of abode is not in the United States;

(18) "operator" means the individual by law made responsible for the operation of the vessel;

(19) "resident" means a person who for 12 consecutive months has maintained a permanent place of abode in the state and who has continually maintained a voting residence in the state; and in the case of a partnership, association, joint stock company, trust, or corporation, "resident" means one that has its main office or headquarters in the state; however, a member of the military service who has been stationed in the state for the preceding 12 consecutive months is a resident for the purposes of this paragraph, and the dependent of a resident member of the military service, who has been living in the state for the preceding year is a resident for the purposes of this paragraph, and a person who is an alien but who for one year has maintained a permanent place of abode in the state is a resident for the purposes of this paragraph;

(20) "seizure" means the actual or constructive taking or possession of real or personal property subject to seizure under AS 16.05 — AS 16.40 by an enforcement or investigative officer charged with enforcement of the fish and game laws of the state;

(21) "sport fishing" means the taking of or attempting to take for personal use, and not for sale or barter, any fresh water, marine, or anadromous fish by hook and line held in the hand, or by hook and line with the line attached to a pole or rod which is held in the hand or closely attended, or by other means defined by the Board of Fisheries;

(22) "subsistence fishing" means the taking of, fishing for, or possession of fish, shellfish, or other fisheries resources for subsistence

uses with gill net, seine, fish wheel, long line, or other means defined by the Board of Fisheries;

(23) "subsistence uses" means the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation, for the making and selling of handicraft articles out of nonedible by-products of fish and wildlife resources taken for personal or family consumption, and for the customary trade, barter, or sharing for personal or family consumption; for the purposes of this paragraph, "family" means all persons related by blood, marriage, or adoption, and any person living within the household on a permanent basis;

(24) "take" means taking, pursuing, hunting, fishing, trapping, or in any manner disturbing, capturing, or killing or attempting to take, pursue, hunt, fish, trap, or in any manner capture or kill fish or game;

(25) "taxidermy" means tanning, mounting, processing, or other treatment or preparation of fish or game, or any part of fish or game, as a trophy, for monetary gain, including the receiving of the fish or game or parts of fish or game for such purposes;

(26) "trapping" means the taking of mammals declared by regulation to be fur bearers;

(27) "vessel" means a floating craft powered, towed, rowed, or otherwise propelled, which is used for delivering, landing, or taking fish within the jurisdiction of the state, but does not include aircraft. (§ 2 art I ch 95 SLA 1959; am §§ 1 — 4 ch 131 SLA 1960; am § 1 ch 21 SLA 1961; am §§ 1, 2 ch 102 SLA 1961; § 9 art III ch 94 SLA 1959; am § 23 ch 131 SLA 1960; am § 1 ch 160 SLA 1962; am §§ 13, 14 ch 31 SLA 1963; am § 2 ch 32 SLA 1968; am § 3 ch 73 SLA 1970; am § 1 ch 91 SLA 1970; am § 4 ch 110 SLA 1970; am § 1 ch 90 SLA 1972; am § 5 ch 82 SLA 1974; am §§ 26, 82 ch 127 SLA 1974; am §§ 18 — 20 ch 206 SLA 1975; am § 12 ch 105 SLA 1977; am §§ 14, 15 ch 151 SLA 1978; am § 1 ch 78 SLA 1979; am § 1 ch 24 SLA 1980; § 4 ch 74 SLA 1982; am § 24 ch 132 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 3, 1984, substituted "AS 16.05 — AS 16.40" for "this chapter" in the introductory language and paragraphs (14), (15) and (20); in paragraph (9), substituted "invertebrate, or amphibian" for "invertebrates and amphibians" and "its" for "their" preceding "life cycle" and added the language beginning "and includes any part of such aquatic finfish"; reworded the contents of paragraph (13); inserted "reptile" near the beginning of paragraph (14); substituted "those chapters" for "it" in paragraph (15); substituted "this paragraph" for "this chapter" in three places in paragraph (19); inserted "of" following "taking" in paragraph (22); deleted "for the purposes of this chapter" preceding "does not include aircraft" in paragraph (27); and repealed paragraph (28), defining "visitor."

(2) subsistence salmon fishing permits for the Port Graham subdistrict will be issued only to those persons domiciled in the villages of Port Graham and English Bay.

(b) Smelt may only be taken under the authority of a subsistence fishing permit, except that a permit is not required for smelt fishing in the Kenai River.

(c) Freshwater species other than trout, grayling, char and burbot may only be taken in freshwater under the authority of a subsistence fishing permit.

Authority: AS 16.05.251(a)(2),(7),(10) and (b)

5 AAC 01.590. MARKING OF SUBSISTENCE-TAKEN SALMON. (a) No person may possess salmon taken under the authority of a subsistence fishing permit unless both lobes of the caudal fin (tail) have been immediately removed from the salmon.

(b) It is unlawful to purchase or sell salmon from which both lobes of the caudal fin (tail) have been removed.

Authority: AS 16.05.251(a)(2),(4),(5), (7) and (b)

5 AAC 01.595. SUBSISTENCE BAG AND POSSESSION LIMITS. (a) The total annual possession limit for each subsistence salmon fishing permit is as follows:

(1) there is no total annual possession limit for holders of Port Graham subdistrict subsistence salmon fishing permits; subsistence salmon catches must be recorded on forms provided by the department;

(2) 25 salmon for the head of a household and 10 salmon for each dependent of the permit holder;

(3) in addition to the limits in (2) of this subsection, the holder of a Tyonek subdistrict subsistence salmon fishing permit may take 70 king salmon; no more than 4,200 king salmon may be taken in the Tyonek subdistrict from May 15 through June 30.

(b) The daily bag and possession limit for halibut is two. No person may possess sport-taken and subsistence-taken halibut on the same day. (In effect before 1981; am 4/15/81, Reg. 78; am 5/17/81, Reg. 78)

Authority: AS 16.05.060
AS 16.05.251(a)(3),(7),(10) and (b)

5 AAC 01.597. CHARACTERISTICS OF SUBSISTENCE FISHERIES. (a) The Board of Fisheries finds that certain customary and traditional practices and procedures associated with the utilization of fish in the Cook Inlet Area can be used to identify subsistence uses. Based on testimony to the board, the following characteristics are those that should be evaluated in the identification of subsistence fisheries:

(1) a long-term, stable, reliable pattern of use and dependency, excluding interruption generated by outside circumstances, e.g., regulatory action or fluctuations in resource abundance;

(2) a use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use;

(3) a use pattern associated with specific stocks and seasons;

(4) a use pattern based on the most efficient and productive gear and economical use of time, energy and money;

(5) a use pattern occurring in reasonable geographic proximity to the primary residence of the community, group or individual;

(6) a use pattern occurring in locations with easiest and most direct access to the resources;

(7) a use pattern which includes a history of traditional modes of handling, preparing and storing the product without precluding recent technological advances;

(8) a use pattern which includes the intergenerational transmission of activities and skills;

(9) a use pattern in which the effort and products are distributed on a community and family basis including trade, bartering, sharing and gift-giving; and

(10) a use pattern which includes reliance on

subsistence taking of a range of wild resources in proximity to the community or primary residency.

(b) The board will identify established geographic communities which may be participating in a subsistence system. The board will then apply all of the characteristics in (a) of this section to the communities and to subcommunities, groups and individuals within the communities to determine which uses are customary and traditional and therefore, which communities are eligible for the subsistence priority.

(c) For purposes of this section, a "community" is generally considered to be several households of full-time residents who all reside in a specific geographic area because of common interests. (Eff. 4/14/82, Reg. 82)

Authority: AS 16.05.251(b)

ARTICLE 12.
PRINCE WILLIAM SOUND AREA

Section
600. Description of Prince William Sound area
605. Description of districts and subdistricts
610. Fishing seasons
620. Lawful gear and gear specifications
625. Waters closed to subsistence fishing
630. Subsistence fishing permits
640. Marking of subsistence-taken salmon
645. Subsistence bag and possession limits
647. Copper River subsistence salmon management plan

5 AAC 01.600. DESCRIPTION OF PRINCE WILLIAM SOUND AREA. The Prince William Sound area includes all waters of Alaska between the longitude of Cape Fairfield and the longitude of Cape Suckling.

Authority: AS 16.05.251(a)(2) and (b)

5 AAC 01.605. DESCRIPTION OF DISTRICTS AND SUBDISTRICTS. The Upper Copper River district consists of all waters of the main Copper River from the confluence of the Slana River downstream to an east-west line crossing the Copper River at the confluence of the unnamed stream located approximately one and one-fourth mile below the U.S.G.S. gauging cable across the Copper River, as designated by Alaska Department of Fish and Game regulatory markers

(1) the Chitina subdistrict consists of all waters of the main Copper River from the downstream edge of the Chitina-McCarthy Road Bridge downstream to an east-west line crossing the Copper River at the confluence of the unnamed stream located approximately one and one-fourth mile below the U.S.G.S. gauging cable across the Copper River, as designated by the Alaska Department of Fish and Game regulatory markers;

(2) the Glennallen subdistrict consists of all waters of the main Copper River from the confluence of the Slana River downstream to the downstream edge of the Chitina-McCarthy Road Bridge.

Authority: AS 16.05.251(a)(2) and (b)

5 AAC 01.610. FISHING SEASONS. (a) Unless restricted in this section and 5 AAC 01.625, or unless restricted under the terms of a subsistence fishing permit, fish may be taken at any time in the Prince William Sound area.

(b) Salmon may be taken in the Upper Copper River District only as follows:

(1) in the Glennallen Subdistrict, from June 1 through September 30;

(2) in the Chitina Subdistrict, only when that subdistrict is open to personal use salmon fishing;

(3) when the Copper River subsistence fishery is closed or restricted because of an inadequate escapement of sockeye or chinook salmon, the fishery may be reopened September 1 for the taking of coho salmon, which constitute the majority of the salmon at that time.

(c) Repealed 6/30/83.

(d) Herring spawn on kelp may be taken only during the open commercial herring spawn on kelp season. (In effect before 1983; am 6/30/83, Reg. 86; am 4/28/84, Reg. 90)

Authority: AS 16.05.060
AS 16.05.251

5 AAC 01.620. LAWFUL GEAR AND GEAR SPECIFICATIONS. (a) Fish may be taken by gear listed in 5 AAC 01.010(a) unless restricted

angler needs. When this situation occurs, the department will attempt to achieve a minimum escapement of 30,000 sockeye salmon into the Russian River system.

(d) Early and late Russian River system sockeye salmon are discrete stocks with established escapement goals. Because of this they will be managed by the department as a separate entity without regard to Kenai River system sockeye salmon run size. The Russian River sockeye salmon harvest, therefore, will not be included in the Kenai River system recreational harvest quota outlined in 5 AAC 21.360(c).

(e) When the department determines that late Russian River system sockeye salmon stocks are comprising the majority of the Kenai River sockeye salmon run, appropriate restrictions will be placed on the various fisheries to protect the remaining Kenai River system sockeye salmon escapement.

Authority: AS 16.05.060
AS 16.05.251(a)(2),(3),(4), (6) and (7)

5 AAC 21.362. EARLY KENAI RIVER KING SALMON MANAGEMENT PLAN. Repealed 5/3/84.

5 AAC 21.363. UPPER COOK INLET SALMON MANAGEMENT PLAN. (a) The Department of Fish and Game should receive long-term direction in management of upper Cook Inlet salmon stocks rather than being called upon to respond annually to changing management policies. Divisions within the department must receive long-term direction in order to accomplish their missions and plan management, research, administrative, and other programs. Therefore, the board establishes the following priorities for the use of upper Cook Inlet salmon stocks:

(1) consistent with the statutory priority for subsistence, the harvest of upper Cook Inlet salmon for customary and traditional subsistence uses will be allowed for specific species in appropriate areas, seasons, and periods to satisfy subsistence needs; other beneficial uses, to the extent they are consistent with the public interest and overall benefit of the people of Alaska, will be allowed in order to maximize the benefits of these resources;

(2) Susitna king, early Kenai king, and early Russian River sockeye salmon stocks, which normally move in upper Cook Inlet to spawning areas before June 30, will be managed primarily for recreational uses in order to promote the public interest and provide maximum benefits to the people of Alaska and to the extent that management is consistent with the statutory subsistence priority; and

(3) insofar as the following management steps are consistent with the statutory subsistence priority:

(A) from July 1 through August 15, salmon stocks which normally move in upper Cook Inlet will be managed primarily for commercial uses;

(B) after August 15, salmon stocks moving to spawning areas in Kenai Peninsula drainages will be managed primarily for recreational uses; and

(C) salmon stocks other than those spawning in Kenai Peninsula drainages will be managed primarily for commercial uses.

(b) The department shall

(1) manage the upper Cook Inlet commercial salmon fisheries to minimize the incidental take of Susitna coho, late Kenai king and early Kenai coho salmon stocks;

(2) assist the board in setting optimal salmon harvest rates for all uses by monitoring upper Cook Inlet salmon fisheries to determine the interception of Susitna coho, late Kenai king, and early Kenai coho salmon stocks;

(3) maintain the sustained yield of more abundant pink, chum, and sockeye salmon stocks; and

(4) insure that subsistence use priorities are met.

(c) In this section "upper Cook Inlet salmon

stocks" means those salmon that move through the Northern and Central districts as defined in 5 AAC 21.200(a) and (b) and spawn in waters draining into those districts. (Eff. 5/17/81, Reg. 78)

Authority: AS 16.05.251(a)(2),(6),(7) and (b)

5 AAC 21.380. UNLAWFUL POSSESSION OF SUBSISTENCE-TAKEN SALMON. It is unlawful to purchase or sell salmon from which both lobes of the caudal fin (tail) have been removed as required by 5 AAC 01.590.

Authority: AS 16.05.251(a)(2),(4),(7) and (b)

ARTICLE 4.
BOTTOMFISH FISHERY

Section
410. Fishing season
430. Gear

5 AAC 21.410. FISHING SEASON. There is no closed season on bottomfish.

Authority: AS 16.05.250(2)

5 AAC 21.430. GEAR. (a) Bottomfish may be taken only by trawls, longlines, pots, and mechanical jigging machines, except as provided in (c) of this section.

(c) Bottomfish may be taken in the Outer and Eastern districts by sunken gill nets under the authority of a permit issued by the commissioner. The permit may specify open areas, fishing periods, gear specifications and operating specifications, and may require completion by the vessel operator of log books supplied by the department.

Authority: AS 16.05.251(a)(4)

ARTICLE 5.
SMELT FISHERY

Section
510. Fishing seasons
531. Gill net specifications and operation
534. Identification of gear
535. Minimum distance between units of gear
550. Closed waters

5 AAC 21.510. FISHING SEASONS. (a) Smelt may be taken in the Northern and Central districts from October 1 to June 1.

(b) Smelt may be taken in the Eastern, Outer, Southern and Kamishak Bay districts from January 1 to December 31.

(c) Smelt may not be taken in freshwater.

Authority: AS 16.05.251(2) and (10)

5 AAC 21.531. GILL NET SPECIFICATIONS AND OPERATION. (a) The mesh size of a gill net used for taking smelt may not be more than two and one-half inches.

(b) No set gill net may exceed 35 fathoms in length. Each fisherman is allowed to operate 105 fathoms of set gill net in the aggregate.

MEMORANDUM State of Alaska

TO: The Honorable Peter Goll
Chairman and Members of the
House Committee on Fisheries
M/S 3100

DATE: February 19, 1985

FILE NO:

TELEPHONE NO:

FROM: Bruce Twomley
Chairman
Commercial Fisheries Entry Commission
M/S 0302

SUBJECT: Supplementary CFEC material

Through your staff I have already submitted a considerable amount of material from CFEC publications, intended to aid you in your review of Alaska's limited entry program and various related issues.

For your information, attached to this memo, are several supplementary items of information:

1. A 2-page list of all fisheries limited in Alaska to date, which includes dates of limitation and dates of the application periods for permits;

2. Two pages summarizing the results of the 1976 election, when the Limited Entry program was before the voters for review;

3. A graph showing the rate at which the Alaska Supreme Court has handed down decisions affecting the CFEC together with a chronological list of those cases.

The Commission would be happy to supply any additional information you may request.

BT:dan
Attachments

Fishery	Qual. Period	Application Period	Evid. Deadline	Issuance Levels Trans.	Non-Trans.
S01A	Orig.19: 1960-1972 Isakson: 1973-1974	12/19/74-05/18/75 01/15/77-09/30/77	07/01/78 09/01/78	20 pts.	--
S03A	"	"		20 pts.	--
S15B	"	"		19 pts.	--
S04D	"	"		16 pts.	--
S01E	"	"		17 pts.	--
S03E	"	"		18 pts.	--
S04E	"	"		6 pts.	0-5
S01H	"	"		17 pts.	--
S03H	"	"		16 pts.	--
S04H	"	"		6 pts.	--
S01K	"	"		20 pts.	--
S02K	"	"		6 pts.	0-5
S04K	"	"		15 pts.	--
S01L	"	"		20 pts.	--
S01M	"	"		20 pts.	--
S03M	"	"		17 pts.	--
S04M	"	"		14 pts.	--
S03T	"	"		17 pts.	--
S04T	"	"		6 pts.	0-5

Fishery	Qual. Period	Application Period	Evid. Deadline	Issuance Levels Trans.	Non-Trans.
G01A	1960-1976	02/25/77-06/25/7	05/01/78	6 pts.	--
G01E	"	"	"	6 pts.	--
G01H	"	"	"	6 pts.	--
G01K	1960-1980	10/15/82-06/30/83	--	41 pts.	--
G34A	1960-1977	03/15/78-08/15/78	12/31/78	10 pts.	--
G34E	1960-1978	02/15/81-10/15/81	--	3 pts.	--
G34K	1960-1980	10/15/82-06/30/83	--	32 pts.	--
S04P	1960-1975	03/10/76-08/10/76	09/01/78	6 pts.	--
S04W	"	"	"	7 pts.	--
S04X	"	"	"	6 pts.	--
S04Y	"	"	"	10 pts.	--
S04Z	"	"	"	9 pts.	--
S08P	"	"	"	7 pts.	--
S05B	1960-1979	03/01/81-10/31/81	--	71 pts.	17

Fishery
S - Salmon
G - Herring

Gear Types
01 - Purse Seine
02 - Beach Seine
03 - Drift Gill Net
04 - Set Gill Net
05 - Hand Troll
08 - Fishwheel
15 - Power Troll

In areas P, W, X, Y, Z
04 - Combination of Drift and Set Gill Net

Area
A - Southeastern
B - Statewide
D - Yakutat
E - Prince William Sound
H - Cook Inlet
K - Kodiak
L - Chignik
M - Peninsula Aleutians
T - Bristol Bay

Each code is indicated by
Fishery Gear Code Area

Example: S 03 T
Salmon Drift Gill Net Bristol Bay

MAJOR EVENTS OF 1976

Election Summary

The most significant event affecting limited entry in 1976 was the November General Election. The initiative to repeal limited entry into Alaska's commercial fisheries was soundly defeated by a margin of nearly two to one. The limited entry issue, Ballot Proposition Number 5, became one of the most controversial Alaskan issues in the election and received more total votes than any other ballot or bonding proposition, even more official votes than the capital site selection measure.

Nearly 62% of the registered voters cast ballots in the election, and of those 93.4% voted either for or against the limited entry proposition. A vote "For" the proposition would have repealed the limited entry statute; a vote "Against" the proposition would have retained the law. A summary of the official election returns by district is given on the following page.

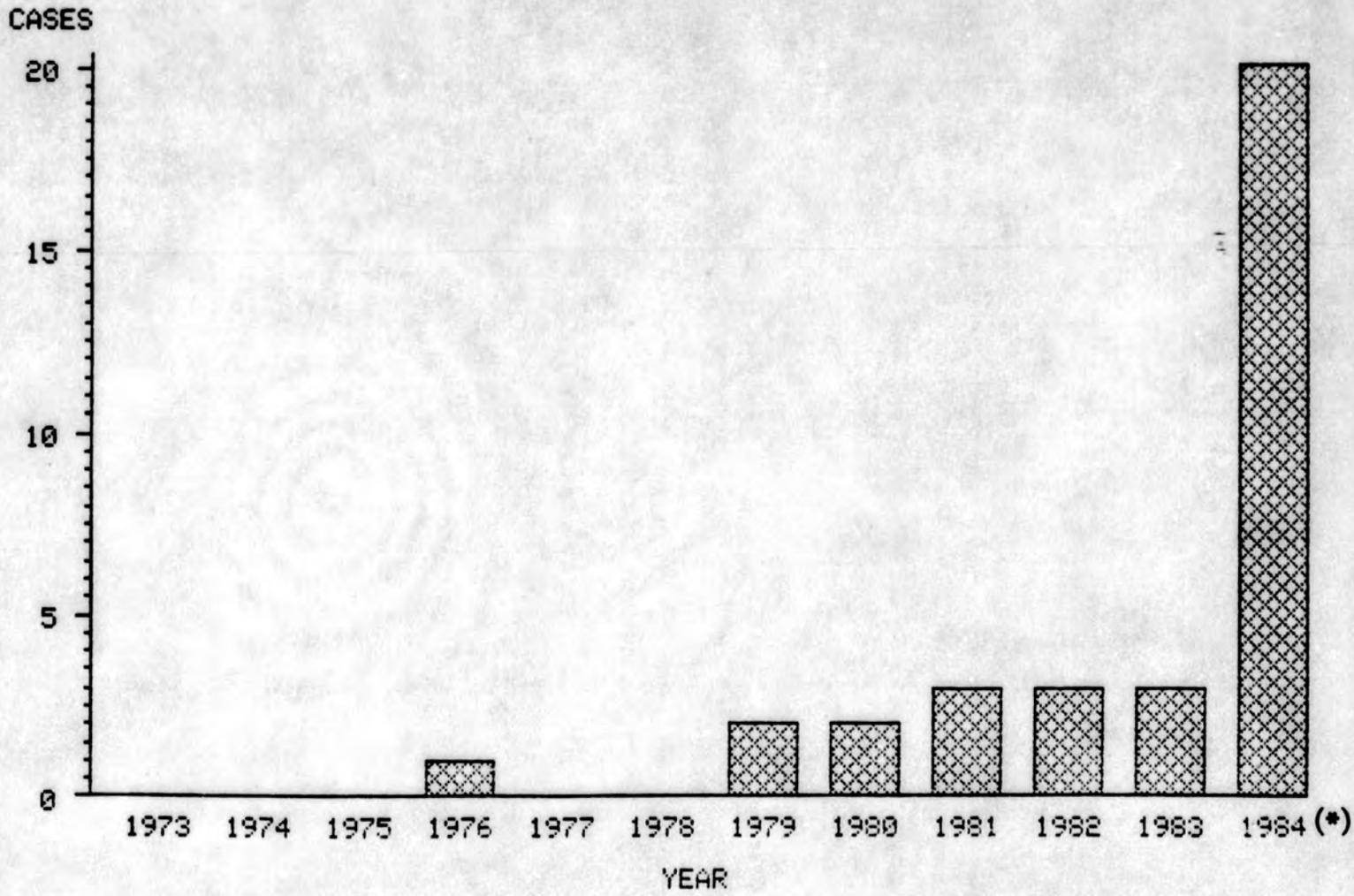
BALLOT PROPOSITION NUMBER 5

INITIATIVE TO REPEAL LIMITED ENTRY

VOTES BY ELECTION DISTRICT

District Number	"For"	"Against"	District Name
1	1499	3622	Ketchikan-Prince of Wales
2	1041	1534	Wrangell-Petersburg
3	1268	1727	Sitka
4	2420	6350	Juneau-Lynn Canal
5	1408	2135	Cordova-Valdez-Seward
6	1725	2905	Palmer
7	2537	4567	Anchorage Northwest
8	3142	5840	Anchorage Northeast
9	1590	2858	Anchorage Spenard
10	3623	6077	Anchorage East
11	3740	6758	Anchorage South
12	3359	5843	Anchorage West
13	2155	4474	Kenai-Cook Inlet
14	1335	983	Kodiak
15	659	626	Aleutian Chain
16	681	1312	Bristol Bay
17	1044	1233	Bethel
18	871	865	Wade Hampton
19	1501	1900	Yukon-Tanana
20	6510	11615	Fairbanks
21	1133	770	Barrow-Kobuk
22	1063	1131	Nome
TOTAL	44304	75125	

ALASKA SUPREME COURT CASES AFFECTING THE COMMERCIAL FISHERIES ENTRY COMMISSION (1973 - 1984)



(*) JULY 19, 1983 - ALASKA SUPREME COURT DECIDED OSTROSKY.

MAY 21, 1984 - U.S. SUPREME COURT DECIDED OSTROSKY.

Alaska Supreme Court Cases Affecting
Practices of the Commercial Fisheries Entry Commission (CFEC)

February 11, 1985

1. Isakson v. Rickey, 550 P.2d 359 (5/21/76)
2. State, CFEC v. Templeton, 508 P.2d 77 (8/31/79)
3. Younker v. AK CFEC, 598 P.2d 917 (8/3/79)
4. CFEC v. Apokedak, 606 P.2d 1255 (2/5/80)
5. CFEC v. Eide, 608 P.2d 769 (4/4/80)
6. Estate of Smith v. State, 635 P.2d 465 (10/23/81)
7. Estate of Miner v. CFEC, 635 P.2d 827 (11/6/81)
8. Vik v. CFEC, State, 636 P.2d 597 (11/6/81)
9. Rose v. CFEC, 647 P.2d 154 (6/11/82)
10. Jones v. CFEC, 649 P.2d 247 (8/13/82)
11. Anderson v. State, CFEC, 654 P.2d 1320 (11/12/82)
12. State v. Ostrosky, 667 P.2d 1184 (7/19/83)
    [U.S. Supreme Court May 21, 1984]
13. Rutter v. State, 668 P.2d 1343 (8/26/83)
14. Timperley v. Jeffries, No. 2765 (12/16/83)
15. Spagnola v. State, CFEC, M.O.J. No. 153 (2/1/84)
16. Forquer v. State, CFEC, 677 P.2d 1236 (2/10/84)
17. Ostman v. State, CFEC, 678 P.2d 1323 (3/2/84)
18. White v. AK CFEC, 678 P.2d 1319(3/2/84)
19. CFEC v. Apokedak, 680 P.2d 486 (3/2/84)
20. Nash v. State, CFEC, 679 P.2d 477 (3/23/84)
21. Wickersham v. State, CFEC, 680 P.2d 1135 (3/30/84)
22. Noden v. CFEC, 680 P.2d 493 (3/30/84)
23. Pete v. CFEC, M.O.J. No. 159 (4/4/84)

24. Wik v. Wik, ____ P.2d _____ (4/24/84)

25. Anderson v. State, CFEC, M.O.J. No. 166 (5/16/84)

26. CFEC, State v. Byayuk, 684 P.2d 114 (5/25/84)

27. Bavilla v. State, CFEC, M.O.J. No. 170 (5/25/84)

28. Lucido v. State, M.O.J. No. 171 (5/25/84)

29. Roehl v. AK CFEC, 684 P.2d 130 (7/6/84)

30. Cashen v. State, CFEC, 686 P.2d 1219 (8/24/84)

31. Moore v. State, CFEC, 688 P.2d 582 (9/14/84)

32. Gursli v. State, M.O.J. No. 182 (9/19/84)

33. Brown v. Baker, No. 2872 (9/21/84)

34. Deubelbeiss v. CFEC, 689 P.2d 487 (10/12/84)

35. Kalmakoff v. State, CFEC, No. 2900 (1/11/85)

PIERRE RAJOTTE INC.
5484 SHILSHOLE AVE. N.W.
SEATTLE, WA 98107



Ark and Dove, Maryland, 1634

RECEIVED
FEB 19 1985
COMMERCIAL FISHERIES
ENTRY COMMISSION

LLOYD W MOORE
ST RT A BOX 90-B
HOMER AK 99603

© USPS 1984

Dear Permit Holder,

We currently have an offer and deposit to purchase your permit at a net price to you of $ 115,000. If you are interested in selling at that price, contact our office today for quick results.

(206) 789-7600

Best Regards,

Bill Nichols

PIERRE RAJOTTE, INC.

ALASKA SHIP BROKERS

DAVE IRWIN
Agent

1717 Tidewater Road
Anchorage, Alaska 99501
(907) 277-2607

ALASKA SHIP BROKERS

July 18, 83

Dear permit holder,

I am looking for Bristol Bay drift permits to sell. In the last few weeks a lot of people have asked me about permits for next year. The paperwork will all be taken care of for you. I have the "intent to transfer" forms which must be sent in to Juneau first, and also the "permanent transfer" forms which are needed when the sale takes place. I will do my best to see that you recieve top dollar for your permit, and that the sale and transfer go smoothly.

As an added bonus, if you list your permit with me you will recieve two round trip tickets from Anchorage to Hawaii or $ 1000.$\underline{00}$,whichever you prefer when I sell it. If another agent in our organization sells it you will recieve one round trip ticket, Anchorage to Hawaii or $ 500.$\underline{00}$, whichever you prefer.

I am looking forward to being of any service possible to you in your sale of a permit or boat.

Sincerely,

David Irwin

TUNDRA
The Drum

VOLUME XIII NUMBER 44 Thursday Evening January 31, 1985

AK COMMERCIAL FISHERIES ENTRY
J AKREP
POUCH KB
JUNEAU
AK 99811



Delta mayors urged to hold fishing permits

by Mary Lenz

Perry Eaton's message to Delta mayors is to hold onto limited entry fishing permits.

Eaton, president of the Community Development Corporation, was keynote speaker at the opening of the Yukon-Kuskokwim Delta Mayor's Conference in Bethel Wednesday.

The conference got off to a slow start, possibly due to travel difficulties from Tuesday night's high winds and rainy weather. Only a handful of mayors showed up early Wednesday, and opening speeches were delayed.

Eaton told reporters he wanted to emphasize the importance of looking at limited entry fishing permits as a community resource, not an independent possession.

"If you lose a fish permit

Please turn to page 4

MAYORS from page one

you've lost employment, you've lost revenue and you've lost a consumer," Eaton said, explaining that loss of a fish permit means area stores have lost a customer.

"Every village should know who has a permit, and it should be a moral obligation to keep those permits in the village," Eaton said. "They cost nothing in the beginning, but they are impossible to replace."

Eaton also said he believes tourism is one of the main ways to boost the Delta economy.

"The Delta is a fabulous place in its own right. The problem is it's never been developed," Eaton said. He said development of tourism or sports fishing to bring in outside dollars means tradeoffs with the subsistence lifestyle.

He said if local residents need "hard green" cash, they have to decide whether to travel out to get them elsewhere, or develop local resources to bring the dollars here.

"The Delta should look for new dollars, and the most obvious and logical place is in tourism," Eaton said.

He said while many "armchair anthropologists" would love to tour a village, villagers have to decide whether they want tourists of that nature trooping through town.

"Development means change," Eaton said. He said the question is "are they willing to change" to bring money to the area.

P.O. Box 281
Anchorage, AK 99510

16 January 1985

State of Alaska
Commercial Fisheries Entry Commission
Pouch KB
Juneau, AK 99811

Dear Sir,

Last winter while I was in the hospital undergoing an operation I recieved many letters from angencies asking if I intend selling my entry permit (S03T 55472H). How they had me on the mailing list is questionable. Some of the inquirys seemed phony.

Anyway I was determined to continue fishing and not even consider retiring. But since I am 67 years of age it is possible in the future I may have to retire, and if I do I intend to transfer my permit to an Alaskan resident only.

I am still operating the boat I bought in 1969 for $7,500.00, have never borrowed any money, have fished in the past above average, most of the time fishing alone and am enjoying the challange.

In the Anchorage Times recently there was an item in the newspaper in regards to the above, so please send me a copy of the 1984 edition of "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries" also of any regulations or laws of the State of Alaska pertaining to transfers or sales of Limited Entry Permits.

Yors Truly,

Michael N. Economou

MICHAEL N. ECONOMOU

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

BILL SHEFFIELD, GOVERNOR

POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 465-2510

February 25, 1985

The Honorable Peter Goll, Chairman
House Special Committee on Fisheries
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

I am writing to you, as Chairman of the House Special Committee on Fisheries, to discuss the effects of the current State commercial fishing loan program on the transfer of limited entry permits from rural to urban Alaska. As Director of the Division of Investments for the Department of Commerce & Economic Development which administers the commercial fishing loan program, I believe further discussion will be helpful.

There are at least four reports that have been published by the Alaska Commercial Fisheries Entry Commission (CFEC) that discuss the impact of the commercial fishing loan programs on the transfer of limited entry permits from rural to urban Alaska:

CFEC Report Number 83-8: Low-interest Loans and the Markets for Limited Entry Permits in the Alaska Salmon Fisheries.

CFEC Report Number 84-2: Alaska's Subsidized Fishing Loan Program. A Study of Distributional Aspects of Permit Related Loans During Fiscal Years 1979 Through 1982.

CFEC Report Number 84-8: Alaskan Natives and Limited Fisheries of Alaska. A Study of Changes in the Distribution of Permit Ownership amongst Alaskan Natives, 1975-1983.

CFEC Report Number 84-10: Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries, 1975-1983.

As you are aware, the commercial fishing loan programs were extensively amended by the Legislature effective June 25, 1982. Consequently, the reports that have been published by the Alaska Commercial Fisheries Entry Commission, for the most part, discuss loan programs that no longer exist. Unfortunately, many readers of these reports erroneously conclude that these reports are discussing the current commercial fishing loan program.

There are some statements and conclusions contained in these reports relating to earlier commercial fishing loan programs administered by the Department of Commerce & Economic Development that I question. Please refer to my memorandum to Kurt Schelle dated April 3, 1984 regarding the draft report for CFEC Report Number 84-3.

I believe highlighting the important changes in the various commercial fishing loan programs would be beneficial and help to put the issues into perspective.

6-21-72 COMMERCIAL FISHING LOAN ACT. When this loan program was initially established, the statutory policy was to promote the development and continued maintenance of commercial gear and vessels throughout the state by means of long term, low interest loans. An individual must have been a resident for five continuous years and held a commercial gear license for three years. Loans were limited to $100,000, 7% interest, with a maximum term of 15 years.

4-24-73 For the first time, the financing of limited entry permits was allowed; however, permits could not be used as collateral. The statutory policy was also amended by referencing a predominately Alaska resident fishery.

6-4-75 The statutory policy was again amended to include language promoting the rehabilitation of the state's fisheries.

6-24-77 The loan limit was increased from $100,000 to $150,000.

6-28-78 Now, for the first time, limited entry permits could be pledged as security for a loan. The loan limit was increased from $150,000 to $500,000. The five year continuous residency had to be immediately preceding the date of the loan application and the license requirement now encompassed a crew member or commercial fishing license or ownership of a limited entry permit. The license or permit must have been held for any one of the past five years and the owner must have actively participated in the fishery during that period. Eligibility was expanded to include corporations, partnerships or joint ventures. Bank participation was, for the first time, provided for in the statutes.

6-1-79 Retroactive to 7-1-78, the interest rate was increased from 7% to 9 1/2% and other minor miscellaneous changes were made.

6-21-80 Language was included to require that all sources of income must be considered in determining whether or not an applicant could service the loan debt.

6-21-80 FISHERMEN'S MORTGAGE AND NOTE PROGRAM. A new loan program was created in addition to the existing Commercial Fishing Loan Act. The purpose of this new loan program was to curb the outflow of limited entry permits from rural Alaska by alleviating the difficulties in obtaining financing for limited entry permits, vessels and gear. Unlike the existing Commercial Fishing Loan Act, this was an indirect loan program. All loans were first made by banks and the State was then authorized to purchase the loans from the banks. The State was not authorized to make direct loans under this program. To be eligible under this program, an applicant must have been a resident for five years and could not have participated in or qualify for any state or federal loan program for similar loan purposes established under the new Fishermen's Mortgage and Note Program. The applicant must have demonstrated to the satisfaction of the bank that because of the lack of training or employment opportunities in the area of residence the applicant did not have occupational opportunities available other than commercial fishing or was economically dependent on commercial fishing for a livelihood and commercial fishing was a cultural and traditional way of life. Additionally, the applicant had to demonstrate to the satisfaction of the bank that there was a reasonably good chance that the loan debt would be repaid. The banks could consider all sources of income in determining the applicant's ability to repay the loan. The State could not refuse to purchase the loan from the bank due solely to the credit history of the applicant. Loans were limited to $200,000, 10 1/2% interest, with a maximum term of 15 years.

7-1-81 Except for the purchase of limited entry permits, all lending functions of the Commercial Fishing Loan Act were transferred to the Alaska Industrial Development Authority.

7-27-81 The Fishermen's Mortgage and Note Program was amended to allow the State to precommit to the banks to purchase loans authorized under this program. The amendment also eliminated a large number of lending restrictions that previously caused banks to refuse to participate in the Fishermen's Mortgage and Note Program. The loan limit was also reduced from $200,000 to $100,000.

6-25-82 The Fishermen's Mortgage and Note Program, in actuality, was repealed and the Commercial Fishing Loan Act was rewritten. All assets of the Fishermen's Mortgage and Note Program were transferred to the newly rewritten Commercial Fishing Loan Act. Three separate loan sections were established under the rewritten program. SECTION A was exclusively for the purchase of limited entry permits. An individual must have been a resident for five continuous years immediately preceding the date of application for the loan and held a crew member or commercial fishing license or owned a limited entry permit for one of the past five years and must have actively participated in the fishery during that period of time. Loans were limited to $300,000, 10 1/2% interest, with a maximum term of 15 years. SECTION B was for the purchase of limited entry permits, vessels and gear. An individual must have been a resident for five continuous years immediately preceding the date of application for the loan and, because of the lack of training or lack of employment opportunities in the area of residence, did not have occupational opportunities available other than commercial fishing, or was economically dependent on commercial fishing for a livelihood and commercial fishing was a traditional way of life in Alaska. Loans were limited to $100,000, 10 1/2% interest, with a maximum term of 15 years. SECTION C was for

the purchase or restoration of vessels or gear. Applicants included corporations, partnerships or joint ventures which were 100% owned by individual commercial fishermen who were state residents for a continuous period of five years immediately preceding the date of application for a loan. Applicants also had to satisfy the remaining eligibility requirements of both Sections A and B. Loans were limited to $100,000, 10 1/2% interest, with a maximum term of 15 years.

4-17-83 The state residency under Sections A, B and C was reduced from five to two continuous years immediately preceding the date of the loan application. In addition, under Section A, the applicant must have had the license or permit the year immediately preceding the date of the loan application and any other two of the past five years. Active participation in the fishery was increased from one to three years, including the year immediately preceding the date of the loan application.

With the creation of the Fishermen's Mortgage and Note Program in June 1980, the Legislature intended to improve the availability of funding for rural Alaskans to purchase limited entry permits, vessels and gear. Under this program this objective was never achieved. During the first year of its existence, no loans were made by the banks, so no loans could be purchased by the State. The reason why no loans were made is simply the fact that the statutes placed so many lending restrictions upon the banks, that the administrative costs outweighed earnings. Most of these restrictions were contained in AS 16.10.710. The following year, AS 16.10.710 was amended and many of the provisions that were objectionable to the banks were removed. All available funds (approximately $1.8 million) were lent out; however the loan program still proved unprofitable to the banks. Of the 29 loans that were made, virtually all were made by the Commercial Fishing and Agricultural Bank (CFAB) and only two or three were made by other banks. CFAB told the State that they were only processing these loans as a service to their members; however, it was costing considerably more than the $100 loan application fee they were charging and they were not interested in continuing these losses.

As a result of the shortcomings of FM&N indirect loan program, the statutes were again amended and the program was made a direct loan program under the Department of Commerce & Economic Development. The basic eligibility requirements of the FM&N program were incorporated into Sections B and C of the rewritten Commercial Fishing Loan Act. Since the state was now administering the entire loan program by making direct loans, the administrative costs of the program were borne by the state. The Legislature appropriated sufficient funding to underwrite the loan program and within a very short period of time both the number and dollar amount of loans increased.

An indication of the success of the current commercial fishing loan program is the number of loans that have been made under Section B. Since the inception of Section B through January 1985, 340 loans have been approved and $16,615,661 has been committed. (During the first seven months of FY 85, 75 loans were approved and $5,131,400 was committed.) This section is targeted for rural Alaskans. In order to qualify for a loan under this section, the applicant must either live in an area that does not provide occupational opportunities other than commercial fishing, or the applicant must be economically dependent on commercial fishing for a livelihood and commercial fishing must have been a traditional way of life in Alaska. Also, applicants cannot have alternative sources of financing available to them. This criteria is important in understanding the success of the loan program.

If there were no commercial fishing loan program, then I believe there would be little argument that urban Alaska would fare much better than rural Alaska in competing for fishing loan financing in the private sector. The financial institutions are established in the urban areas, borrowers are accustomed to the cash/credit economy and have the collateral to support loan requests. Besides the traditional private sector, CFAB would then be the only other source of financing. CFAB will lend for limited entry permits; however, due to the high risks and losses involved in the commercial fishing industry, CFAB will not take the permit as collateral to secure the loan. The loan must be secured by other collateral. For vessel loans, CFAB requires a minimum 25% cash down payment and 10% additional collateral. Only 65% of the vessel cost can be used as collateral to secure the loan. As a result of these lending restrictions, CFAB has only made approximately six limited entry permit and 12 vessel loans during the last half of 1984. Obviously, these restrictions do not favor rural Alaska. However, in defense of CFAB, they are trying to minimize their losses.

If it weren't for the state commercial fishing loan program, particularly Section B, very few commercial fishing loans would be made in rural Alaska. Remember, Section B provides rural Alaska with the capital for the purchase of limited entry permits as well as for vessels and gear in support of the permits. Without vessels and gear to fish the limited entry permits, the permits produce no income, unless sold. Without a Section B loan program, there probably would have been a larger outflow of limited entry permits from rural Alaska. Additionally, without a loan program for Alaskans like the Commercial Fishing Loan Act, there would be greater competition from individuals outside the state for Alaska limited entry permits.

As discussed during the meeting we attended on December 19, 1984, regarding limited entry permit transfer issues, some additional time will be needed to compile data on the commercial fishing loan program. The Division of Accounting & Collections, DCED, has been gathering this data. This entails a sizeable effort as many records have to be manually researched. As soon as this effort is completed, the information will be made available to you.

Sincerely,

Paul B. Arnoldt
Director

PBA/wfs0462C
22585a
Enclosure
cc: Terry Elder, Deputy Commissioner, DCED
Margaret Hamley, Director,
Division of Accounting & Collections, DCED
Greg Baker, Director,
Office of Commercial Fisheries Development, DCED

MEMORANDUM State of Alaska

TO: Kurt Schelle
Director of Research
Commercial Fisheries Entry Commission
Department of Fish and Game

DATE: April 3, 1984

FILE NO:

TELEPHONE NO: 465-2510

FROM: Paul B. Arnoldt, Director
Division of Investments
Department of Commerce and Economic Development

SUBJECT: Loan Paper Draft Report (Commercial Fishing Loan Program)

Thank you for the opportunity to comment on the draft of your study regarding the distribution of permit related loans. I would first like to address a couple of small details in the introduction section of the report.

On page 13, it states that the Fishermens Mortgage and Note Program was largely unsuccessful because many people were unaware of the program and the application procedure was complicated. This is partially correct in that the legislation creating the program made it virtually inoperable the first year (FY '81) and that private financial institutions did not actively promote the program. However, in FY '82 virtually all of the $1.8 million appropriated by the Legislature was committed for loans. Also, as you pointed out, in 1982 the Fishermens Mortgage and Note Program was rolled into the Commercial Fishing Revolving Loan Fund. This simplified the application process because an applicant could apply directly to the State without involving a private financial institution.

On page 15, the last paragraph talks about the active participation requirement as amended by the 1983 Legislature. I think that it is important to note that this only affects Section A of the current Commercial Fishing Loan Program and does not affect Section B which is targeted for rural Alaska fishermen.

One of the important issues is the impact of the loan program on rural Alaska. While the data appears to indicate that urban fishermen were more likely to receive subsidized loans than rural fishermen over the 1979-1982 period, this does not mean that the loan program played a significant role in the decline of rural-held permits over that time period. In fact, the statistics in Table 3 and Table 6 would indicate that the loan program played a very slight role, if any, in this process. Table 3 shows that this shift was well underway by 1976 even though the permit loan program was virtually nonexistent until 1979.

There was a significant shift in 1980 when the total number of loans increased from 62 (in 1979) to 159 (in 1980) and the net urban shift increased from 47 to 65. This is understandable because the permit loan program was relatively new and it generally took longer for the word to spread to rural Alaska. However, in 1981 the loan program made another

M E M O R A N D U M February 25, 1985

TO: Representative Peter Goll

FROM: Rodger Painter
Staff

SUBJECT: Limited Entry Questions for 2/26 Meeting

1. It seems like a lot of the problems we've encountered with limited entry relate to the restrictiveness of the present system with transfers between members of immediate families. The emergency transfer and permanent transfer options presently available can be very restrictive. To illustrate my point, let me cite an example:

A rural resident in her fifties is suffering from an inflammatory illness that is interfering with her ability to fish. Last year, her son fished the permit under an emergency transfer. She was turned down when she applied this year. If her appeal is denied, she has two options: a permanent transfer or let the permit sit unused. An unused permit means income is lost to the family. A permanent transfer would mean she relinquishes all ownership rights. If her son should drown in a fishing accident, the permit would revert to his wife or children, unless he leaves a will to the contrary. If the son later decides to buy the permit, he would be prevented from using the state loan program to do so, unless he acts within one year of the transfer. If the son for some reason decided to sell the permit, his mother would simply be out of luck.

What do you think about amending the statutes to provide a less restrictive option for transfers between members of an immediate family? Something like a three to five year temporary transfer. How extensively would the act have to be amended to create this new transfer option?

2. How about a state-run brokerage system for the rural areas? If a rural resident is thinking about selling a permit would it be legal for the state to attempt to put that person together with another resident of the area who is looking for a permit? What kinds of costs would be involved? What about Native corporations, village councils or other non-profit groups?

3. Does CFEC envision using non-transferable permits for more fisheries? What kinds of problems would you see with non-transferable permits that revert to the state when unfished for three consecutive years, when tied to a re-issuance scheme similar to the original distribution system?

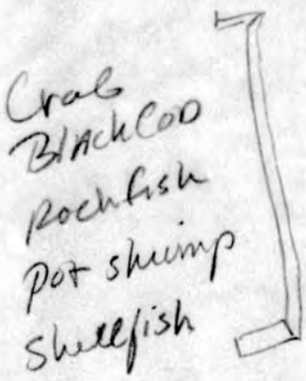
LOANS

1. How much loan counseling is given to fishing loan applicants? How about individuals from rural areas who may have difficulty understanding repayment requirements because of language and cultural differences?

2. Is the Department concerned about potential defaults with Section B loans? What steps have been taken to deal with this problem?

3. What percentage of the type A loans have gone to rural residents? What percentage of the type B loans are used to purchase permits? Do you have a breakdown on place of residence for applicants for type A and B loans? How about a breakdown on place of residence for type A and B loan recipients? How long would it take you to gather this data? Do you plan to collect it?

HB229-



[redacted]

Loans

Maggie will have it.

① [redacted] %age of type-B Loans used to buy permits?

② Does the Department have plans to analyze the impact of Loans on the transfer of permits from rural areas?

③ What's the opinion of the department? should there be more or fewer type B Loans?

④ Tell CFEC & Commerce that we'd appreciate their individual recommendations on how to address the drain of rural permits. Would like to receive them within a week from today.

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1244 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

Department of Commerce & Economic Development
Loans Approved for FY '85
Commercial Fish - A

January 31, 1985

House Dist.	July	August	September	October	November	December	January	February	March	April	May	June	YTD Total
1	0	51,300	16,000	199,500	141,600	0	0						408,400
2	0	0	0	0	0	0	0						0
3	0	0	0	0	0	100,000	0						100,000
4	0	0	0	0	13,000	0	0						13,000
5	0	230,258	0	48,750	0	278,600	164,340						721,948
6	0	54,000	0	121,500	227,000	162,000	54,600						619,100
7-15	0		0	0	0	275,500	49,000						324,500
16	0	0	45,000	0		0	0						45,000
17	0		0	0	0	0	0						0
18	0		0	0	0	0	0						0
19	0		0	0	0	0	0						0
20	0		0	36,000	4,000	0	0						40,000
21	0		0	0	0	0	0						0
22	0		0	0	0	0	0						0
23	0		0	0	0	0	0						0
24	0		0	0	0	33,914	0						33,914
25	0		0	0	0	0	54,667						54,667
26	0	47,321	0	99,500	0		0						146,821
27	0		0	52,200	0	87,750	0						139,950
Totals	0	335,558	63,321	502,950	485,100	937,764	322,607						2,647,300

Prepared by: State of Alaska
Department of Commerce & Economic Development
Division of Accounting & Collections
Pouch D
Juneau, Alaska 99811

sa0507s9

Department of Commerce & Economic Development
Loans Approved for FY '85
Commercial Fish - A

January 31, 1985

House Dist.	July	August	September	October	November	December	January	February	March	April	May	June	YTD Total
1	0	1	1	2	2	0	0						6
2	0	0	0	0	0	0	0						0
3	0	0	0	0	0	1	0						1
4	0	0	0	0	1	0	0						1
5	0	3	0	1	0	2	2						8
6	0	1	0	1	1	2	1						6
7-15	0	0	0	0	0	3	1						1
16	0	0	0	1	0	0	0						1
17	0	0	0	0	0	0	0						0
18	0	0	0	0	0	0	0						0
19	0	0	0	0	0	0	0						0
20	0	0	0	1	*	0	0						1
21	0	0	0	0	0	0	0						0
22	0	0	0	0	0	0	0						0
23	0	0	0	0	0	0	0						0
24	0	0	0	0	0	1	0						1
25	0	0	0	0	0	0	1						1
26	0	0	1	0	1	0	0						2
27	0	0	0	1	0	2	0						3
Totals	0	5	2	7	5	11	5						35

* Increase to existing loan.

Prepared by: State of Alaska
Department of Commerce & Economic Development
Division of Accounting & Collections
Pouch D
Juneau, Alaska 99811

sa0507s10

Department of Commerce & Economic Development
Loans Approved for FY '85
Commercial Fish - B

January 31, 1985
Corrected

House Dist.	July	August	September	October	November	December	January	February	March	April	May	June	YTD Total
1	[10,000]	0	18,000	0	46,923	120,200	16,000						191,123
2	49,500	0	100,000	36,634	32,346	65,921	38,053						322,454
3	0	0	0	15,000	16,173	94,500	47,625						173,298
4	0	0	0	0	0	39,650	29,625						69,275
5	123,000	0	15,000	7,000	0	0	179,250						324,250
6	0	0	0	0	56,250	41,600	76,200						174,050
7-15	0	0	0	0	0	0	59,587						59,587
16	0	0	0	00	0	0	72,300						72,300
17	0	0	0	0	0	0	0						0
18	0	0	0	0	0	0	0						0
19	0	0	0	0	0	0	0						0
20	0	0	0	0	0	0	0						0
21	0	0	0	0	0	0	0						0
22	5,794	0	0	0	0	0	0						5,794
23	15,420	0	0	0	0	0	0						15,420
24	0	0	0	0	0	57,603	0						57,603
25	0	0	0	0	95,925	0	28,969						124,894
26	49,977	0	22,000	296,000	253,238	560,166	146,500						1,327,881
27	0	0	11,054	92,000	100,000	379,766	0						582,820
Totals	233,691	0	166,054	446,634	600,855	1,359,406	694,109						3,500,749

Prepared by: State of Alaska
Department of Commerce & Economic Development
Division of Accounting & Collections
Pouch D
Juneau, Alaska 99811

sa0507s11

Department of Commerce & Economic Development
Loans Approved for FY '85
Commercial Fish - B

January 31, 1985
Corrected

House Dist.	July	August	September	October	November	December	January	February	March	April	May	June	YTD Total
1	*	0	1	0	1	2	1						5
2	1	0	1	3	2	2	1						10
3	0	0	0	1	1	2	2						6
4	0	0	0	0	0	1	1						2
5	2	0	1	1	0	0	3						7
6	0	0	0	0	1	2	1						4
7-15	0	0	0	0	0	0	2						2
16	0	0	0	0	0	0	2						2
17	0	0	0	0	0	0	0						0
18	0	0	0	0	0	0	0						0
19	0	0	0	0	0	0	0						0
20	0	0	0	0	0	0	0						0
21	0	0	0	0	0	0	0						0
22	1	0	0	0	0	0	0						1
23	1	0	0	0	0	0	0						1
24	0	0	0	0	0	2	0						2
25	0	0	0	0	1	0	1						2
26	1	0	1	4	6	9	2						23
27	0	0	1	1	1	5	0						8
Totals	6	0	5	10	13	25	16						75

* Reduction to existing loan.

Prepared by: State of Alaska
Department of Commerce & Economic Development
Division of Accounting & Collections
Pouch D
Juneau, Alaska 99811

sa0507s12

Department of Commerce & Economic Development
Loans Approved for FY '85
Commercial Fish - C

January 31, 1985

House Dist.	July	August	September	October	November	December	January	February	March	April	May	June	YTD Total
1	0	0	0	0	0	0	0						0
2	0	0	0	0	0	0	0						0
3	0	0	0	0	0	0	0						0
4	0	0	0	0	0	0	0						0
5	0	0	0	0	0	0	0						0
6	0	0	0	0	0	0	0						0
7-15	0	0	0	0	0	0	0						0
16	0	0	0	0	0	0	0						0
17	0	0	0	0	0	0	0						0
18	0	0	0	0	0	0	0						0
19	0	0	0	0	0	0	0						0
20	0	0	0	0	0	0	0						0
21	0	0	0	0	0	0	0						0
22	0	0	0	0	0	0	0						0
23	0	0	0	0	0	0	0						0
24	0	0	0	0	0	0	0						0
25	0	0	0	0	0	0	0						0
26	0	0	0	0	0	0	0						0
27	0	0	0	0	0	0	0						0
Totals	0	0	0	0	0	0	0						0

Prepared by: State of Alaska
Department of Commerce & Economic Development
Division of Accounting & Collections
Pouch D
Juneau, Alaska 99811

sa0507s13

Department of Commerce & Economic Development
Loans Approved for FY '85
Commercial Fish - C

January 31, 1985

House Dist.	July	August	September	October	November	December	January	February	March	April	May	June	YTD Total
1	0	0	0	0	0	0	0						0
2	0	0	0	0	0	0	0						0
3	0	0	0	0	0	0	0						0
4	0	0	0	0	0	0	0						0
5	0	0	0	0	0	0	0						0
6	0	0	0	0	0	0	0						0
7-15	0	0	0	0	0	0	0						0
16	0	0	0	0	0	0	0						0
17	0	0	0	0	0	0	0						0
18	0	0	0	0	0	0	0						0
19	0	0	0	0	0	0	0						0
20	0	0	0	0	0	0	0						0
21	0	0	0	0	0	0	0						0
22	0	0	0	0	0	0	0						0
23	0	0	0	0	0	0	0						0
24	0	0	0	0	0	0	0						0
25	0	0	0	0	0	0	0						0
26	0	0	0	0	0	0	0						0
27	0	0	0	0	0	0	0						0
Totals	0	0	0	0	0	0	0						0

Prepared by: State of Alaska
Department of Commerce & Economic Development
Division of Accounting & Collections
Pouch D
Juneau, Alaska 99811

sa0507s14

LOAN PROGRAM COMMERCIAL FISH (A) DATE JUNE, 1984

STATE HOUSE OF REPRESENTATIVES ELECTION DISTRICT

FY	1	2	3	4	5	6	7-15	16	17	18	19	20
83	613,805	924,533	93,370	437,809	1,557,774	473,562	-0-	71,500	7,200	-0-	-0-	306,480
84	492,870	507,219	23,704	250,208	1,345,034	200,999	1,370,574	198,324	31,500	-0-	-0-	10,350
TOTAL	1,106,675	1,413,752	117,074	688,017	2,902,808	674,561	1,370,574	269,824	38,700	-0-	-0-	316,830

FY	21	22	23	24	25	26	27					TOTAL
83	-0-	85,500	-0-	-0-	186,510	268,148	888,660	-0-	-0-	-0-	-0	5,914,851
84	-0-	-0-	-0-	-0-	286,850	493,942	1,315,367	-0-	-0-	-0-	-0-	6,526,941
TOTAL	-0-	85,500	-0-	-0-	473,360	762,090	2,204,027	-0-	-0-	-0-	-0-	12,441,522

LOAN PROGRAM COMMERCIAL FISH (A) DATE JUNE, 1984

STATE HOUSE OF REPRESENTATIVES ELECTION DISTRICT

FY	1	2	3	4	5	6	7-15	16	17	18	19	20
83	19	22	5	13	27	6	26	1	1	-0-	-0-	6
84	8	9	2	4	21	3	20	3	1	-0-	-0-	1
TOTAL	27	31	7	17	48	9	46	4	2	-0-	-0-	7

FY	21	22	23	24	25	26	27					TOTAL
83	1	-0-	-0-	-0-	3	4	13	-0-	-0-	-0-	-0-	147
84	-0-	-0-	-0-	-0-	4	8	11	-0-	-0-	-0-	-0-	95
TOTAL	1	-0-	-0-	-0-	7	12	24	-0-	-0-	-0-	-0	242

LOAN PROGRAM COMMERCIAL FISH (B) DATE JUNE, 1984

STATE HOUSE OF REPRESENTATIVES ELECTION DISTRICT

FY	1	2	3	4	5	6	7-15	16	17	18	19	20
83	-0-	620,005	341,772	207,830	447,493	389,030	275,300	-0-	24,000	-0-	-0-	92,893
84	292,604	430,960	477,800	9,426	914,850	191,805	239,425	-0-	-0-	-0-	-0-	-0-
TOTAL	292,604	1,050,965	819,572	217,256	1,362,343	580,835	514,725	-0-	24,000	-0-	-0-	92,893

FY	21	22	23	24	25	26	27					TOTAL
83	-0-	23,497	60,068	-0-	427,907	2,286,594	547,320	-0-	-0-	-0-	-0-	5,743,709
84	-0-	33,740	57,440	72,230	736,578	3,304,445	582,900	-0-	-0-	-0-	-0-	7,371,203
TOTAL	-0-	57,237	117,508	72,230	1,164,485	5,591,039	1,130,220	-0-	-0-	-0-	-0-	13,114,912

LOAN PROGRAM COMMERCIAL FISH (B) DATE JUNE, 1984

STATE HOUSE OF REPRESENTATIVES ELECTION DISTRICT

FY	1	2	3	4	5	6	7-15	16	17	18	19	20
83	11	15	12	5	8	7	6	-0-	1	-0-	-0-	1
84	10	10	16	1	14	3	5	-0-	-0-	-0-	-0-	-0-
TOTAL	21	25	28	6	22	10	11	-0-	1	-0-	-0-	1

FY	21	22	23	24	25	26	27					TOTAL
83	2	-0-	5	-0-	7	33	8	-0-	-0-	-0-	-0-	121
84	-0-	1	4	4	15	54	7	-0-	-0-	-0-	-0-	144
TOTAL	2	1	9	4	22	87	15	-0-	-0-	-0-	-0-	265

LOAN PROGRAM COMMERCIAL FISH (C) DATE JUNE, 1984

STATE HOUSE OF REPRESENTATIVES ELECTION DISTRICT

FY	1	2	3	4	5	6	7-15	16	17	18	19	20
83		118,380										
84		16,640										
TOTAL		135,020										

FY	21	22	23	24	25	26	27					TOTAL
83												118,380
84												16,540
TOTAL												135,020

LOAN PROGRAM COMMERCIAL FISH (C) DATE JUNE, 1984

STATE HOUSE OF REPRESENTATIVES ELECTION DISTRICT

FY	1	2	3	4	5	6	7-15	16	17	18	19	20
83		2										
84		1										
TOTAL		3										

FY	21	22	23	24	25	26	27					TOTAL
83												2
84												1
TOTAL												3

P.O. Box 281
Anchorage, AK 99510

16 January 1985

State of Alaska
Commercial Fisheries Entry Commission
Pouch KB
Juneau, AK 99811

Dear Sir,

Last winter while I was in the hospital undergoing an operation I recieved many letters from angencies asking if I intend selling my entry permit (S03T 55472H). How they had me on the mailing list is questionable. Some of the inquirys seemed phony.

Anyway I was determined to continue fishing and not even consider retiring. But since I am 67 years of age it is possible in the future I may have to retire, and if I do I intend to transfer my permit to an Alaskan resident only.

I am still operating the boat I bought in 1969 for $7,500.00, have never borrowed any money, have fished in the past above average, most of the time fishing alone and am enjoying the challange.

In the Anchorage Times recently there was an item in the newspaper in regards to the above, so please send me a copy of the 1984 edition of "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries" also of any regulations or laws of the State of Alaska pertaining to transfers or sales of Limited Entry Permits.

Yors Truly,

Michael N. Economou

MICHAEL N. ECONOMOU

[redacted]

[redacted]

A study of changes in the distribution of permit ownership amongst Alaskan Natives, 1975-1983.

Dr. Nasser Kamali

CFEC Report Number 84-8
Alaska Commercial Fisheries Entry Commission
Pouch B
Juneau, Alaska 99811

September 1984

STATE OF ALASKA

COMMERCIAL FISHERIES ENTRY COMMISSION

BILL SHEFFIELD, GOVERNOR

POUCH KB
JUNEAU, ALASKA 99811

September, 1984

TO WHOM IT MAY CONCERN

Attached to this letter, is the very recent CFEC study, "Alaska Natives and the Limited Fisheries of Alaska," which quantifies changes in the distribution of limited entry permits among Alaska Natives from 1975 through 1983.

The statistics in this study invite serious attention. Since issuance of entry permits began in 1975, no fewer than 752 (or 13.8%) of the permits initially issued to Alaska Natives are no longer in their hands. This decline in permit ownership is more pronounced in the original 19 salmon fisheries limited under the 1973 Limited Entry Act, especially the Bristol Bay drift and set gill net fisheries.

As the study reports, entry permit in the various fisheries have attained considerable monetary value, so we can assume that those who transferred their permits probably realized significant financial gain from doing so.

While the transfer of permits may generate cash, we note that a large number of transfers have been to residents of communities not local to the fishery. Those generally concerned with the overall vitality of the fishing industry and with the long-term economic benefits of commercial fishing to local communities and individuals may wish to further analyze the data.

We caution readers that examination of the causes and consequences of permit transfers from Natives to non-Natives is beyond the scope of this work. The Commission is committed to continuing its inquiries to the extent that our resources permit.

Finally, we welcome your comments and observations on this information. Be assured that the Commission and its staff are willing to work with any interested person or organization in addressing any identified policy questions.

Cordially,

COMMERCIAL FISHERIES ENTRY COMMISSION
Bruce Twomley, Chairman
Richard F. Listowski, Commissioner
Philip J. Smith, Commissioner

by: 

BT:slt
Attachment

ALASKAN NATIVES
and
LIMITED FISHERIES OF ALASKA:

A study of changes in the distribution of permit ownership amongst Alaskan Natives, 1975-1983.

Dr. Nasser Kamali

CFEC Report Number 84-8
Alaska Commercial Fisheries Entry Commission
Pouch KB
Juneau, Alaska 99811

September 1984

ABSTRACT

The extent of the involvement and dependence of Alaskan Natives on the state's limited fisheries has been a matter of considerable concern to legislators, other policy makers, and the public at large. The present report provides estimates of Native participation in the state's limited fisheries from 1975 through 1983. The data upon which these estimates are based were collected through the matching and merging of CFEC's permit file with the Alaska Native Roll.

Alaskan Natives received 44% of the total permits initially issued (5448 out of 12,515). According to the 1980 census data 18% of the state's population were Alaskan Natives. This seems to indicate a substantial dependence by the Natives upon the state's limited fisheries. Available data also show that in Arctic-Yukon-Kuskokwim (AYK) fisheries, Natives received 2010 of the allocated permits. Excluding the AYK fisheries, Natives' share of initially issued permits is 33%.

During 1975-1983, a number of Alaskan Natives transferred their permits. As a result of these transfer activities, permit ownership among Alaskan Natives declined by 13.8% (or 752 permits). Not including the AYK fisheries Native permit ownership has decreased by 18.5% (635 permits) over the 1975-1983 time period. The biggest decline in the number of permits held by Natives took place in the salmon fisheries of Bristol Bay, where there has been a drop of 21.3% in permit ownership by Natives.

TABLE OF CONTENTS

	Page
List of Tables	ii
Acknowledgement	iii
Introduction	1
Initial Allocation of Permits	6
1983 Distribution of Permits	14
Summary	23
References	24
Appendix A (Methodology)	25
Appendix B (Transfer Incidence by Fishery and Year)	29
Appendix C (Number of Alaskan Native Fishermen 1969-1971)	42

List of Tables

		Page
1.	Distribution of Permits for the Limited Fisheries of Alaska Amongst Natives and Non-Natives, by Resident Type, by Fishery at Initial Issuance Stage	7
2.	Distribution of Transferable Permits for Fisheries of Alaska Amongst Natives and Non-Natives, by Resident Type and by Fishery at Initial Issuance Stage	12
3.	1983 Average Permit Prices by Fishery	13
4.	End of 1983 Distribution of Permits for Limited Fisheries of Alaska Amongst Native and Non-Natives, by Resident Type and by Fishery	15
5.	End of 1983 Distribution of Transferable Permits for Limited Fisheries of Alaska Amongst Native and Non-Natives, by Resident Type and by Fishery	16
6.	Changes in the Distribution of Limited Entry Permits from Initial Issuance Through 1983 for Native and Non-Native Permit Holders, by Fishery	18
7.	Changes in the Distribution of Transferable Permits from Initial Issuance Through 1983 for Native and Non-Native Permit Holders, by Fishery	19
8.	Frequency of Permit Transfers Between Alaskan Natives and Non-Natives for 1975-1983 Period, by Year	22

ACKNOWLEDGEMENT

The Alaska Commercial Fisheries Entry Commission gratefully acknowledges the contributions of those who have assisted, directly or indirectly, in the preparation and completion of the present report. Presentation of this manuscript would not have been possible without the invaluable help received from the following individuals:

- Jacob Lestenkof, Area Director, Bureau of Indian Affairs (BIA), Juneau
- William Black, Tribal Operations Officer, BIA, Juneau
- Glen A. Robertson, Public Affairs Officer, BIA, Juneau
- Michael Stancampiano, Assistant Tribal Operations, BIA, Juneau
- Fred Kelly, Data Process Services, BIA, Juneau
- Frank Frike, Director of Data Services, Branch of Indian Services System, Albuquerque, New Mexico

INTRODUCTION

In 1973, the Alaska State Legislature enacted Alaska's Limited Entry Law (AS 16.43). The law provided for the creation of a new agency, the Commercial Fisheries Entry Commission (CFEC), to administer a program regulating entry into the commercial fisheries under state jurisdiction. Through 1983, permanent limitation has been implemented in thirty-three salmon and herring fisheries. ("Fishery" refers to the harvesting of a particular species with a given gear type and in a given area.)

Under Alaska's limited entry program, a maximum number of permits, for each fishery, is declared upon limitation. The process of permit allocation is based upon a complex hardship ranking system that reflects the applicants' past participation in the fishery and their economic dependence on the fishery. This ranking of applicants determines who will receive the limited number of entry permits.

A legal prerequisite of the Limited Entry act was that permits not be locked in the hands of those who received them originally. Therefore, free transferability was chosen as the means for allowing orderly entry and exit from the fisheries. It was believed that free transferability would allow: parents to transfer permits to their children; permits to be inherited upon the death of the holder; persons to enter and exit fisheries at times opportune to them. It would also obviate the need for an expensive bureaucratic process to handle permit reallocation.

The purpose of the entry program as stated in the enabling legislation is to promote the conservation and sustained yield management of Alaska's fisheries resources. The program is also intended to further and maintain the economic health and stability of commercial fishing in Alaska. Because of these purposes, questions have been raised in regard to the actual consequences of limiting Alaska's fishing resources.

The designers of the program devoted a great deal of attention to its social, cultural, biological, and economic effects (Adasiak, 1978). It was hoped the program would help support a stable economic base in relatively isolated fishing communities where fisheries occur. Today, policy makers are still very interested in how fishing communities and state residents have fared in the initial allocation of permits. There is also a continued interest in the extent permits are remaining within the state and communities traditionally dependent upon commercial fishing.

A study by Langdon (1980) found there had been a tendency for entry permits to be transferred from rural communities to urban centers within Alaska. Subsequent studies by the Alaska Commercial Fisheries Entry Commission have noted that this trend has been continuing (Dinneford et al., 1983; Dinneford and Kamali, 1984a; Dinneford, 1984b). This tendency is most acute in Bristol Bay's salmon fisheries. Here a large number of permits initially allocated to rural residents have been transferred to nonresidents of the local communities. To date theories pertaining to the possible causes for these permit movements have not been empirically tested. A study by Focht and Schelle (1984) has provided data supporting the contention that during the 1979-1982 period

the state's subsidized loan program may have inadvertently, played a role in permit transfers from rural to urban residents. Their data indicate during this period urban fishermen were more likely to obtain state subsidized loans than rural fishermen.

The extent of involvement and dependence of Alaskan Natives on the state's fishing resources is also a matter of considerable interest to legislators, policy makers and the public at large. The subsistence and/or commercial harvest of fishing resources is believed to be the major source of economic livelihood in many Native communities. Many have expressed concern over the extent of Native participation in the limited fisheries of Alaska, and the possible effects of the limited entry program upon their involvement. Some feel implementation of the limited entry program has negatively impacted Natives' access to fishing resources because of cultural biases and inadequate outreach during initial stages of permit allocations (Koslow, 1982; Pope, 1980; Peterson 1981 and 1982). Others believe many Alaskan Natives lack the necessary means to compete in permit markets. However, prior to this research effort, little data were available on the ethnic origin of Alaska's permit holders.[1/]

Data provided in a forthcoming report by CFEC (Dinneford, 1984b) indicate permit ownership by rural residents 'local' to limited fisheries has declined by 553 over the 1975-1983 time period. A major

---

1. A report to the Governor in 1973, provided an analysis of Native participation in Alaska's Fisheries. Appendix C reproduces one of the tables used in the report (see Jackman, et al., 1973).

portion of the decline (220 permits) has been in the Bristol Bay area, raising the concern that there may have been significant reductions in permit ownership by Alaskan Natives.

In Canada, under the British Columbian limited entry program, significant reductions in Indian permit ownership occurred as the net result of transfer activities with non-Indians (Pearse, 1982). Canadian authorities have established policy changes to help stem the permit outflow from Indian communities. The Canadian experience coupled with the continued drop in number of permits owned by Alaska rural residents suggest the declines in permit ownership may have also occurred among Natives under Alaska's limited entry program.

Because of the interests and concerns cited above, CFEC sought and obtained the authorization of BIA officials to match names of its permit holders with the Alaska Native roll.[2/] It should be emphasized that as part of the agreement with BIA, CFEC is to observe the privacy and the confidentiality requirements of the data. Therefore, the ethnicity of a permit holder is confidential information. Its disclosure to other individuals, agencies, or organizations is not authorized, and this information cannot be transcribed in any manner. A brief discussion of the comparison processes between the two files is presented in Appendix A.

---

2. The Alaska Native roll is a listing of all Alaskan Natives by name, date of birth and social security number. The Alaska Native Claims Settlement Act defines a Native as a citizen of the U.S. who is one-fourth or more Alaskan Eskimo, Indian, Aleutian, or any combination thereof.

This report covers the following two topical areas:

1. How Alaskan Natives fared in the initial allocation of permits for Alaska's limited fisheries; and

2. The changes in permit ownership by Alaskan Natives from initial issuance through 1983.

These topics are treated on both a fishery by fishery and statewide basis. The reader should note the method of identifying Alaskan Natives is not perfect. All data reported here should be considered estimates.

INITIAL ALLOCATION OF PERMITS

By the end of 1983, the Alaska Commercial Fisheries Entry Commission had issued 12,515 permits for the limited fisheries of Alaska. Almost forty-four percent of these permits were received by Alaskan Natives (5448 permits). Non-Natives were issued 56% (7067 permits). Table 1 provides a detailed account of the distribution of entry permits at initial issuance stage for each fishery.

Of the 12,515 limited entry permits, 80.7% (10,103 permits) were received by residents of Alaska.[3/] Nonresidents received the remaining 19.3% (or 2412 permits). Out of 5448 permits issued to Alaskan Natives, 135 permits were received by nonresidents, leaving the majority of permits (5313) to resident Natives.

Permits issued to Alaskan Natives constitute 52.6% of the total permits originally allocated to Alaskans. According to the 1980 census data, only 18% of the state's population were Alaskan Natives. This seems to indicate a substantial dependence by the Native population upon the state's limited fisheries. It is important to note that Alaskan Natives received 2010 of their permits in the six Arctic-Yukon-Kuskokwim fisheries. This represents 37% all the permits issued to Natives.

---

3. The numbers of Alaskans and non-Alaskans presented in this report may differ from other CFEC publications (i.e., CFEC Annual Reports) because a more stringent definition of resident was used here. Not only did permit holders need to have sworn that they were Alaska residents (on permit renewal or transfer forms) but they also had to have an Alaskan address--Annual Reports produce resident/nonresident totals based upon residency status from the renewal form only.

Table 1: Distribution of Permits for the Limited Fisheries of Alaska Amongst Natives and Non-Natives, by Resident Type, by Fishery at Initial Issuance Stage.*

Fishery	RURAL LOCALS			RURAL NON-LOC			URBAN LOCALS			URBAN NON-LOC			NON-RESIDENTS			COMBINED		
	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV(%)	OTHR(%)	SUM
Southeast Seine	86	7	93	0	0	0	59	60	119	0	0	0	28	177	205	173(41%)	244(59%)	417
Southeast Drift	40	42	82	0	2	2	32	193	225	3	0	3	5	151	156	80(17%)	388(83%)	468
Power Troll	60	140	200	0	5	5	55	394	452	0	9	9	9	268	277	127(13%)	816(87%)	943
Hand Troll	323	365	688	1	5	6	198	1031	1229	5	45	50	2	146	148	529(25%)	1592(75%)	2121
Yakutat Set Net	101	23	124	1	2	3	0	0	0	11	10	21	0	18	18	113(68%)	53(32%)	166
SE Herr Seine	1	0	1	0	0	0	10	29	39	0	0	0	0	3	3	11(26%)	32(74%)	43
SE Herr Gill Net	0	5	5	0	0	0	5	44	49	0	1	1	0	12	12	5(7%)	62(93%)	67
PWS Seine	41	125	166	2	4	6	2	12	14	4	14	18	4	51	55	53(20%)	206(80%)	259
PWS Drift	104	231	335	2	17	19	3	8	11	6	23	29	8	131	139	123(23%)	410(77%)	533
PWS Set Net	0	17	17	0	0	0	0	4	4	0	2	2	0	7	7	0(0%)	30(**%)	30
PWS Herring Seine	5	22	27	9	12	21	0	3	3	6	31	37	1	8	9	21(22%)	76(78%)	97
PWS Herring Gill Net	4	9	13	0	0	0	0	7	7	0	0	0	0	4	4	4(17%)	20(83%)	24
Cook Inlet Seine	21	27	48	0	0	0	1	28	29	0	1	1	0	0	0	22(28%)	56(72%)	78
Cook Inlet Drift	23	87	110	0	8	8	31	212	243	0	12	12	1	183	184	55(10%)	502(90%)	557
Cook Inlet Set Net	74	119	193	3	21	24	70	375	445	0	26	26	3	53	56	150(20%)	594(80%)	744
Cook Inlet Herr Seine	9	15	24	0	1	1	2	22	24	5	11	16	0	5	5	16(23%)	54(77%)	70
Kodiak Seine	72	4	76	7	7	14	64	95	159	5	15	20	6	102	108	154(41%)	223(59%)	377
Kodiak Beach Seine	9	2	11	0	2	2	3	16	19	0	1	1	0	2	2	12(34%)	23(66%)	35
Kodiak Set Net	24	18	42	0	2	2	22	56	78	1	13	14	3	47	50	50(27%)	136(73%)	186
Chignik Seine	29	0	29	11	1	12	0	0	0	25	3	28	13	8	21	78(87%)	12(13%)	90
Pen/Aleutian Seine	100	1	101	0	0	0	0	0	0	3	0	3	5	9	14	108(92%)	10(8%)	118
Pen/Aleutian Drift	93	5	98	0	0	0	0	0	0	8	6	14	2	42	44	103(66%)	53(34%)	156
Pen/Aleutian Set Net	89	7	96	0	0	0	0	0	0	6	2	8	2	5	7	97(87%)	14(13%)	111
Bristol Bay Drift	547	95	642	108	21	129	0	0	0	99	125	224	27	707	734	781(45%)	948(55%)	1729
Bristol Bay Set Net	466	121	587	17	13	30	0	0	0	74	89	163	16	135	151	573(62%)	358(38%)	931
Upper Yukon Gill Net	34	22	56	1	2	3	7	5	12	0	1	1	0	1	1	42(58%)	31(42%)	73
Upper Yukon Fishwheel	90	23	113	0	2	2	9	5	14	0	1	1	0	0	0	99(76%)	31(24%)	130
Kuskokwim Gill Net	650	13	663	1	0	1	154	17	171	0	0	0	0	0	0	805(96%)	30(4%)	835
Kotzebue Gill Net	47	6	53	0	2	2	150	7	157	2	4	6	0	1	1	199(91%)	20(9%)	219
Lower Yukon Gill Net	664	24	688	5	2	7	0	0	0	11	0	11	0	1	1	680(96%)	27(4%)	707
Norton SD Gill Net	166	9	175	1	0	1	17	6	23	1	1	2	0	0	0	185(92%)	16(8%)	201
Overall Fisheries	3972	1584	5556	169	131	300	897	2629	3526	275	446	721	135	2277	2412	5448(44%)	7067(56%)	12515

* NATV indicates those permit holders who are considered Alaskan Natives, while OTHR indicates non-Native permit holders irrespective of their ethnicity.

** The percentage of permits issued to non-Native Alaskans in this fishery is 100%.

Excluding these fisheries, Natives' share of entry permits at the initial stage of permits allocation drops to 33% (or 3438 out of 10,350 permits).

In order to measure and/or compare changes in permit distribution, permit holders are classified into five broad categories, based upon where permit holders reside. First, permit holders are classified as either Alaskan or non-Alaskan. Alaska residents are then divided into two separate classes: urban or rural. Urban includes all those communities that according to 1980 census data have 2000 or more inhabitants. Each class, is then categorized as either local or nonlocal depending upon the proximity of the community to the fishery for which the permits are issued.[4/] Alaskan resident permit holders are therefore divided into four categories: 1) Alaska Rural Locals (ARL); 2) Alaska Rural Nonlocals (ARN); 3) Alaska Urban Locals (AUL), and; 4) Alaska Urban Nonlocals (AUN). Non-Alaskan residents are all lumped into one group and are referred to as nonresidents (N). An additional category "DOC" has been included to signify the permits which are held by the Department of Commerce and Economic Development as a result of loan foreclosures.

As Table 1 demonstrates, Alaskan Natives who resided in rural communities local to their fishery of interest received 3972 of the 12,515 permits initially issued. This is 73% of all the permits issued

---

4. For a detailed discussion on rules used to designate urban, rural, local and nonlocal refer to Dinneford and Kamali (1984a).

to Natives and 32% of the total permits issued to Natives and non-Natives combined. It also constitutes 71.5% of all permits initially allocated to Alaska rural local residents (3972 out of 5556).

Alaskan Natives whose residencies were in urban communities local to their fisheries (AUL) received 25% of the initial permits (897 of all the permits issued to Alaska urban locals). Of the 2412 permits initially issued to nonresidents of Alaska, 5.6% (135 permits) were received by Alaskan Natives. Overall, permits initially issued to nonresidents of Alaska constitute 19.3% of the total issuance (2412 out of 12515).

The fishery with the highest incidence of Native initial issuees is the Kuskokwim gill net, where Natives received 96% of the permits issued (805 out of 835). Only 4% of the permits (30) were issued to non-Native Alaskans. Other fisheries where a high percentage of the permits were initially issued to Alaskan Natives, are the Lower Yukon gill net fishery, the Norton Sound gill net fishery, and the Chignik seine fishery with 96%, 92%, and 87% of permits respectively.

For Bristol Bay fisheries (drift and set net combined) 2660 permanent permits had been initially issued. Out of this number, 1729 permits were issued for Bristol Bay drift, and the remaining 931 permits were issued for the set net fishery. Alaskan Natives received 45% and 62% of the permits for these two fisheries respectively (i.e., 781 permits in drift gill net and 573 permits in the set net fishery). Alaska rural locals and nonresidents were the two resident categories receiving the highest portion of the Bristol Bay drift gill net permits with 37% and 42.5% (642 and 734) respectively. There were 27 permits in the Bristol Bay drift gill net fishery initially issued to Natives who

were nonresidents of Alaska. The only other fishery with a higher number of Native initial issuees, who resided outside of Alaska, was the Southeast seine. Here nonresident Natives received 6.7% of all permits (28 out of 417 permits).

As noted earlier, during the period 1975-1983, 12,515 permanent limited entry permits were issued for 31 fisheries. Not all of these permits, however, are available for transfer. By law, CFEC is required to initially allocate permits through the ranking of applicants according to the degree of hardship they may suffer if excluded from the fishery. The statute also requires the Commission to determine the priority classifications representing economic hardship for the applicant if excluded. Permits issued to persons in minor economic hardship priority classifications are nontransferable. Excluding the nontransferable permits, the total number of freely transferable permits issued through 1983 is 10,980 (Table 2).[5/]

In theory, permit prices reflect the present value of the expected net earnings generated through marginal participation in a limited fishery. This theory has been supported by the empirical work of Karpoff (1983). Thus, fisheries with higher permit values should be ones in which participants anticipate higher net earnings. By the end of 1983, fisheries with relatively high valued permits and, therefore,

---

5. Since Alaskan Natives' ownership pattern of transferable permits is similar to that of all permits combined, a detailed breakdown of Table 2 is not necessary. Similarly there will be no discussion of details regarding Tables 5 and 7 dealing with transferable permits only.

relatively high expected future earnings within the state, were Chignik seine, Pen/Aleutian seine, and Pen/Aleutian drift gill net (Table 3). As Table 1 indicates, Alaskan Natives are involved in fisheries with both high and low permit prices. They received 92% of the initial permits in the Pen/Aleutian seine fishery (108 permits). They were the recipients of 87% and 66% of the initial permits in the Pen/Aleutian set net and drift gill net fisheries. Table 3 provides information on average permit prices for each fishery by the end of 1983.[6/]

---

6. CFEC provides quarterly permit price information to the Department of Commerce and Economic Development as well as other interested parties. The information provided by the Commission is used for permit loans given by the Department of Commerce or bank loan officers. The value of permits is based on information collected through transfer surveys. As of January, 1980 any request to transfer a limited entry permit should be accompanied by a completed survey containing information about the transaction (e.g., the permit price in case the permit was sold). In cases where less than three observations exist, no average price is given in order to comply with the state's confidentiality requirements.

Table 2: Distribution of Transferable Permits for Fisheries of Alaska Amongst Natives and Non-Natives, by Resident Type and by Fishery, at Initial Issuance Stage. *

	RURAL LOCALS			RURAL NON-LOC			URBAN LOCALS			URBAN NON-LOC			NON-RESIDENTS			COMBINED		
Fishery	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV(%)	OTHR(%)	SUM
Southeast Seine	86	7	93	0	0	0	59	60	119	0	0	0	28	177	205	173(41%)	244(59%)	417
Southeast Drift	40	42	82	0	2	2	32	193	225	3	0	3	5	151	156	80(17%)	388(83%)	468
Power Troll	60	140	200	0	5	5	58	394	452	0	9	9	9	268	277	127(13%)	816(87%)	943
Hand Troll	142	145	287	0	1	1	68	294	362	1	10	11	1	36	37	212(30%)	486(70%)	698
Yakutat Set Net	101	23	124	1	2	3	0	0	0	11	10	21	0	18	18	113(68%)	53(32%)	166
SE Herr Seine	1	0	1	0	0	0	10	29	39	0	0	0	0	3	3	11(26%)	32(74%)	43
SE Herr Gill Net	0	5	5	0	0	0	5	44	49	0	1	1	0	12	12	5(7%)	62(93%)	67
PWS Seine	41	125	166	2	4	6	2	12	14	4	14	18	4	51	55	53(20%)	206(80%)	259
PWS Drift	104	231	335	2	17	19	3	8	11	6	23	29	8	131	139	123(23%)	410(77%)	533
PWS Set Net	0	17	17	0	0	0	0	3	3	0	2	2	0	7	7	0(0%)	29(**%)	29
PWS Herring Seine	5	22	27	9	12	21	0	3	3	6	31	37	1	8	9	21(22%)	76(78%)	97
PWS Herring Gill Net	4	9	13	0	0	0	0	7	7	0	0	0	0	4	4	4(17%)	20(83%)	24
Cook Inlet Seine	21	27	48	0	0	0	1	28	29	0	1	1	0	0	0	22(28%)	56(72%)	78
Cook Inlet Drift	23	87	110	0	8	8	31	212	243	0	12	12	1	183	184	55(10%)	502(90%)	557
Cook Inlet Set Net	74	119	193	3	21	24	70	375	445	0	26	26	3	53	56	150(20%)	594(80%)	744
Cook Inlet Herr Seine	9	15	24	0	1	1	2	22	24	5	11	16	0	5	5	16(23%)	54(77%)	70
Kodiak Seine	72	4	76	7	7	14	64	95	159	5	15	20	6	102	108	154(41%)	223(59%)	377
Kodiak Beach Seine	8	2	10	0	1	1	3	15	18	0	1	1	0	1	1	11(35%)	20(65%)	31
Kodiak Set Net	24	18	42	0	2	2	22	56	78	1	13	14	3	47	50	50(27%)	136(73%)	186
Chignik Seine	29	0	29	11	1	12	0	0	0	25	3	28	13	8	21	78(87%)	12(13%)	90
Pen/Aleutian Seine	100	1	101	0	0	0	0	0	0	3	0	3	5	9	14	108(92%)	10(8%)	118
Pen/Aleutian Drift	93	5	98	0	0	0	0	0	0	8	6	14	2	42	44	103(66%)	53(34%)	156
Pen/Aleutian Set Net	89	7	96	0	0	0	0	0	0	6	2	8	2	5	7	97(87%)	14(13%)	111
Bristol Bay Drift	547	95	642	108	21	129	0	0	0	99	125	224	27	707	734	781(45%)	948(55%)	1729
Bristol Bay Set Net	405	107	512	17	12	29	0	0	0	68	80	148	15	122	137	505(61%)	321(39%)	826
Upper Yukon Gill Net	34	22	56	1	2	3	7	5	12	0	1	1	0	1	1	42(58%)	31(42%)	73
Upper Yukon Fishwheel	90	23	113	0	2	2	9	5	14	0	1	1	0	0	0	99(76%)	31(24%)	130
Kuskokwim Gill Net	649	12	661	1	0	1	154	17	171	0	0	0	0	0	0	804(97%)	29(3%)	833
Kotzebue Gill Net	47	6	53	0	2	2	150	7	157	2	4	6	0	1	1	199(91%)	20(9%)	219
Lower Yukon Gill Net	664	24	688	5	2	7	0	0	0	11	0	11	0	1	1	680(96%)	27(4%)	707
Norton SD Gill Net	166	9	175	1	0	1	17	6	23	1	1	2	0	0	0	185(92%)	16(8%)	201
Overall Fisheries	3728	1349	5077	168	125	293	767	1890	2657	265	402	667	133	2153	2286	5061(46%)	5919(54%)	10980

* NATV indicates those permit holders who are considered Native-Alaskans, while OTHR indicates non-Native permit holders irrespective of their ethnicity.

** The percentage of permits issued to non-Natives in this fishery is 100%.

TABLE 3

1983 Average Permit Prices By Fishery

Fishery	Price
Southeast Seine	$ 38,534
Southeast Drift	34,653
Power Troll	20,878
Hand Troll	4,948
Yakutat Set Net	27,250
SE Herring Seine	I.D.[a/]
SE Herring Gill Net	29,167
PWS Seine	143,186
PWS Drift	61,760
PWS Set Net	24,167
PWS Herring Seine	I.D.
PWS Herring Gill Net	24,000
Cook Inlet Seine	90,000
Cook Inlet Drift	69,919
Cook Inlet Set Net	18,340
Cook Inlet Herring Seine	I.D.
Kodiak Seine	69,903
Kodiak Beach Seine	50,000
Kodiak Set Net	76,525
Chignik Seine	I.D.
Pen/Aleutian Seine	195,000
Pen/Aleutian Drift	157,000
Pen/Aleutian Set Net	55,420
Bristol Bay Drift	98,923
Bristol Bay Set Net	41,246
Upper Yukon Gill Net	10,600
Upper Yukon Fishwheel	11,643
Kuskokwim Gill Net	10,222
Kotzebue Gill Net	13,083
Lower Yukon Gill Net	22,630
Norton Sound Gill Net	11,500

a/ Insufficient data to produce average permit price for the fishery and maintain the confidentiality requirements.

Source: The 1983 Annual Report of the Commercial Fisheries Entry Commission, Juneau.

1983 DISTRIBUTION OF PERMITS

By the end of 1983 Alaskan Natives' share of limited entry permits dropped from 44% to 38% of all permits: from 5448 to 4696 permits (Compare Tables 1 and 4). Excluding the AYK fisheries Natives' permit ownership drops from 33% to 27% (from 3438 to 2803 permits). The biggest drop in Alaskan Native permit ownership took place among rural residents 'local' to their fishery of interest. Native ARLs lost 558 permits over the 1975-1983 period. Native permit ownership also dropped among ARNs (by 28 permits), AULs (by 79 permits), AUNs (by 48 permits), and nonresidents (by 39 permits). These declines may either be the result of permit transfer and/or the migration of permit holders from one resident category to another. It is important to note with the exception of ARL resident type, all other resident types have had an increase in the number of permits they initially held. The biggest increase took place among AUNs. This resident type held 231 more permits by the end of 1983. Alaska Rural Nonlocals, AULs, and Ns, increased their share of permits by 51, 163, and 68 permits respectively.

At the end of 1983, Alaskan Natives held 13.8% fewer permits than they did at the initial issuance stage. This percentage translates into 752 permits that are no longer in Natives' possession (Table 6). Excluding the AYK fisheries, Native permit ownership has declined by 18.5% (or 635 out of 3438 permits). The number of permits held by Alaskan Natives have declined in every fishery except for the Prince William Sound herring seine fishery, the Upper Yukon gill net fishery, and the Cook Inlet herring fishery.

Table 4: End of 1983 Distribution of Permits for Limited Fisheries of Alaska Amongst Natives and Non-Natives, by Resident Type and by Fishery.*

FISHERY	RURAL LOCALS			RURAL NON-LOC			URBAN LOCALS			URBAN NON-LOC			NON-RESIDENTS			DOC OR CFAB	COMBINED		
	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM		NATV (%)	OTHR (%)	SUM
Southeast Seine	59	5	64	0	0	0	37	84	121	1	1	2	24	204	228	1	121(29%)	295(71%)	416
Southeast Drift	31	52	83	0	3	3	30	205	235	0	1	1	2	142	144	1	63(13%)	404(87%)	467
Power Troll	45	158	203	0	3	3	53	445	498	1	16	17	2	213	215	3	101(11%)	838(89%)	939
Hand Troll	321	358	679	1	7	8	195	1034	1229	5	47	52	2	151	153	0	524(25%)	1597(75%)	2121
Yakutat Set Net	82	37	119	3	2	5	0	0	0	5	14	19	0	21	21	0	90(55%)	74(45%)	164
SE Herr Seine	1	0	1	0	0	0	9	26	35	0	0	0	0	5	5	1	10(24%)	32(76%)	42
SE Herr Gill Net	0	2	2	0	0	0	4	41	45	0	0	0	0	20	20	0	4(6%)	63(94%)	67
PWS Seine	32	92	124	3	16	19	2	13	15	3	27	30	2	69	71	0	42(16%)	217(84%)	259
PWS Drift	69	229	298	4	19	23	3	9	12	3	59	62	2	136	138	0	81(15%)	452(85%)	533
PWS Set Net	0	17	17	0	2	2	0	3	3	0	6	6	0	2	2	0	0(0%)	30(100%)	30
PWS Herring Seine	9	18	27	10	12	22	0	2	2	4	27	31	1	14	15	0	24(25%)	73(75%)	97
PWS Herring Gill Net	3	12	15	0	1	1	0	6	6	0	1	1	0	1	1	0	3(13%)	21(88%)	24
Cook Inlet Seine	19	22	41	0	0	0	0	37	37	0	0	0	0	0	0	0	19(24%)	59(76%)	78
Cook Inlet Drift	7	90	97	1	4	5	14	264	278	0	7	7	0	168	168	0	22(4%)	533(96%)	555
Cook Inlet Set Net	54	114	168	2	31	33	69	400	469	0	12	12	1	60	61	0	126(17%)	617(83%)	743
Cook Inlet Herr Seine	8	14	22	2	1	3	2	24	26	3	5	8	1	10	11	0	16(23%)	54(77%)	70
Kodiak Seine	70	12	82	1	9	10	57	109	166	3	26	29	5	84	89	1	136(36%)	241(64%)	377
Kodiak Beach Seine	4	3	7	0	0	0	2	20	22	0	2	2	0	3	3	1	6(17%)	29(83%)	35
Kodiak Set Net	10	8	18	0	5	5	19	80	99	2	12	14	5	45	50	0	36(19%)	150(81%)	186
Chignik Seine	38	2	40	8	2	10	0	0	0	21	2	23	8	9	17	0	75(83%)	15(17%)	90
Pen/Aleutian Seine	89	3	92	0	0	0	0	0	0	4	1	5	2	19	21	0	95(81%)	23(19%)	118
Pen/Aleutian Drift	63	12	75	0	3	3	0	0	0	6	11	17	3	57	60	1	72(46%)	84(54%)	156
Pen/Aleutian Set Net	64	18	82	0	2	2	0	0	0	3	9	12	4	8	12	1	71(65%)	38(35%)	109
Bristol Bay Drift	465	102	567	71	45	116	0	0	0	74	229	303	20	719	739	2	630(36%)	1097(64%)	1727
Bristol Bay Set Net	353	96	449	20	26	46	0	0	0	54	160	214	9	211	220	0	436(47%)	493(53%)	929
Upper Yukon Gill Net	29	15	44	2	0	2	9	10	19	2	3	5	0	2	2	0	42(58%)	30(42%)	72
Upper Yukon Fish Wheel	75	25	100	0	0	0	18	9	27	1	1	2	0	1	1	0	94(72%)	36(28%)	130
Kuskokwim Gill Net	625	25	650	4	0	4	141	25	166	2	5	7	1	2	3	1	773(93%)	58(7%)	831
Kotzebue Gill Net	41	7	48	0	7	7	133	14	152	3	6	9	0	3	3	0	182(83%)	37(17%)	219
Lower Yukon Gill Net	606	32	638	8	9	17	0	0	0	18	25	43	2	3	5	0	634(90%)	69(10%)	703
Norton SD Gill Net	142	9	151	1	1	2	16	11	27	9	10	19	0	2	2	0	168(84%)	33(16%)	201
Overall Fisheries	3414	1589	5003	141	210	351	818	2671	3689	227	725	952	96	2384	2480	13	4696(38%)	7792(62%)	12488

* This table excludes 17 Native and 10 non-Native permits which have been revoked by the Commission.

Table 5: End of 1983 Distribution of Transferable Permits for Limited Fisheries of Alaska Amongst Natives and Non-Natives, by Resident Type, and by Fishery.*

FISHERY	RURAL LOCALS			RURAL NON-LOC			URBAN LOCALS			URBAN NON-LOC			NON-RESIDENTS			DOC OR CFAB	COMBINED		
	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM	NATV	OTHR	SUM		NATV (%)	OTHR (%)	SUM
Southeast Seine	59	5	64	0	0	0	37	84	121	1	1	2	24	204	228	1	121(29%)	295(71%)	416
Southeast Drift	31	52	83	0	3	3	30	205	235	0	1	1	2	142	144	1	63(13%)	404(87%)	467
Power Troll	45	158	203	0	3	3	53	445	498	1	16	17	2	213	215	3	101(11%)	838(89%)	939
Hand Troll	140	138	278	0	3	3	65	297	362	1	12	13	1	41	42	0	207(30%)	491(70%)	698
Yakutat Set Net	82	37	119	3	2	5	0	0	0	5	14	19	0	21	21	0	90(55%)	74(45%)	164
SE Herr Seine	1	0	1	0	0	0	9	26	35	0	0	0	0	5	5	1	10(24%)	32(76%)	42
SE Herr Gill Net	0	2	2	0	0	0	4	41	45	0	0	0	0	20	20	0	4(6%)	63(94%)	67
PWS Seine	32	92	124	3	16	19	2	13	15	3	27	30	2	69	71	0	42(16%)	217(84%)	259
PWS Drift	69	229	298	4	19	23	3	9	12	3	59	62	2	136	138	0	81(15%)	452(85%)	533
PWS Set Net	0	17	17	0	2	2	0	2	2	0	6	6	0	2	2	0	0(0%)	29(100%)	29
PWS Herring Seine	9	18	27	10	12	22	0	2	2	4	27	31	1	14	15	0	24(25%)	73(75%)	97
PWS Herring Gill Net	3	12	15	0	1	1	0	6	6	0	1	1	0	1	1	0	3(13%)	21(88%)	24
Cook Inlet Seine	19	22	41	0	0	0	0	37	37	0	0	0	0	0	0	0	19(24%)	59(76%)	78
Cook Inlet Drift	7	90	97	1	4	5	14	264	278	0	7	7	0	168	168	0	22(4%)	533(96%)	555
Cook Inlet Set Net	54	114	168	2	31	33	69	400	469	0	12	12	1	60	61	0	126(17%)	617(83%)	743
Cook Inlet Herr Seine	8	14	22	2	1	3	2	24	26	3	5	8	1	10	11	0	16(23%)	54(77%)	70
Kodiak Seine	70	12	82	1	9	10	57	109	166	3	26	29	5	84	89	1	136(36%)	241(64%)	377
Kodiak Beach Seine	3	3	6	0	0	0	2	18	20	0	2	2	0	2	2	1	5(16%)	26(84%)	31
Kodiak Set Net	10	8	18	0	5	5	19	80	99	2	12	14	5	45	50	0	36(19%)	150(81%)	186
Chignik Seine	38	2	40	8	2	10	0	0	0	21	2	23	8	9	17	0	75(83%)	15(17%)	90
Pen/Aleutian Seine	89	3	92	0	0	0	0	0	0	4	1	5	2	19	21	0	95(81%)	23(19%)	118
Pen/Aleutian Drift	63	12	75	0	3	3	0	0	0	6	11	17	3	57	60	1	72(46%)	84(54%)	156
Pen/Aleutian Set Net	64	18	82	0	2	2	0	0	0	3	9	12	4	8	12	1	71(65%)	38(35%)	109
Bristol Bay Drift	465	102	567	71	45	116	0	0	0	74	229	303	20	719	739	2	630(36%)	1097(64%)	1727
Bristol Bay Set Net	303	83	386	17	24	41	0	0	0	50	153	203	8	197	205	0	378(45%)	457(55%)	835
Upper Yukon Gill Net	29	15	44	2	0	2	9	10	19	2	3	5	0	2	2	0	42(58%)	30(42%)	72
Upper Yukon Fishwheel	75	25	100	0	0	0	18	9	27	1	1	2	0	1	1	0	94(72%)	36(28%)	130
Kuskokwim Gill Net	625	25	650	4	0	4	141	25	166	2	5	7	1	2	3	1	773(93%)	58(7%)	831
Kotzebue Gill Net	41	7	48	0	7	7	138	14	152	3	6	9	0	3	3	0	182(83%)	37(17%)	219
Lower Yukon Gill Net	606	32	638	8	9	17	0	0	0	18	25	43	2	3	5	0	634(90%)	69(10%)	703
Norton SD Gill Net	142	9	151	1	1	2	16	11	27	9	10	19	0	2	2	0	168(84%)	33(16%)	201
Overall Fisheries	3182	1356	4538	137	204	341	688	2131	2819	219	683	902	94	2259	2353	13	4320(39%)	6646(61%)	10966

* This table excludes 17 Native and 10 non-Native permits which have been revoked by the Commission.

On a fishery by fishery basis, the largest absolute drop in permit ownership by Alaskan Natives took place in the Bristol Bay fisheries. Natives held 151 fewer permits (19.3%) in the drift gill net fishery and 137 fewer permits (24%) in the set net fishery by the end of 1983. The biggest percentage decline in Native permit ownership occurred in the Cook Inlet drift gill net fishery, where 60% of the permits initially issued to Natives are now held by non-Natives (a drop of 33 out of 55 permits).

As Table 6 demonstrates, there are 752 fewer permits in Natives' possession at the end of 1983 compared to the initial stage of permit allocation. How does this decline in permit ownership effect the number of Native participants in the limited fisheries of Alaska? CFEC's permit file indicates that at the initial stages of limiting entry to Alaska's commercial fisheries, 5448 permits were received by 4928 Alaskan Natives.

This means 520 permits were initially issued to individuals who had already received an entry permit to (an)other fishery(ies). The ratio of permits to the number of Native permit holders was 1.11. By the end of 1983, there were 4459 Native permit holders in possession of 4696 permits. This is 469 fewer Native permit holders than at the initial issuance. At the end of 1983 the the ratio of permits to permit holders among Natives dropped to 1.05.

The following observations can be made in regard to the salmon fisheries of Bristol Bay where the highest decline in number of permits held by Natives occurred. Originally, 2660 permits were issued for the two fisheries combined where 1291 Natives received 1354 permits. After the loss of 288 permits initially issued to Natives, there were 1056

Table 6: Changes in the Distribution of Limited Entry Permits from Initial Issuance Through 1983 for Native and Non-Native Permit Holders, by Fishery.

Fishery	Shift In Number Of Permits Held By Natives*				Shift In Number Of Permits Held By Non-Natives*			
	Initial Count	1983 Count	Difference	Percent	Initial Count	1983 Count	Difference	Percent
Southeast Seine	173	121	-52	-30.1%	244	295	51	20.9%
Southeast Drift	80	63	-17	-21.2%	388	404	16	4.1%
Power Troll	127	101	-26	-20.5%	816	838	22	2.7%
Hand Troll	529	524	-5	-0.9%	1592	1597	5	0.3%
Yakutat Set Net	113	90	-23	-20.4%	53	74	21	39.6%
SE Herr Seine	11	10	-1	-9.1%	32	32	0	0.0%
SE Herr Gill Net	5	4	-1	-20.0%	62	63	1	1.6%
PWS Seine	53	42	-11	-20.8%	206	217	11	5.3%
PWS Drift	123	81	-42	-34.1%	410	452	42	10.2%
PWS Set Net	0	0	0	0.0%	30	30	0	0.0%
PWS Herring Seine	21	24	3	14.3%	76	73	-3	-3.9%
PWS Herring Gill Net	4	3	-1	-25.0%	20	21	1	5.0%
Cook Inlet Seine	22	19	-3	-13.6%	56	59	3	5.4%
Cook Inlet Drift	55	22	-33	-60.0%	502	533	31	6.2%
Cook Inlet Set Net	150	126	-24	-16.0%	594	617	23	3.9%
Cook Inlet Herr Seine	16	16	0	0.0%	54	54	0	0.0%
Kodiak Seine	154	136	-18	-11.7%	223	241	18	8.1%
Kodiak Beach Seine	12	6	-6	-50.0%	23	29	6	26.1%
Kodiak Set Net	50	36	-14	-28.0%	136	150	14	10.3%
Chignik Seine	78	75	-3	-3.8%	12	15	3	25.0%
Pen/Aleutian Seine	108	95	-13	-12.0%	10	23	13	130.0%
Pen/Aleutian Drift	103	72	-31	-30.1%	53	84	31	58.5%
Pen/Aleutian Set Net	97	71	-26	-26.8%	14	38	24	171.4%
Bristol Bay Drift	781	630	-151	-19.3%	948	1097	149	15.7%
Bristol Bay Set Net	573	436	-137	-23.9%	358	493	135	37.7%
Upper Yukon Gill Net	42	42	0	0.0%	31	30	-1	-3.2%
Upper Yukon Fishwheel	99	94	-5	-5.1%	31	36	5	16.1%
Kuskokwim Gill Net	805	773	-32	-4.0%	30	58	28	93.3%
Kotzebue Gill Net	199	182	-17	-8.5%	20	37	17	85.0%
Lower Yukon Gill Net	680	634	-46	-6.8%	27	69	42	155.6%
Norton SD Gill Net	185	168	-17	-9.2%	16	33	17	106.3%
Overall Fisheries	5448	4696	-752	-13.8%	7067	7792	725	10.3%

* The "Initial Count" and the "Difference" columns include 17 Native and 10 non-Native permits which have been revoked by the Commission. These 27 permits are NOT included in the 1983 counts.

Table 7: Changes in the Distribution of Transferable Permits from Initial Issuance Through 1983 for Native and Non-Native Permit Holders, by Fishery.

Fishery	Shift in Number of Permits Held by Natives*				Shift in Number of Permits Held by Non-Natives*			
	Initial Count	1983 Count	Difference	Percent	Initial Count	1983 Count	Difference	Percent
Southeast Seine	173	121	-52	-30.1%	244	295	51	20.9%
Southeast Drift	80	63	-17	-21.2%	388	404	16	4.1%
Power Troll	127	101	-26	-20.5%	816	838	22	2.7%
Hand Troll	212	207	-5	-2.4%	486	491	5	1.0%
Yakutat Set net	113	90	-23	-20.4%	53	74	21	39.6%
SE Herr Seine	11	10	-1	-9.1%	32	32	0	0.0%
SE Herr Gill Net	5	4	-1	-20.0%	62	63	1	1.6%
PWS Seine	53	42	-11	-20.8%	206	217	11	5.3%
PWS Drift	123	81	-42	-34.1%	410	452	42	10.2%
PWS Set Net	0	0	0	0.0%	29	29	0	0.0%
PWS Herring Seine	21	24	3	14.3%	76	73	-3	-3.9%
PWS Herring Gill Net	4	3	-1	-25.0%	20	21	1	5.0%
Cook Inlet Seine	22	19	-3	-13.6%	56	59	3	5.4%
Cook Inlet Drift	55	22	-33	-60.0%	502	533	31	6.2%
Cook Inlet Set Net	150	126	-24	-16.0%	594	617	23	3.9%
Cook Inlet Herr Seine	16	16	0	0.0%	54	54	0	0.0%
Kodiak Seine	154	136	-18	-11.7%	223	241	18	8.1%
Kodiak Beach Seine	11	5	-6	-54.5%	20	26	6	30.0%
Kodiak Set Net	50	36	-14	-28.0%	136	150	14	10.3%
Chignik Seine	78	75	-3	-3.8%	12	15	3	25.0%
Pen/Aleutian Seine	108	95	-13	-12.0%	10	23	13	130.0%
Pen/Aleutian Drift	103	72	-31	-30.1%	53	84	31	58.5%
Pen/Aleutian Set Net	97	71	-26	-26.8%	14	38	24	171.4%
Bristol Bay Drift	781	630	-151	-19.3%	948	1097	149	15.7%
Bristol Bay Set Net	505	378	-127	-25.1%	321	457	136	42.4%
Upper Yukon Gill Net	42	42	0	0.0%	31	30	-1	-3.2%
Upper Yukon Fishwheel	99	94	-5	-5.1%	31	36	5	16.1%
Kuskokwim Gill Net	804	773	-31	-3.9%	29	58	29	100.0%
Kotzebue Gill Net	199	182	-17	-8.5%	20	37	17	85.0%
Lower Yukon Gill Net	680	634	-46	-6.8%	27	69	42	155.6%
Norton SD Gill Net	185	168	-17	-9.2%	16	33	17	106.3%
Overall Fisheries	5061	4320	-741	-14.6%	5919	6646	727	12.3%

* The "Initial Count" and the "Difference" columns include 17 Native and 10 non-Native permits which have been revoked by the commission. These 27 permits are NOT included in the 1983 counts.

Natives holding 1066 permits at the end of 1983. Combined together, there has been a drop of 21.3% in permit ownership by Natives in the Bristol Bay set net and drift gill net fisheries.

Pen/Aleutian salmon fisheries have also experienced a decline in permit ownership by Alaskan Natives. The Pen/Aleutian seine fishery had 13 less permits held by Natives in 1983 than it did in 1975. This decline represents 12% of all the permits initially held by Natives in this fishery. The drop of permit ownership for Natives is more acute in the Pen/Aleutian drift fishery, where 30% of all the permits initially held by Natives (31 permits) are no longer in their possession. In the set net fishery of Pen/Aleutian the percentage of permit loss by natives is 26.8% of the initial allocation. This represents a total of 26 permits.

Initially, there were 385 permits issued for the Pen/Aleutian fisheries. One hundred sixty Alaskan Natives received 308 permits, representing an average of 1.93 permits per Native permit holder. Although by the end of 1983 the number of permits held by Alaskan Natives dropped by 70 permits (Table 6), the actual number of Natives holding entry permits had increased by 38 individuals.

As mentioned earlier, a number of permit holders have transferred their permits between the years 1975 and 1983. Over this period of time Alaskan Natives transferred 1143 permits to non-Natives. They also received 408 permits, through transfer activities, from non-Natives.

This leaves a net balance of -735 permits for the Natives.[7/] A yearly distribution of permit transfers between Alaskan Natives and non-Natives is presented in Table 8. As the table indicates, the frequency of transfers by Natives increased through 1978, declined for the next two years, and has been fluctuating since 1980. Additional research is needed to determine the causes of permit transfer by the Alaskan Natives. Ths research should also provide causal explanation of why and how permit transfer fluctuates over the years. A detailed account of transfer activities between Alaskan Natives and non-Natives for each fishery and each year is presented in Appendix B.

---

7. There have been 17 additional permits (held by Alaskan Natives) revoked by the Commission increasing the number of permit loss by Natives to 752.

Table 8
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
For 1975 - 1983 Period, by Year

	transfers by Natives	transfers to Natives	difference
YEAR	SUM	SUM	SUM
75	35	30	-5
76	77	34	-43
77	118	58	-60
78	193	59	-134
79	132	42	-90
80	131	48	-83
81	160	36	-124
82	155	49	-106
83	142	52	-90
ALL	1143	408	-735

SUMMARY

It is important to remember the numbers and percentages reported here are estimates based on file matching and merging processes as described in Appendix A. While the author feels these estimates are quite good, the reader should be aware of possible deviations on a fishery by fishery basis.

The purpose of this report was to provide estimates of the extent of Native involvement in Alaska's limited fisheries. Although the census data indicate Alaskan Natives represented only 18% of the state's population in 1980, they received 44% of the initial allocation of permits. The data also indicate that for the 1975-1983 time period, permit ownership by Alaskan Natives declined by 13.8% (752 permits). This result seems to parallel similar occurrences under British Columbia's limited entry program.

However, testing any hypothesis and/or providing an explanation of the causes for decline in Native ownership of permits is beyond the scope of this paper. Time and resources permitting, CFEC will undertake a thorough scientific inquiry into the causes and ramifications of this decline in future studies.

REFERENCES

Adasiak, Allan
1978 "The Alaskan Experience with Limited Entry," in R. Bruce Retting and Jay J. C. Ginter's (eds.) Limited Entry as Fishery Management Tool, Seattle: University of Washington Press, 1978, pp. 271-299.

Dinneford, E., S. Hall, K. Schelle, and N. Kamali
1983 "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries, 1975-1981," Juneau: Commercial Fisheries Entry Commission.

Dinneford, E. and N. Kamali
1984a "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries, 1975-1982," Juneau: Commercial Fisheries Entry Commission.

Dinneford, E.
1984b "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries, 1975-1983," Juneau: Commercial Fisheries Entry Commission.

Focht, R. and K. Schelle
1984 "Alaska's Subsidized Fishing Loan Program: A Study of Distributional Aspects of Permit Related Loans During Fiscal Years 1979 Through 1982," Juneau: Commercial Fisheries Entry Commission.

Jackman, David S., et al.,
1973 "A Limited Entry Program For Alaska's Fisheries," Juneau: Governor's Study Group on Limited Entry.

Karpoff, Johathan M.
1983 "Limited Entry Permit Prices, A Study of the Casual Relationships Between Key Variables and Limited Entry Permit Prices," Juneau: Commercial Fisheries Entry Commission.

Koslow, J. Anthony
1982 "Limited Entry Policy and the Bristol Bay, Alaska Salmon Fishermen," Canadian Journal of Fisheries and Aquatic Sciences, Vol. 39, pp. 415-425.

Langdon, Steve
1980 "Transfer Patterns in Alaskan Limited Entry Fisheries," Final Report for the Limited Entry Study Group of the Alaska Legislature, Juneau: State Legislative Affairs.

Pearse, Peter H.
1982 "Turning the Tide: A New Policy for Canada's Pacific Fisheries," Ottawa: Department of Fisheries and Oceans.

Petterson, John S.
1981 "Limited Entry and the Bristol Bay Native Problems and Prospects," Unpublished, Presented at the Alaskan Anthropological Association.

———
1982 "Policy and Culture: The Bristol Bay Case," LaSolla: University of California, San Diego, Unpublished.

Pope, Douglas
1980 "The Freshwater Salmon Fisheries," Reports Published for the Presentation to the Eleventh Alaska Legislature.

APPENDIX A

Matching and merging processes
between CFEC's permit file and
Alaskan Native Roll

CFEC's computer file on permit holders contains the names, social security numbers, and date of birth of all licensed participants in the fisheries of Alaska. The Alaska native roll also includes information on names, social security numbers and birth dates of all Alaskan Natives. These two files were compared with one another, and whenever an individual appeared on both files, a native indicator was placed next to the information on CFEC's permit file. In cases where one or two pieces of information did not match, comparison processes were more stringent and conservative. It was felt that due to potential differences between the files with respect to name spellings, birth dates and social security numbers, at least three different match and merge operations would be helpful. These processes can be briefly described:

1. The CFEC file and the Alaska Native Roll were ordered by social security number (SSN) and compared to one another. Where a match occurred, the following variables were added to the observation on the CFEC file.

    i) A variable indicating whether or not the last name had also matched. (Yes or No)

    ii) A variable indicating whether or not the first six characters of the last name had matched. (Yes or No)

    iii) A variable indicating whether or not the first initial of the first name had matched. (Yes or No)

    iv) A variable indicating whether or not the middle initial had matched. (Yes or No)

v) A variable indicating whether or not the birth year had matched plus or minus two years. (Yes or No)

vi) A variable indicating whether or not the birth month had matched. (Yes or No)

vii) A variable indicating whether or not the birth month and birthday had matched. (Yes or No)

viii) A variable indicating whether or not the birth day, month, and year had matched exactly. (Yes or No)

The matched observations included all the data on the original CFEC file and the variables described above providing data on how good the match was.

2. In the second type of match, both files were ordered and compared by last name, first initial, and middle initial. Where a match occurred, the following variables were added to the observation on the CFEC file.

i) Does the SSN match? (Yes or No)

ii) Does the birth year match? (Yes or No)

iii) Does the birth year match, plus or minus two years? (Yes or No)

iv) Does the birth month match? (Yes or No)

v) Do the birth month and birth day match? (Yes or No)

3. In the third type of match, both files were ordered and compared by the first six characters of the last name, the birth year, birth month, and birth day. For a match, all variables needed to match with the exception of birth year. Birth year matched as long as the year indicated on the CFEC file was plus or minus two years of the birth year indicated on the BIA file. For matched observations the following variables were added to the observation on CFEC's file. The variables added to the CFEC observations were answers to the following questions:

   i) Do the social security numbers match? (Yes or No)
   ii) Do the last names match? (Yes or No)
   iii) Do the first initials match? (Yes or No)
   iv) Do the middle initials match? (Yes or No)
   v) Does the birth year match exactly? (Yes or No)

In short, after a lengthy process and the adoption of a set of rigidly controlled criteria, it was determined that 5,448 of the permits initially issued for the limited fisheries of Alaska were held by Natives (see Table 1). There may have been additional "Alaskan Natives" whose names, social security numbers and/or birth dates did not match on the two files (due to keypunching errors, marriage or etc.) Thus, the numbers and percentages should be treated only as estimates throughout this report.

Appendix B

Transfer of Permits Between Alaskan Natives and Non-Natives by Fishery by Year

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Southeast Seine	75	6	1	-5
	76	6	2	-4
	77	21	2	-19
	78	14	5	-9
	79	4	3	-1
	80	2	2	0
	81	5	0	-5
	82	7	0	-7
	83	2	1	-1
Southeast Drift	75	9	7	-2
	76	7	4	-3
	77	4	6	2
	78	5	4	-1
	79	2	2	0
	80	8	3	-5
	81	4	4	0
	82	8	2	-6
	83	3	1	-2
Power Troll	75	3	7	4
	76	4	3	-1
	77	12	3	-9

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Power Troll	78	6	6	0
	79	10	1	-9
	80	9	2	-7
	81	1	5	4
	82	4	2	-2
	83	10	5	-5
Hand Troll	82	5	3	-2
	83	9	6	-3
Yakutat Set Net	75	1	0	-1
	76	4	1	-3
	77	4	2	-2
	78	5	1	-4
	79	1	0	-1
	80	2	1	-1
	81	6	1	-5
	82	5	1	-4
	83	3	2	-1
SE Herr Seine	78	0	0	0
	79	0	1	1
	80	0	0	0
	81	0	0	0

(CONTINUED)

Appendix D
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
SE Herr Seine	82	2	1	-1
	83	1	0	-1
SE Herr Gill Net	78	0	0	0
	79	0	0	0
	80	0	0	0
	81	0	0	0
	82	1	0	-1
	83	0	0	0
PWS Seine	75	2	2	0
	76	8	4	-4
	77	3	3	0
	78	6	1	-5
	79	0	2	2
	80	2	3	1
	81	3	0	-3
	82	3	1	-2
	83	2	2	0
PWS Drift	75	4	2	-2
	76	11	0	-11
	77	6	5	-1
	78	11	2	-9

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
PWS Drift	79	2	2	0
	80	5	2	-3
	81	12	3	-9
	82	7	2	-5
	83	4	2	-2
PWS Set Net	75	0	1	1
	77	0	0	0
	78	0	0	0
	79	0	0	0
	80	0	0	0
	81	0	0	0
	82	0	0	0
	83	1	0	-1
PWS Herring Seine	77	1	1	0
	78	0	2	2
	79	1	1	0
	80	0	0	0
	81	1	0	-1
	82	0	2	2
	83	0	0	0
PWS Herring	82	0	0	0

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
PWS Herring Gill Net	83	1	0	-1
Cook Inlet Seine	75	0	1	1
	76	1	0	-1
	77	2	2	0
	78	1	1	0
	79	1	1	0
	80	1	0	-1
	81	1	1	0
	82	1	1	0
	83	2	0	-2
Cook Inlet Drift	75	4	0	-4
	76	4	1	-3
	77	7	6	-1
	78	9	2	-7
	79	3	1	-2
	80	3	3	0
	81	12	0	-12
	82	2	1	-1
	83	5	2	-3
Cook Inlet Set Net	75	0	2	2
	76	3	3	0

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Cook Inlet Set Net	77	6	4	-2
	78	14	6	-8
	79	6	2	-4
	80	2	1	-1
	81	14	2	-12
	82	1	4	3
	83	5	3	-2
Cook Inlet Herr Seine	77	0	0	0
	78	1	1	0
	79	0	0	0
	80	0	0	0
	81	0	0	0
	82	0	0	0
	83	0	0	0
Kodiak Seine	75	0	2	2
	76	6	4	-2
	77	8	4	-4
	78	7	5	-2
	79	7	5	-2
	80	1	4	3
	81	4	2	-2

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Kodiak Seine	82	8	1	-7
	83	6	2	-4
Kodiak Beach Seine	76	1	0	-1
	77	1	0	-1
	78	3	0	-3
	79	0	0	0
	80	0	1	1
	81	1	0	-1
	82	1	0	-1
	83	0	0	0
Kodiak Set Net	75	2	1	-1
	76	3	1	-2
	77	2	1	-1
	78	6	3	-3
	79	1	1	0
	80	2	2	0
	81	5	0	-5
	82	3	0	-3
	83	0	1	1
Chignik Seine	75	0	0	0
	76	0	0	0

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Chignik Seine	77	0	0	0
	78	0	0	0
	79	0	0	0
	80	0	0	0
	81	1	0	-1
	82	2	1	-1
	83	1	0	-1
Pen/Aleutian Seine	75	0	0	0
	76	1	1	0
	77	2	1	-1
	78	3	1	-2
	79	4	0	-4
	80	2	1	-1
	81	2	0	-2
	82	0	0	0
	83	3	0	-3
Pen/Aleutian Drift	75	0	1	1
	76	3	0	-3
	77	4	2	-2
	78	7	2	-5
	79	5	2	-3

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Pen/Aleutian Drift	80	6	2	-4
	81	6	2	-4
	82	9	3	-6
	83	6	1	-5
Pen/Aleutian Set Net	75	0	0	0
	76	3	1	-2
	77	2	2	0
	78	1	1	0
	79	2	1	-1
	80	5	1	-4
	81	4	0	-4
	82	5	0	-5
	83	9	1	-8
Bristol Bay Drift	75	3	2	-1
	76	7	4	-3
	77	22	8	-14
	78	47	8	-39
	79	30	5	-25
	80	30	7	-23
	81	23	6	-17
	82	27	10	-17

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Bristol Bay Drift	83	21	10	-11
Bristol Bay Set Net	75	1	1	0
	76	5	5	0
	77	11	5	-6
	78	28	7	-21
	79	33	6	-27
	80	31	8	-23
	81	25	1	-24
	82	30	3	-27
	83	13	6	-7
Upper Yukon Gill Net	76	0	0	0
	77	0	0	0
	78	0	1	1
	79	1	1	0
	80	0	0	0
	81	0	2	2
	82	1	1	0
	83	2	0	-2
Upper Yukon Fishwheel	76	0	0	0
	77	0	0	0
	78	1	0	-1

(CONTINUED)

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Upper Yukon Fishwheel	79	0	0	0
	80	1	0	-1
	81	4	3	-1
	82	3	2	-1
	83	2	1	-1
Kuskokwim Gill Net	76	0	0	0
	77	0	0	0
	78	4	0	-4
	79	5	3	-2
	80	10	3	-7
	81	12	2	-10
	82	3	3	0
	83	8	3	-5
Kotzebue Gill Net	76	0	0	0
	77	0	0	0
	78	5	0	-5
	79	4	0	-4
	80	0	0	0
	81	2	0	-2
	82	6	1	-5
	83	2	1	-1

(CONTINUED

Appendix B
Frequency of Permit Transfers Between Alaskan Natives and Non-Natives
for 1975 - 1983 Period, by Fishery by Year

		transfers by Natives	transfers to Natives	difference
		SUM	SUM	SUM
fishery	YEAR			
Lower Yukon Gill Net	76	0	0	0
	77	0	0	0
	78	6	0	-6
	79	7	2	-5
	80	5	1	-4
	81	7	1	-6
	82	7	1	-6
	83	17	2	-15
Norton SD Gill Net	77	0	1	1
	78	3	0	-3
	79	3	0	-3
	80	4	1	-3
	81	5	1	-4
	82	4	3	-1
	83	4	0	-4
ALL		1143	408	-735

Appendix C

Number of Alaskan Native Fishermen Commercial and Vessel Licenses 1969-1971, Produced by Governor's Study Group on Limited Entry, February 1973

Appendix C

Number of Alaska Native Fishermen Commercial and Vessel Licenses (1971, 1970, 1969)*

	Total	Native	%Native	Resident	Native	%Native	Non-Resident	Native	%Native
1971									
Commercial	20,564	4,658	22.7%	14,176	4,580	32.3%	6,388	78	1.2%
Vessel Operator	10,710	2,656	24.7%	N/A	2,619	---	N/A	37	---
1970									
Commercial	22,088	4,508	20.4%	14,370	4,448	31.0%	7,718	60	.7%
Vessel Operator	10,877	2,498	22.9%	N/A	2,483	---	N/A	15	---
1969									
Commercial	18,927	4,182	22.1%	12,609	4,182	32.7%	6,318	57	.9%
Vessel Operator	9,972	2,429	24.3%	N/A	2,408	---	N/A	21	---

* Source: Jackman, David S. et al., 1973 "A Limited Entry Program For Alaska's Fisheries," Juneau: Governor's Study Group on Limited Entry. PP. 118-124.

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1245 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86 H12

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-619 (REV 8/78)

SCOMM

#48:7

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: March 11, 1986 Mariculture

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
W. R. Heard	Box 210155 Auke Bay Ak	Nat. Marine Fish. Serv.	V	789-7231 (907)
Earl Kryzer	130 Seward Suite 213	Alaska Trollers Assoc.	V	586-9400
Tom K.	Cap. Office Park.	ADF&G, FRED	V	465-4160
Dick Nevé	Governor's Office	State	V	465-3568
Greg Baker	P.O. Box D, Jnu 99811	DFD	V	2801
STEPHEN JOHANSON	P O Box B Juneau 99802	GROWER		789-3171
RICHARD HARRIS	8350 RIVER PL JUNEAU 99801	SEMTASKA	V	586-1512 HE
Jack Cadigan		UFA	V	6-2820
Pete Shaburov	3/6500 Suite 148	Cook Inlet Fishermen		6-6362

Pete's UST

UNITED FISHERMEN OF ALASKA

Jack Cadigan
Executive Director
907-586-2820
1-800-478-FISH

AQUACULTURE PERTAINING TO PEN-REARED SALMON

Where does UFA stand on the subject of pen-reared salmon? This was subject of extensive discussions at our Board Meetings in December and February. The position of the board was laid out in a resolution which essentially did three things:

- Recognized that salmon farming as already here, whether we like it or not.
- Cited the need to have an un-biased assessment of socio-economic impact
- Cited the need for careful and cautious development

The Board also cited a number of "pros and cons". The "pros" which were listed were as follows:

- Guaranteed high quality
- Available in off-season
- More jobs in industry
- Keeps industry competitive
- Possible decrease in overall processing/transport costs
- Development of highly renewable resource
- Capability to integrate into existing commercial fisheries
- Technology is currently in place

Senate Building Suite 306 • 175 S. Franklin Street • Juneau, Alaska 99801

The "cons" were listed as follows:

- o Competition with high-quality fresh frozen
- o Highly capital intensive at start-up
- o Habitat and biological concerns
- o Impact of egg supply requirements on wild harvest
- o Difficult to compete with foreign farmed salmon
- o Potential physical displacement of commercial fishing

The policy of UFA, interestingly, has caused concern as being too liberal in the view of some, while too conservative in the views of other fishermen. I think, on balance, that it is a pretty sensible one. It says we can't stick our heads in the sand, as farmed fish are in the marketplace right now. It says that there may be some advantages to commercial fishing in general, as well as to fishermen who individually (or in groups) get into that business. It says there is a big lack of anyone having looked hard at the pros and cons as they affect the existing commercial fishing industry, and that we need to get some unbiased assessments in this regard. It also says lets get on with the effort of developing a state policy before we get overtaken by big business interests and lose control of our destiny in this regard.

Delay accomplishes nothing if it is delay for the sake of delay. If it is delay for the sake of taking a hard and close look at fishermen's concerns, then it makes a lot of sense. If it is delay to see how we can integrate a new fishing system into the current on so we can see more productive processing plants operating in Alaska on a year-round basis, it makes sense because lower operating costs mean lower operating costs in the summertime too - and that helps the salmon market in general. If it is delay to see if a better and cheaper transportation system can be devised, that will also help the sales of wild fish in the summer. If it is delay to see if there is a need to prohibit or severely limit sales of farmed-fish in the summer, then it makes sense. So the position of the UFA is not to delay for the sake of delay, but to be sure that the course we take as a State is carefully charted before sailing full-speed into unknown waters.

How might fish-farming be of advantage to you as a fisherman? In addition to those fishermen who are scared blue of the whole issue (and not necessarily without good reason), there are those who can't wait to open up there own farm! In addition, there are those fishermen who recognize that the farmed-fish have prodigious appetites, and that feed accounts for nearly half the cost of raising the fish. So they figure there will be a good market for groundfish and other cheap fish to be processed as feed. Those tied into processing see that a 100 metric ton farm will produce 7,000 lbs a week of salmon for thirty-one weeks from October to May. There are fishermen who realize this is potentially a stable-income industry which can employ family and friends year-round. Further, because it is not labor intensive in the summer (no sales are made), the fishermen can be out fishing then.

Where is the economic concern? Clearly, there isn't any competition with pinks. The ex-vessel equivalent price of a farmed fish in Alaska is going to have to be around $2.80 a pound. In the west coast and southern markets it will have to bring about $3.50 rock-bottom to break even. So we are obviously talking a high-priced fish. Indeed, the economics is such that it can't (at least as yet) compete in the summer market. (My caution is the "as yet", because it may require legislation to insure that doesn't happen). There is the impact which might occur, irrespective of price, with the frozen market for high grade salmon. This is so because the public, rightly or wrongly, sees "fresh" fish as vastly superior to "frozen". This is something which needs evaluation before proceeding merrily along.

In summary, UFA is neither "for" nor "against" salmon-farming and will not have a definitive stand in that regard until the necessary data is achieved to make such a judgement. That data should be apparent on conclusion of an un-biased socio-economic study or evaluation, and coupled with the inputs from legislative hearings such as this, should provide the base from which to formulate a fully knowledgeable and non-reactive policy.

MEMORANDUM — State of Alaska

TO: Honorable Bill Sheffield
Governor

DATE: March 6, 1986

FILE NO.:

THRU:

TELEPHONE NO.:

SUBJECT: Aquaculture
Policy Proposal

FROM: Fisheries Mini-Cabinet

Please find attached the final recommendation of the Ad Hoc Aquaculture Advisory Committee to your Fisheries Mini-Cabinet. We have reviewed the recommendations of the advisors and are in concurrence with their suggested approach. Prior to forwarding our recommendations to you we requested the Departments of Commerce and Economic Development, Fish and Game, Natural Resources and Environmental Conservation to review the fiscal impacts associated with full and complete implementation of the recommendations. Although the total cost of full implementation would be substantial, the current revenue situation and the need to maintain existing fisheries management and development programs lead us to recommend the funding of only two portions of the recommendation. We suggest providing $39,000 for public forums/education and $50,000 for the proposed socioeconomic impact study. We would recommend that a total of $95,000 be appropriated in the FY 87 budget, in the form of a C.I.P., to the Department of Commerce and Economic Development.

We collectively recommend acceptance of the basic policy regarding all forms of aquaculture with the exception of pen rearing of fin-fish. After the suggested study and public awareness process have been funded and completed and the public has had a chance to react, we will recommend further action regarding the pen rearing of fin-fish. In our view, a critical component of this policy development and implementation is the need to form and maintain a close partnership between your office and the Legislature as suggested by the Committee. We perceive there is presently a strong difference of opinion among members of the fishing community regarding whether or not fin-fish farming should be allowed. The communication link suggested above would maximize our chances for obtaining an accurate picture of the public desire to allow development of this industry to proceed in Alaska.

WP/sa0348g
30686b

Attachments: A Philosophy For Aquaculture Development in Alaska
Proposed Aquaculture Policy for Alaska

MEMORANDUM State of Alaska

TO: Governor's Fisheries Mini-Cabinet

DATE: January 20, 1986

FILE NO.:

THRU:

TELEPHONE NO.:

SUBJECT: A Philosophy for Aquaculture Development in Alaska

FROM: Aquaculture Advisory Committee

On July 15, 1985, Governor Sheffield appointed a Mariculture Advisory Committee, consisting of fishermen organizations, fish processors, a Native corporation, governmental agencies, the universities, and individuals in the private sector interested in mariculture development in Alaska. The committee was charged with the responsibility of formulating a workable and effective mariculture policy to guide the State in development of the mariculture industry in Alaska. The committee modified its original charge to include culture of all aquatic plants and animals in both the fresh and saltwater environments. Hence, this consensus document outlining an aquaculture policy is submitted.

The issues confronting the further development of aquaculture have been examined by the committee. These developments include fish, crustaceans, mollusks and aquatic plants. It is important, in light of world aquacultural developments and growing interest in aquaculture potential in Alaska to generate a policy that should enable the orderly development of an Alaskan aquaculture industry. However, many biological, technical and social questions must be resolved before allowing full implementation of any plan. The committee strongly recommends that every effort be made to assure that the developing aquaculture industry:

1. be complementary to, and not in conflict with, the existing fishing industry.
2. be economically viable and self-sustaining.
3. provide opportunities for family and other small scale businesses.
4. provide an overall enhancement to the marketing image of all Alaskan seafood products.
5. give due consideration to wild stocks.

Some shellfish aquaculture projects are currently underway. While we have found a need to tailor the existing permit and lease process in order to promote aquaculture development, and have identified a need to improve dissemination of technological data, it appears that the early success of these projects holds the promise of another positive use of Alaska's resources and should be supported.

The culture of aquatic plants may also offer new opportunities. There is a need to further assess opportunities and develop appropriate technology.

The farming of finfish (other than nonprofit ocean-ranching of salmon) has not been introduced, although experimental work has shown promise. We need to continue and expand grant research efforts between the State of Alaska and the National Marine Fisheries Service to gather data on the biological and technical aspects of pen-rearing. The possibility of social and economic conflicts with existing fisheries warrants a more cautious approach than for shellfish and aquatic plants.

The committee recommends that aquaculture be a self-sustaining industry with the exception of public investment in plant and animal health diagnostics, public health and initial biological research. In the meantime, there is a need to develop public policy regarding such issues as a regulation of the aquaculture industry (either as a farm or fishery), size and location of sites, federal land issues, organization of the permitting process, ownership questions, taxation, disease, and so forth.

Attached is our proposed policy document consisting of a generic policy statement followed by a number of comments regarding specific issues. This committee would be available for further deliberations on specific issues stemming from public review and comments to this policy.

AAC/wfs1331M
12086i
Attachments

GOVERNOR SHEFFIELD'S

AQUACULTURE ADVISORY COMMITTEE

PUBLIC MEMBERS

Brian Allee, PWSAC
Jack Cadigan, (Cass Parsons), UFA
Bill Clapp, Pelican Seafood
Nancy Gross, Unalaska
Richard Harris, Sealaska
Jim Hemming, Mussel Grower
Earl Krygier, A.T.A.
Robin Larsson, A.S.G.A.
Rick Lauber, P.S.P.

LEGISLATIVE MEMBERS

Senator Richard Eliason
Representative Peter Goll
Representative Adelheid Herrmann
Senator Fred Zharoff

UNIVERSITY & GOVERNMENT AGENCY REPRESENTATIVES

Greg, Baker, ADC&ED
Ron Dearborn, U of A, Sea Grant
Bill Heard, NMFS
Olé Mathisen, U of A
Stan Moberly, ADF&G
Dick Nevé, Office of the Governor
George Snyder, NMFS

SPECIAL ASSISTANT

Gerald Bowden, UCSC

Proposed Aquaculture Policy

It is the policy of the State to promote the development of a successful aquaculture industry in a manner that will contribute to the economic well-being of the citizens of the State, the commercial fishing and seafood industry, and all communities of the State, particularly the coastal areas.

GENERAL FINDINGS

1. **There is an urgent need to inform the public of the potential socio-economic impacts, benefits and opportunities surrounding aquaculture, especially salmon farming, and to solicit public comments through a series of hearings. These efforts will provide necessary information to enable both the public and government to determine the future course of aquaculture and to provide for its orderly development. The process will:**

   A. address the concerns of fishermen, the fishing industry, coastal residents, and the citizens of the State for the development of aquaculture in Alaska;

   B. serve to educate the public and the State about aquaculture;

   C. serve as a mechanism to collect ideas and recommendations for the further development of Alaska's aquaculture policy;

   D. include a review of the aquaculture development options envisioned; and

   E. enable all concerned individuals to review and comment on any draft laws and proposed regulations prepared in response to public participation and comment.

2. **The State, in considering the uses of public lands, water and other resources, should develop procedures to ensure an orderly and controlled use of the State's resources for aquaculture. The procedures instituted by the State should:**

   A. provide maximum opportunity for family and other small scale businesses;

   B. require that leases be active, thereby avoiding speculation; and

   C. avoid creating artificial wealth through possession of leases or permits.

State and other land planning programs should include inventories of potential aquaculture sites. These inventories should be responsive to existing State and federal regulatory requirements and establish uses.

3. In light of the growing competition caused by the growth of world aquaculture, the State should increase efforts to enhance the image and value of Alaskan seafood products. We specifically suggest instituting a program that promotes more stringent quality controls in grading and labeling, and further improves the general public perception of Alaskan seafood. Such action encourages promotion of a more competitive product.

SPECIFIC RECOMMENDATIONS

1. Shellfish and Seaweed

The State should review all existing statutes and regulations governing culture of shellfish and aquatic plants, and should, if necessary, institute programs to actively further promote and facilitate the culture of these organisms. There is a clear need to:

A. tailor the State's permitting and leasing procedures to better accommodate the needs of the industry and to provide broader technological support;

B. improve programs for testing of paralytic shellfish poisoning (PSP) including inspection and certification time frame;

C. establish or certify diagnostic labs near shellfish culture areas; and

D. encourage private oyster spat and other shellfish hatcheries.

2. Ocean Ranching

The success of the existing State and nonprofit salmon ocean-ranching programs is recognized, and efforts in this area should be expanded. Recent developments regarding product form and expanding markets indicate there will be a greater demand for additional salmon in the future.

3. Salmon and Other Finfish Farming

The form of aquaculture that poses the most controversy is the farming of large-sized salmon and trout, because these product forms may compete with the salmon fishing industry for markets.

Salmon farming is currently not allowed in Alaska, however, there is a growing interest to develop the industry. Prior to contemplating salmon farming, the State should initiate an unbiased study to identify and evaluate social and economic impacts and consider various implementation options to determine the greatest benefits for Alaskans.

Some finfish species and product forms such as pan-sized salmon and trout may not be in direct competition with the Alaska commercial fishing industry and, therefore, may not be as controversial as other forms of salmon farming. The State should commence a review to determine if the culture of pan-sized salmon, trout and other finfish are permissible under current statutes. Public comments should be solicited to determine if there is an interest or concern regarding these product forms.

FINAL

To accomplish the public education and research necessary for the orderly development of aquaculture in Alaska, a strong partnership commitment from the executive and legislative branches of State Government, federal agencies, Alaskan universities, industry and interested individuals will be required.

TESTIMONY OF RICHARD P. HARRIS
ENVIRONMENTAL MANAGER
SEALASKA CORPORATION
BEFORE THE
HOUSE SPECIAL COMMITTEE ON FISHERIES
ON STATE AQUACULTURE POLICY
MARCH 11, 1986

INTRODUCTION

SEALASKA CORPORATION HAS BEEN ASKED TO SPEAK TO THE HOUSE SPECIAL COMMITTEE ON FISHERIES DUE TO OUR INTEREST IN AQUACULTURE DEVELOPMENT IN ALASKA. FOR THE PURPOSE OF THIS TESTIMONY AQUACULTURE MEANS THE PROPAGATION AND REARING OF AQUATIC SPECIES IN CONTROLLED OR SELECTED ENVIRONMENTS. ALTHOUGH OCEAN RANCHING IS A FORM OF AQUACULTURE, THE STATE ALREADY HAS A COMPREHENSIVE PRIVATE NON-PROFIT OCEAN RANCHING PROGRAM, THUS, MY TESTIMONY WILL EXCLUDE DISCUSSION OF SALMON OCEAN RANCHING.

IN ALASKA, OPPORTUNITIES AND INTEREST IN AQUACULTURE DEVELOPMENT CONCENTRATE PRIMARILY ON OYSTERS, MUSSELS AND SALMON. OTHER POTENTIAL OPPORTUNITIES ALSO EXIST FOR SEAWEED, OTHER SHELLFISH, MOLLUSCS AND FINFISH SPECIES.

MY TESTIMONY TODAY WILL FOCUS ON:

- SOCIAL AND ECONOMIC OPPORTUNITIES THAT EXIST FOR ONE FORM OF AQUACULTURE, SALMON FARMING; AND

- A DISCUSSION OF THE BASIC ELEMENTS OF LEGISLATIVE AND ADMINISTRATIVE POLICY NEEDED TO AUTHORIZE AND PROMOTE AQUACULTURE DEVELOPMENT IN THE STATE.

SALMON FARMING

SALMON FARMING IS THE REARING OF SALMON OR TROUT IN FRESHWATER OR MARINE ENCLOSURES SUCH AS HATCHERIES, RACEWAYS, NET PENS OR OTHER ENCLOSURES. THERE ARE TWO GENERAL MARKET SIZES OF FARMED SALMON OR TROUT, PAN-SIZED AND GROW-OUT. PAN-SIZED FISH ARE SOLD WHEN THEY REACH APPROXIMATELY ONE POUND IN SIZE. GROW-OUT FISH ARE GENERALLY SOLD WHEN THEY REACH TWO POUNDS OR MORE. THE BEST PRICES FOR GROW-OUT FISH ARE FOR SIZES BETWEEN SEVEN TO TWELVE POUNDS. CURRENTLY ALL FORMS OF SALMON AND TROUT FARMING ARE BELIEVED TO BE PROHIBITED IN ALASKA.

THERE HAS BEEN A RAPID GROWTH AND MARKET ACCEPTANCE OF FARMED SALMON BECAUSE IT IS A "NEW PRODUCT FORM" THAT MEETS THE BUYER AND CONSUMER NEEDS. THE ATTRIBUTES OF FARMED SALMON ARE:

1. THEY ARE AVAILABLE IN THE SIZE PREFERRED BY THE CONSUMER.

2. THEY OFFER CONSISTENTLY EXCELLENT QUALITY WITH FIRM FLESH, GOOD COLOR AND SILVER SIDES.

3. THEY ARE AVAILABLE FRESH TO ALMOST ANY MARKET WITHIN THREE DAYS.

4. AND, THEY DO NOT ENCOUNTER THE SEASONAL AVAILABILITY AND HIGH STORAGE COSTS THAT OCCUR WITH COMMERCIALLY CAUGHT FISH.

SEALASKA CORPORATION CONCLUDED THAT SALMON FARMING, IF ECONOMICALLY FEASIBLE, WOULD PROVIDE SIGNIFICANT ECONOMIC AND SOCIAL BENEFITS IN ALASKA. IN LATE 1984 AND 1985, SEALASKA COMMISSIONED AN AQUACULTURE FEASIBILITY STUDY WITH SWEDISH AND ALASKAN CONSULTING FIRMS TO EVALUATE SALMON FARMING POTENTIAL.

THE STUDY OBJECTIVES WERE TO:

1. DETERMINE IF SALMON FARMING IS ECONOMICALLY FEASIBLE IN

ALASKA; AND

3. EVALUATE POTENTIAL SOCIAL AND ECONOMIC BENEFITS TO ALASKA AND ITS RESIDENTS.

THIS STUDY FOUND THAT:

SALMON FARMING IS ECONOMICALLY FEASIBLE IN ALASKA UNDER CURRENT CONDITIONS, HOWEVER, COST CONTROL, FARM EFFICIENCY AND A FAVORABLE REGULATORY STRUCTURE ARE ESSENTIAL TO MAINTAIN PROFITABILITY.

- THE CURRENT MARKET PRICE FOR FARMED SALMON IN HOUSTON OR LOS ANGELES IS IN EXCESS OF $4.00 PER POUND.

- THE DELIVERED COST TO PRODUCE FARMED SALMON FROM URBAN OR RURAL/REMOTE LOCATIONS IN SOUTHEAST ALASKA RANGES BETWEEN $2.78 AND $2.98 PER POUND.

- THE STUDY CONCLUDED THAT ASSUMING A CONSERVATIVE PURCHASE PRICE OF $3.50 PER POUND THE GROSS ANNUAL PROFIT FOR A 200 METRIC TONNE SALMON FARM IN SOUTHEAST ALASKA WOULD BE BETWEEN $217,000 AND $268,000 OR 17% TO 21% PROFIT MARGIN.

THE STUDY ALSO FOUND THAT A SALMON FARMING INDUSTRY IN ALASKA WILL CREATE A SIGNIFICANT NUMBER OF NEW JOBS AND PROVIDE SMALL BUSINESS OPPORTUNITIES FOR ALASKANS.

- AN ALASKA SALMON FARMING INDUSTRY OF 200 TO 300 FARMS, PRODUCING 20,000 METRIC TONNES ANNUALLY, AT A SALES PRICE OF $3.00 TO 4.00/POUND, WOULD HAVE A PRODUCT SALES VALUE OF $132 TO $176 MILLION DOLLARS AND WOULD CREATE 2,800 JOBS. THIS IS 20% OF THE 1982 FISH AND SEAFOOD HARVESTING INDUSTRY ANNUAL AVERAGE EMPLOYMENT.

- IN AN ALASKA COMMUNITY, FIVE TO TEN FARMS PRODUCING A TOTAL

OF 500 METRIC TONNES WOULD CREATE APPROXIMATELY 33 NEW JOBS AND HAVE A SALES PRODUCT VALUE OF $3.3 TO $4.4 MILLION DOLLARS.

- A 500 METRIC TONNE SALMON INDUSTRY IN A TYPICAL SMALL SOUTHEAST ALASKA VILLAGE WOULD EMPLOY 25% OR MORE OF THE AVAILABLE UNEMPLOYED LABOR FORCE AND CONTRIBUTE UP TO 50% IN ADDITIONAL WAGE EARNINGS TO THE COMMUNITY.

THIS BRIEF PRESENTATION HAS SHOWN THE POTENTIAL SOCIAL AND ECONOMIC BENEFITS TO ALASKA FROM SALMON FARMING. SEALASKA BELIEVES THAT OTHER FORMS OF AQUACULTURE WOULD ALSO OFFER SIGNIFICANT SOCIAL AND ECONOMIC OPPORTUNITIES, ALTHOUGH PROBABLY LESS THAN SALMON FARMING.

ALASKA IS ON THE THRESHOLD OF OPPORTUNITY TO PROMOTE A NEW INDUSTRY IN THE STATE. THIS INDUSTRY WILL CREATE OPPORTUNITIES TO:

1. DIVERSIFY STATE AND LOCAL ECONOMIES.

2. ADD SIGNIFICANT NEW CAPITAL TO THE COMMUNITIES, PROVIDE NEW YEAR-ROUND EMPLOYMENT OPPORTUNITIES AND ALLEVIATE SOME OF THE SEASONALLY HIGH UNEMPLOYMENT LEVELS.

3. PROVIDE SIGNIFICANT NEW SMALL BUSINESS OPPORTUNITIES TO OUTLYING COMMUNITIES; AND

4. INCREASE OFF-SEASON OPPORTUNITIES FOR THE COMMERCIAL FISHING AND SEAFOOD PROCESSING INDUSTRIES.

FOR THESE REASONS, SEALASKA BELIEVES THAT AQUACULTURE WILL BE BENEFICIAL TO ALASKA AND THAT EXPEDIENT DEVELOPMENT OF PUBLIC POLICY AUTHORIZING AND PROMOTING ALL FORMS OF AQUACULTURE IS NECESSARY.

THE SHEFFIELD ADMINISTRATION HAS RECOGNIZED THE OPPORTUNITIES AQUACULTURE OFFERS TO THE STATE AND HAS TAKEN INITIAL STEPS TO PROMOTE ITS DEVELOPMENT. RECENTLY, THE GOVERNOR'S AQUACULTURE ADVISORY COMMITTEE PROPOSED AN AQUACULTURE POLICY FOR THE STATE AND A PLAN OF ACTION TOWARD IMPLEMENTING THAT POLICY. SEALASKA CORPORATION WAS A PARTICIPANT IN THE DEVELOPMENT OF THAT POLICY AND BELIEVES THAT IT REPRESENTS A PRACTICAL AND ACHIEVABLE PROCESS FOR THE PUBLIC TO CONSIDER THE BENEFITS AND IMPACTS OF AQUACULTURE. THIS POLICY, HOWEVER, IS ONLY THE FIRST STEP IN PROMOTING AN AQUACULTURE INDUSTRY IN ALASKA.

FOR ALASKA TO REALIZE THE POTENTIAL OPPORTUNITIES THAT MAY EXIST FOR AQUACULTURE, THE STATE MUST CREATE A LEGISLATIVE, REGULATORY AND INSTITUTIONAL FRAMEWORK THAT, WHERE NECESSARY, AUTHORIZES VARIOUS FORMS OF AQUACULTURE AND ENCOURAGES DEVELOPMENT OF ALL FORMS OF AQUACULTURE.

IN SEALASKA'S OPINION, THE PROMOTION OF AQUACULTURE WILL REQUIRE THE LEGISLATURE AND ADMINISTRATION TO:

- UNDERTAKE EFFORTS TO INFORM THE PUBLIC OF AQUACULTURE OPPORTUNITIES AND ISSUES.

- CONDUCT STUDIES RECOMMENDED BY THE AQUACULTURE ADVISORY COMMITTEE TO ASSESS THE EFFECTS OF SALMON FARMING AQUACULTURE ON THE COMMERCIAL FISHING INDUSTRY; AND

- DEVELOP A COMPREHENSIVE ENABLING STATUTE BILL FOR ALL POTENTIAL FORMS OF AQUACULTURE.

SEALASKA IN A MARCH 5 LETTER TO GOVERNOR SHEFFIELD ENCOURAGED THE GOVERNOR TO REVIEW THE AQUACULTURE POLICY AND PLAN OF ACTION PROPOSED BY THE AQUACULTURE COMMITTEE AND DEVELOP A CLEAR POLICY STATEMENT INDICATING THAT THE ADMINISTRATION ADOPTS THE PROPOSED POLICY AND PLAN OF ACTION. SEALASKA RECOMMENDED THE GOVERNOR'S STATEMENT SHOULD ALSO DESCRIBE STEPS THAT THE ADMINISTRATION WILL

BE TAKING TO IMPLEMENT THE POLICY AND PLAN.

IN ADDITION TO THESE EFFORTS THERE IS A NEED TO BEGIN PUBLIC POLICY CONSIDERATION OF AQUACULTURE BY DEVELOPING MODEL ENABLING LEGISLATION. THIS LEGISLATION SHOULD INCLUDE AND INCORPORATE ALL FORMS OF AQUACULTURE UNDER A SINGLE BILL. THE MODEL LEGISLATION WOULD BE USED TO FOCUS PUBLIC POLICY DEBATE ON THE ROLE OF GOVERNMENT AND INDUSTRY; AND WOULD ADDRESS PUBLIC POLICY ISSUES RAISED DURING PUBLIC HEARINGS.

AN AQUACULTURE BILL SHOULD INCLUDE THE FOLLOWING FINDINGS:

- AQUACULTURE CREATES NEW PRODUCT FORMS AND SUPPLIES TO MEET GROWING CONSUMER DEMAND FOR HIGH QUALITY AQUATIC FOOD PRODUCTS, INDUSTRIAL MATERIALS, PHARMACEUTICALS AND ENERGY.

- AQUACULTURE OFFERS ONE OF THE SINGLE GREATEST NEW OPPORTUNITIES TO DEVELOP AND DIVERSITY STATE AND LOCAL ECONOMIES AND CREATE NEW JOBS.

- THE RESPONSIBILITY FOR COMMERCIAL AQUACULTURE FARMING WILL REST PRIMARILY WITH THE PRIVATE SECTOR EXCEPT FOR ENHANCEMENT OF AQUATIC PRODUCTS FOR COMMON PROPERTY HARVEST.

- AQUACULTURE IS OCCURRING ON A WORLDWIDE SCALE AND IS SUPPLYING WORLD AND DOMESTIC MARKETS WITH EVER INCREASING QUANTITIES OF AQUACULTURAL PRODUCTS. ALASKA MUST PARTICIPATE IN THE EFFORT TO PRODUCE AQUACULTURAL PRODUCTS OTHERWISE THESE PRODUCTS WILL BE PRODUCED BY OTHER DOMESTIC AND INTERNATIONAL GROWERS. FAILURE OF ALASKA TO CAPITALIZE ON THESE OPPORTUNITIES WOULD RESULT IN ALASKA LOSING THE SOCIAL AND ECONOMIC BENEFITS THAT CAN BE REALIZED FROM AN AQUACULTURE INDUSTRY.

- AQUACULTURE GROWTH IS INHIBITED BY ECONOMIC, LEGAL AND PRODUCTION FACTORS SUCH AS SOURCES OF FINANCING, INSURANCE,

INADEQUATE MANAGEMENT INFORMATION, APPLIED TECHNOLOGY AND LACK OF RELIABLE SUPPLIES OF SEED STOCK.

- o MANY AREAS OF ALASKA ARE HIGHLY SUITED FOR AQUACULTURE, HOWEVER, GOVERNMENTAL POLICY AND PUBLIC PERCEPTIONS DO NOT ADEQUATELY CONSIDER AQUACULTURE POTENTIAL, SOCIO-ECONOMIC OPPORTUNITIES TO ALASKANS AND CORRESPONDINGLY INHIBIT AQUACULTURE DEVELOPMENT.

AN AQUACULTURE BILL SHOULD SEEK TO ACCOMPLISH THE FOLLOWING PURPOSES:

- ESTABLISH PROCEDURES TO PROMOTE AQUACULTURE IN THE STATE AND DEVELOP AN AQUACULTURE DEVELOPMENT PLAN.

- ENCOURAGE DEVELOPMENT OF ALL FORMS OF AQUACULTURE AND TO PROMOTE AQUACULTURE TO INCREASE THE VARIETY OF AQUATIC PRODUCTS SUPPLIED BY ALASKA.

- COORDINATE STATE AQUACULTURE DEVELOPMENT EFFORTS.

- ESTABLISH COORDINATION PROCEDURES AND DESIGNATE RESPONSIBILITIES WITHIN THE STATE TO PROMOTE A STATE AQUACULTURE INDUSTRY.

- COORDINATE STATE AND FEDERAL REGULATORY AND ASSISTANCE PROGRAMS IN ORDER TO FOSTER SUCCESSFUL AQUACULTURE DEVELOPMENT IN ALASKA.

AN AQUACULTURE BILL SHOULD INCLUDE THE FOLLOWING ELEMENTS TO PROMOTE AND REGULATE THE INDUSTRY:

- ESTABLISH THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT AS THE LEAD AGENCY FOR LICENSING, PROMOTING AND COORDINATING AQUACULTURE ACTIVITIES. THE DEPARTMENT WOULD BE RESPONSIBLE FOR COMPILING AND ANNUALLY REPORTING ON AQUACULTURAL FARM

PRODUCTION, PRODUCT VALUE, EMPLOYMENT STATISTICS AND ADVISE THE FEDERAL JOINT SUBCOMMITTEE ON AQUACULTURE OF THE STATUS OF THE STATE'S AQUACULTURE PRODUCTION.

- ESTABLISH THE DEPARTMENT OF FISH AND GAME AS THE AGENCY RESPONSIBLE FOR:

  . DISEASE INSPECTION AND MANAGEMENT

  . REVIEW OF NOTIFICATIONS FOR TRANSPORT OF LIVE AQUACULTURAL PRODUCTS

  . PROVIDE SOURCES FOR INDIGENOUS SEED STOCK, AND

  . PROVIDE TECHNICAL ASSISTANCE ON CULTURE AND DISEASE MANAGEMENT.

- DESIGNATE AQUACULTURE AS A PRIORITY USE OF ANY SURPLUS SEED STOCK FROM PUBLIC OR PRIVATE NON-PROFIT SOURCES. ALLOW ACQUISITION OF PURCHASE OF SEED STOCK FROM STATE AND FEDERAL HATCHERIES, COLLECTION FROM WILD SOURCES, OR IMPORTATION WHEN INDIGENOUS STOCKS ARE NOT AVAILABLE.

- ESTABLISH THAT ONCE SEED STOCK, ACQUIRED FROM COMMON PROPERTY SOURCES, COMES UNDER CONTROL OF THE AQUACULTURAL FARM, THE SEED STOCK, PRODGENY OR PARTS THEREOF ARE THE PRIVATE PROPERTY OF THE AQUACULTURIST AND CAN BE SOLD, TRADED OR BARTERED CONSISTENT WITH REASONABLE STATE REGULATIONS TO CONTROL DISEASE AND PROTECT WILD STOCKS.

- DESIGNATE AQUACULTURE AS A SEGMENT OF THE STATE'S AGRICULTURAL INDUSTRY EXCLUDED FROM REGULATION BY THE BOARDS OF FISH AND GAME.

- ESTABLISH DISEASE CONTROL AND INSPECTION PROGRAM TO PROTECT WILD STOCKS, OTHER AQUACULTURE FARMERS, AND DEVELOP

PROCEDURES TO MONITOR AND APPROVE TRANSPORT OF LIVE PRODUCTS FOR FURTHER FARMING WITHIN THE STATE.

- ESTABLISH AQUACULTURE PRODUCTS QUALITY CONTROL AND PUBLIC HEALTH PROGRAM TO ENSURE HIGHEST STANDARDS OF AQUATIC PRODUCTS ARE PRODUCED AND PUBLIC HEALTH IS PROTECTED.

- ESTABLISH THE NUMBER AND SIZES OF FARMS HELD BY ANY INDIVIDUAL, CORPORATION AND COOPERATIVE IN ORDER TO CREATE MAXIMUM OPPORTUNITY FOR PARTICIPATION IN THE INDUSTRY BY ALASKANS, TO PROMOTE COMPETITION, AND CREATE INCENTIVES TO ESTABLISH FARMS IN UNDEVELOPED AREAS.

- ESTABLISH PROCEDURES FOR LEASE OF STATE LANDS AND WATERS THAT PROVIDE GUARANTEES OF LONG-TERM USE AND TO PROMOTE TIMELY CONSTRUCTION AND OPERATION OF AQUACULTURAL FARMS TO AVOID SPECULATION.

- CREATION OF AN AQUACULTURE POLICY COUNCIL CONSISTING OF FIVE INDIVIDUALS INVOLVED IN FISH OR SHELLFISH AQUACULTURE AND EX-OFFICIO MEMBERS FROM STATE AND FEDERAL AGENCIES, UNIVERSITIES AND OTHER PARTIES WHO HAVE RESOURCES AND EXPERTISE NECESSARY TO PROMOTE AQUACULTURE IN ALASKA.

  COUNCIL DUTIES WOULD INCLUDE:

  a. REPRESENT THE AQUACULTURE INDUSTRY IN ALL MATTERS OF INTEREST TO THE INDUSTRY SUCH AS PERFORMANCE, OPERATION, EXPANSION, DEVELOPMENT AND PROMOTION.

  b. INTERAGENCY AND DEPARTMENTAL COORDINATION OF AQUACULTURE PROGRAM EFFORTS.

  c. IDENTIFY CHANGES TO CONSOLIDATED PERMITTING AND REGULATORY PROGRAMS.

d. DEVELOP INDUSTRY PRODUCT STANDARDS.

e. IDENTIFY AND PROMOTE FINANCIAL, INSURANCE AND RESEARCH PROGRAMS.

SEALASKA BELIEVES THAT THE PROCEEDING FINDINGS, PURPOSE AND SUBSTANTIVE ELEMENTS SHOULD BE INCLUDED AS PART OF ANY AQUACULTURE ENABLING STATUTE.

SEALASKA WOULD LIKE TO THANK REPRESENTATIVE GOLL AND MEMBERS OF THE COMMITTEE FOR THIS OPPORTUNITY TO EXPRESS OUR VIEW REGARDING AQUACULTURE. THIS HEARING IS AN INITIAL STEP TOWARD THE EVOLUION OF AN AQUACULTURE PUBLIC POLICY, HOWEVER, THIS EFFORT CANNOT STOP AT THIS INITIAL HEARING. SEALASKA BELIEVES THAT AQUACULTURE REPRESENTS A MOST UNIQUE OPPORTUNITY TO THE STATE. FOR THIS REASON, SEALASKA RESPECTIVELY RECOMMENDS THAT THE LEGISLATURE AND ADMINISTRATION CREATE AN INTERIM COMMITTEE TO:

- ASSIST IN IMPLEMENTATION OF THE GOVERNOR'S AQUACULTURE ADVISORY COMMITTEE'S RECOMMENDED AQUACULTURE POLICY AND PLAN OF ACTION.

- AND DEVELOP A MODEL AQUACULTURE BILL FOR CONSIDERATION BY THE LEGISLATURE IN THE NEXT SESSION.

MEMORANDUM State of Alaska

TO: Governor's Fisheries Mini-Cabinet DATE: January 20, 1986

FILE NO.:

THRU: TELEPHONE NO.:

SUBJECT: A Philosophy for Aquaculture Development in Alaska

FROM: Aquaculture Advisory Committee

On July 15, 1985, Governor Sheffield appointed a Mariculture Advisory Committee, consisting of fishermen organizations, fish processors, a Native corporation, governmental agencies, the universities, and individuals in the private sector interested in mariculture development in Alaska. The committee was charged with the responsibility of formulating a workable and effective mariculture policy to guide the State in development of the mariculture industry in Alaska. The committee modified its original charge to include culture of all aquatic plants and animals in both the fresh and saltwater environments. Hence, this consensus document outlining an aquaculture policy is submitted.

The issues confronting the further development of aquaculture have been examined by the committee. These developments include fish, crustaceans, mollusks and aquatic plants. It is important, in light of world aquacultural developments and growing interest in aquaculture potential in Alaska to generate a policy that should enable the orderly development of an Alaskan aquaculture industry. However, many biological, technical and social questions must be resolved before allowing full implementation of any plan. The committee strongly recommends that every effort be made to assure that the developing aquaculture industry:

1. be complementary to, and not in conflict with, the existing fishing industry.

2. be economically viable and self-sustaining.

3. provide opportunities for family and other small scale businesses.

4. provide an overall enhancement to the marketing image of all Alaskan seafood products.

5. give due consideration to wild stocks.

Some shellfish aquaculture projects are currently underway. While we have found a need to tailor the existing permit and lease process in order to promote aquaculture development, and have identified a need to improve dissemination of technological data, it appears that the early success of these projects holds the promise of another positive use of Alaska's resources and should be supported.

The culture of aquatic plants may also offer new opportunities. There is a need to further assess opportunities and develop appropriate technology.

The farming of finfish (other than nonprofit ocean-ranching of salmon) has not been introduced, although experimental work has shown promise. We need to continue and expand grant research efforts between the State of Alaska and the National Marine Fisheries Service to gather data on the biological and technical aspects of pen-rearing. The possibility of social and economic conflicts with existing fisheries warrants a more cautious approach than for shellfish and aquatic plants.

The committee recommends that aquaculture be a self-sustaining industry with the exception of public investment in plant and animal health diagnostics, public health and initial biological research. In the meantime, there is a need to develop public policy regarding such issues as a regulation of the aquaculture industry (either as a farm or fishery), size and location of sites, federal land issues, organization of the permitting process, ownership questions, taxation, disease, and so forth.

Attached is our proposed policy document consisting of a generic policy statement followed by a number of comments regarding specific issues. This committee would be available for further deliberations on specific issues stemming from public review and comments to this policy.

AAC/wfs1331M
12086i
Attachments

GOVERNOR SHEFFIELD'S

AQUACULTURE ADVISORY COMMITTEE

PUBLIC MEMBERS

Brian Allee, PWSAC
Jack Cadigan, (Cass Parsons), UFA
Bill Clapp, Pelican Seafood
Nancy Gross, Unalaska
Richard Harris, Sealaska
Jim Hemming, Mussel Grower
Earl Krygier, A.T.A.
Robin Larsson, A.S.G.A.
Rick Lauber, P.S.P.

LEGISLATIVE MEMBERS

Senator Richard Eliason
Representative Peter Goll
Representative Adelheid Herrmann
Senator Fred Zharoff

UNIVERSITY & GOVERNMENT AGENCY REPRESENTATIVES

Greg, Baker, ADC&ED
Ron Dearborn, U of A, Sea Grant
Bill Heard, NMFS
Ole´ Mathisen, U of A
Stan Moberly, ADF&G
Dick Neve´, Office of the Governor
George Snyder, NMFS

SPECIAL ASSISTANT

Gerald Bowden, UCSC

lt4393t-4

Proposed Aquaculture Policy

It is the policy of the State to promote the development of a successful aquaculture industry in a manner that will contribute to the economic well-being of the citizens of the State, the commercial fishing and seafood industry, and all communities of the State, particularly the coastal areas.

GENERAL FINDINGS

1. **There is an urgent need to inform the public of the potential socio-economic impacts, benefits and opportunities surrounding aquaculture, especially salmon farming, and to solicit public comments through a series of hearings. These efforts will provide necessary information to enable both the public and government to determine the future course of aquaculture and to provide for its orderly development. The process will:**

   A. address the concerns of fishermen, the fishing industry, coastal residents, and the citizens of the State for the development of aquaculture in Alaska;

   B. serve to educate the public and the State about aquaculture;

   C. serve as a mechanism to collect ideas and recommendations for the further development of Alaska's aquaculture policy;

   D. include a review of the aquaculture development options envisioned; and

   E. enable all concerned individuals to review and comment on any draft laws and proposed regulations prepared in response to public participation and comment.

2. The State, in considering the uses of public lands, water and other resources, should develop procedures to ensure an orderly and controlled use of the State's resources for aquaculture. The procedures instituted by the State should:

   A. provide maximum opportunity for family and other small scale businesses;

   B. require that leases be active, thereby avoiding speculation; and

   C. avoid creating artificial wealth through possession of leases or permits.

State and other land planning programs should include inventories of potential aquaculture sites. These inventories should be responsive to existing State and federal regulatory requirements and establish uses.

3. In light of the growing competition caused by the growth of world aquaculture, the State should increase efforts to enhance the image and value of Alaskan seafood products. We specifically suggest instituting a program that promotes more stringent quality controls in grading and labeling, and further improves the general public perception of Alaskan seafood. Such action encourages promotion of a more competitive product.

SPECIFIC RECOMMENDATIONS

1. Shellfish and Seaweed

The State should review all existing statutes and regulations governing culture of shellfish and aquatic plants, and should, if necessary, institute programs to actively further promote and facilitate the culture of these organisms. There is a clear need to:

A. tailor the State's permitting and leasing procedures to better accommodate the needs of the industry and to provide broader technological support;

B. improve programs for testing of paralytic shellfish poisoning (PSP) including inspection and certification time frame;

C. establish or certify diagnostic labs near shellfish culture areas; and

D. encourage private oyster spat and other shellfish hatcheries.

2. Ocean Ranching

The success of the existing State and nonprofit salmon ocean-ranching programs is recognized, and efforts in this area should be expanded. Recent developments regarding product form and expanding markets indicate there will be a greater demand for additional salmon in the future.

3. Salmon and Other Finfish Farming

The form of aquaculture that poses the most controversy is the farming of large-sized salmon and trout, because these product forms may compete with the salmon fishing industry for markets.

Salmon farming is currently not allowed in Alaska, however, there is a growing interest to develop the industry. Prior to contemplating salmon farming, the State should initiate an unbiased study to identify and evaluate social and economic impacts and consider various implementation options to determine the greatest benefits for Alaskans.

Some finfish species and product forms such as pan-sized salmon and trout may not be in direct competition with the Alaska commercial fishing industry and, therefore, may not be as controversial as other forms of salmon farming. The State should commence a review to determine if the culture of pan-sized salmon, trout and other finfish are permissible under current statutes. Public comments should be solicited to determine if there is an interest or concern regarding these product forms.

FINAL

To accomplish the public education and research necessary for the orderly development of aquaculture in Alaska, a strong partnership commitment from the executive and legislative branches of State Government, Alaskan universities, industry and interested individuals will be required.

lt4393t

MEMORANDUM

State of Alaska

TO: Fisheries Mini-Cabinet

DATE: March 11, 1985

FILE NO:

TELEPHONE NO:

FROM: Bill Sheffield
Governor

SUBJECT: Policy Development Strategy for Mariculture/Aquaculture

Alaska's position in the world marketplace as a producer of seafood products has changed dramatically since statehood. There is every indication that an equally dramatic change will occur in the next decade. A number of world-wide developments, over which we in Alaska have little or no control, have had and will have an impact on our domestic and international seafood markets. The increasing use of aquaculture or sea farming techniques to supplement or complement traditional wild stock harvest strategies stands out among these trends. In my opinion, this trend requires our careful development of a public policy response by the State.

Alaska's abundant, high quality water resources, the close ties between many of our coastal communities and our marine environment suggest that some forms of sea farming may represent an opportunity for economic growth and diversity. However, it is critical that State policy insure that such development complements, rather than conflicts with, our valuable traditional seafood industry. To accomplish the timely formulation of public policy and any legislative or regulatory changes that might be required, I instruct the Fisheries Mini-Cabinet to take the following steps:

1. Appoint an ad hoc advisory group representative of harvesting, processing, mariculture, and community interests to review the mariculture/sea farming issues.

2. In those instances where little or no conflict appears to exist between sea farming and traditional fisheries (e.g. shellfish), develop the legislation or regulations necessary to encourage an orderly development that maximizes Alaskan participation.

3. In those cases where sea farming may be in conflict with our traditional fisheries (e.g. pen reared salmon), move ahead cautiously to examine all facets of the issue, including:

   a) the effect of sea farming on the markets for our traditional seafood products;

b) the experiences of other nations with sea farming development;

c) how such developments might supplement or complement our existing industry, and how maximum Alaskan participation could be encouraged.

4. Report to me regularly on your progress in dealing with these issues.

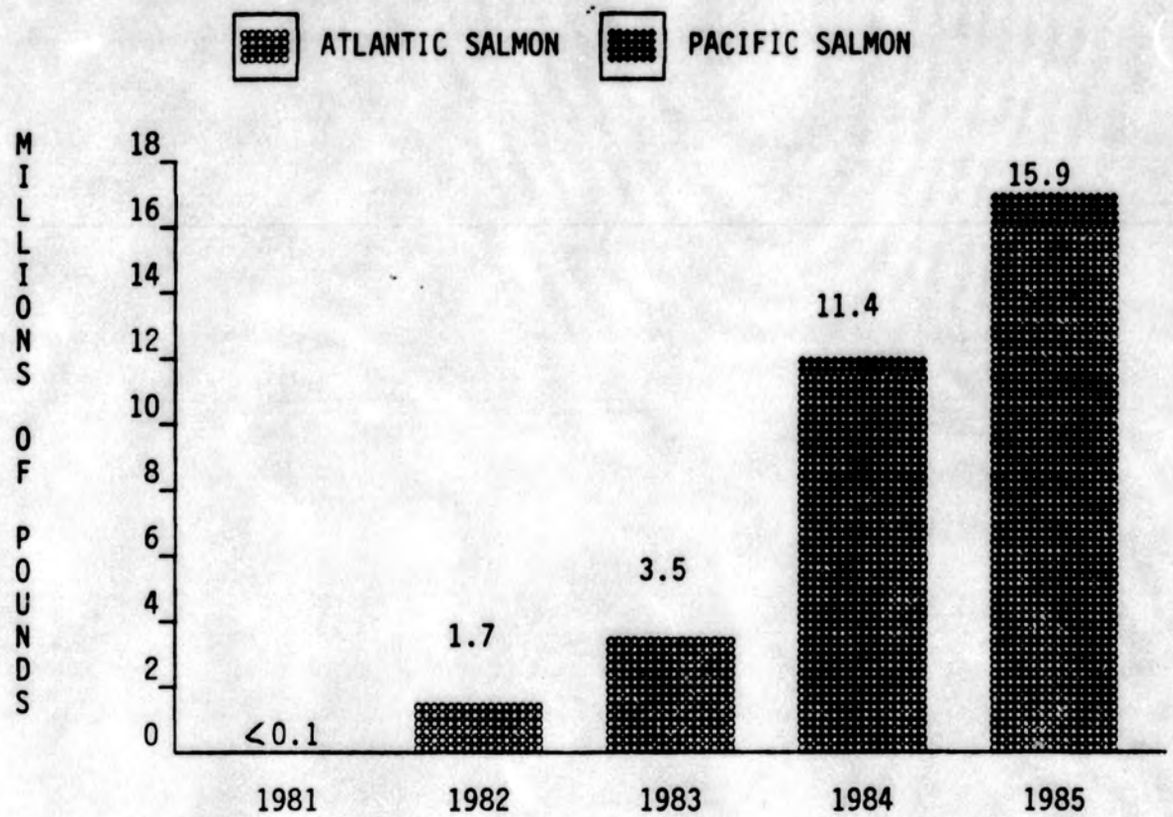
BS/GB/mst0089g
021985a

cc: Fisheries Mini-Cabinet Staff
Cass Parsons, United Fishermen of Alaska
Rick Lauber, Pacific Seafood Processors Association

Table 1.--World production of pen-farmed salmon, 1981-85; 1990 and 2000 projections.

Species/Country	Year						
	1981	1982	1983	1984	1985	1990	2000
	--metric tons--						
Atlantic							
Norway	8,907	10,266	17,016	25,000	30,000	80,000	200,000
United Kingdon	1,000	2,100	2,500	2,500	3,000	8,500	
Finland	500	700	700	700	750	2,500	
Ireland	80	103	256	256	300	2,000	
Canada	35	140	180	180	200	1,000	
Faroe Islands	100	130	160	160	190	2,000	
Sweden	60	80	100	100	100	500	
Iceland	20	30	50	50	50	300	
France	2	5	10	10	10	30	
Total	10,704	13,554	20,972	26,456	34,600	96,830	200,000
Pacific							
Japan	1,150	2,122	2,900	4,400	6,800	8,000	
United States	450	680	900	1,000	1,200	1,800	
Chile	60	80	100	150	200	3,000	
France	60	80	80	80	80	500	
Canada	3	5	10	100	100	50	
New Zealand	2	5	10	22	132	50	
Total	1,725	2,972	4,000	5,752	8,512	12,400	
Grand Total	12,429	16,526	24,972	32,208	43,112	109,230	200,000

Source: Branch of Foreign Fisheries Analysis and W. R. Heard, Auke Bay Laboratory, National Marine Fisheries Service, NOAA, U.S. Department of Commerce.



IMPORTS OF FARMED SALMON INTO U.S. MARKETS

by country
by species

MEMORANDUM

OF

AGREEMENT ON SEAFOOD INDUSTRY DEVELOPMENT AND TRADE

October 23, 1985

STATE OF ALASKA

OVERSEAS FISHERY COOPERATION FOUNDATION

JAPAN FISHERIES ASSOCIATION

MEMORANDUM OF AGREEMENT ON
SEAFOOD INDUSTRY DEVELOPMENT AND TRADE

Whereas the State of Alaska and the Japanese fishing industry represented by the Overseas Fishery Cooperation Foundation of Japan (hereinafter referred to as Foundation) and the Japan Fisheries Association (hereinafter referred to as JFA), have considered their mutual interest in the development of all the sectors of the Alaska seafood industry; and

Whereas the Foundation and the JFA recognize that the State of Alaska considers the further orderly and timely development of its seafood industry to be of great importance; and

Whereas the State of Alaska recognize it is the position of the Japanese fishing industry that economic disruption and dislocation should be minimized as U.S. participation develops in the fisheries off Alaska; and

Whereas the State of Alaska and the Japanese fishing industry wish to promote a cooperative and mutually beneficial relationship between the Japanese and Alaskan seafood industries in the areas of coastal fisheries development, marine products processing, marketing and related activities;

Therefore, the State of Alaska and the representatives of the Japanese fishing industry have agreed to cooperate in the following manner;

The State of Alaska, the Foundation and the JFA will organize a committee, consisting of appropriate representatives, to plan and monitor cooperative projects and facilitate the exchange of necessary information.

For the immediate future, the committee created under the terms of this agreement will consider and implement the following cooperative projects;

1. A feasibility study for the development of a Mariculture/ Sea farming industry in Alaska.

2. Assistance in the development of a curriculum for basic vocational training of Alaskans in marine products processing, including Surimi.

3. A discussion on the needs of the Japanese fishing industry that economic disruption and dislocation should be minimized as U.S. participation develops in the fisheries off Alaska.

4. A discussion on the needs of Alaska regarding the orderly and timely development of its seafood industry.

Recognizing the interest of the Foundation, the JFA and the State of Alaska, a meeting of the committee will be held in the near future to explore mutually beneficial fisheries development opportunities in all sectors of the seafood industry.

Signed at Tokyo, October 23, 1985

State of Alaska

By _____
Bill Sheffield
Governor

Overseas Fishery Cooperation Foundation

By _____
Toshihiko Ohba
President

Japan Fisheries Association

By _____
Tomoyoshi Kamenaga
President

ADDRESS BY ROBERT W. LOESCHER
VICE PRESIDENT FOR RESOURCE MANAGEMENT
SEALASKA CORPORATION
TO
UNITED FISHERMEN OF ALASKA
ANNUAL MEETING
FEBRUARY 5, 1986

AQUACULTURE DEVELOPMENT

INTRODUCTION

SEALASKA CORPORATION HAS BEEN ASKED TO SPEAK TO UNITED FISHERMEN OF ALASKA DUE TO OUR INTEREST IN AQUACULTURE DEVELOPMENT IN ALASKA. BRIEFLY, SEALASKA BELIEVES THAT AQUACULTURE REPRESENTS AN OPPORTUNITY FOR ALASKA TO:

1. DIVERSIFY STATE AND LOCAL ECONOMIES;

2. PROVIDE ECONOMIC GROWTH AND EMPLOYMENT FOR ALASKANS;

3. AND, TO DEVELOP AN INDUSTRY THAT UTILIZES ALASKA'S VAST NATURAL COASTLINE, ESTUARIES AND HABITAT RESOURCES IN A MANNER COMPATIBLE WITH EXISTING LIFESTYLES AND INDUSTRIES.

WORLD AQUACULTURE PRODUCTION

AQUACULTURE IS OF INTEREST BECAUSE THE WORLD PRODUCTION OF NATURAL STOCKS OF ALL SPECIES HAVE REMAINED STATIC AT 70-75 MILLION METRIC TONNES DURING THE LAST 15-20 YEARS. AT THE SAME TIME, THE WORLD DEMAND FOR QUALITY FISH AND OTHER AQUATIC PRODUCTS IS INCREASING. ONLY AQUACULTURE HAS THE POTENTIAL TO SIGNIFICANTLY INCREASE THE PRODUCTION OF FISH AND OTHER AQUATIC PRODUCTS TO MEET THESE NEEDS. THE WORLD PRODUCTION OF AQUACULTURE PRODUCTS IS INCREASING RAPIDLY. IN 1984, IT WAS

ESTIMATED THAT ABOUT 10 MILLION METRIC TONNES OF AQUACULTURE PRODUCTS WERE PRODUCED.

AQUACULTURE IN ALASKA

IN ALASKA, OPPORTUNITIES AND INTEREST IN AQUACULTURE DEVELOPMENT FOCUS ON OYSTERS, MUSSELS, SEAWEED AND SALMON. OTHER POTENTIAL OPPORTUNITIES ALSO EXIST FOR OTHER SHELLFISH, MOLLUSCS AND FINFISH SPECIES. THE PRESENTATION TODAY WILL FOCUS ON SALMON AQUACULTURE AND PARTICULARLY SALMON FARMING.

TYPES OF SALMON AQUACULTURE

SALMON AQUACULTURE OCCURS IN TWO FORMS -- SALMON OCEAN RANCHING AND SALMON FARMING. OCEAN RANCHING CONSISTS OF THE PRODUCTION OF AND RELEASE OF SALMON FRY OR SMOLTS INTO THE NATURAL WATERS OF THE STATE. THESE FISH MIGRATE THROUGH THE OPEN OCEANS AND LATER RETURN TO THEIR PLACE OF ORIGIN. DURING THIS MIGRATORY PHASE THE FISH ARE HARVESTED BY THE VARIOUS FISHERIES OF THE STATE. WITHIN ALASKA, THE OCEAN RANCHING PROGRAM IS WELL ESTABLISHED UNDER STATE LAW AS A STATE OR PRIVATE NON-PROFIT HATCHERY PROGRAMS.

SALMON FARMING IS THE REARING OF SALMON IN NET PEN OR OTHER ENCLOSURES. THE FISH ARE HARVESTED BY THE GROWER WHEN THEY REACH MARKETABLE SIZE. THERE ARE TWO GENERAL MARKET SIZES OF FARMED SALMON, PAN-SIZED AND GROW-OUT. PAN-SIZED SALMON ARE SOLD WHEN THEY REACH APPROXIMATELY ONE POUND IN SIZE. GROW-OUT SALMON ARE GENERALLY SOLD WHEN THEY REACH TWO POUNDS OR MORE. THE BEST PRICES FOR GROW-OUT SALMON ARE FOR SIZES BETWEEN SEVEN TO TWELVE POUNDS. CURRENTLY SALMON FARMING IS BELIEVED TO BE PROHIBITED IN ALASKA. THERE WILL BE A NEED TO ENACT ENABLING LEGISLATION IF THIS TYPE OF INDUSTRY IS TO PROCEED IN ALASKA.

WORLD SALMON FARMING INDUSTRY

SALMON FARMING AS IT CURRENTLY EXISTS EVOLVED IN NORWAY IN THE

1960S. THIS WAS LARGELY AN EXPERIMENTAL PROGRAM TO CREATE A BROAD BASED, GEOGRAPHICALLY DISPERSED INDUSTRY, THAT WOULD PROVIDE EMPLOYMENT OPPORTUNITIES IN REMOTE REGIONS AND FOR NATIONAL SECURITY PURPOSES. THE FIRST COMMERCIAL PRODUCTION OF NORWEGIAN FARMED SALMON OCCURRED IN 1971 WHEN 98 METRIC TONNES WERE PRODUCED. BY 1973, THE NORWEGIAN FARM PRODUCTION INCREASED TO 171 METRIC TONNES. IN 1981, NORWAY PRODUCED ALMOST 9,000 METRIC TONNES OF FARMED SALMON. IN 1981, TWELVE OTHER COUNTRIES PRODUCED AN ADDITIONAL 3,000 METRIC TONNES, FOR A TOTAL 1981 PRODUCTION OF 12,000 METRIC TONNES OF FARMED SALMON. BY 1984, THE WORLD FARMED SALMON PRODUCTION DOUBLED TO OVER 24,000 METRIC TONNES AND BY 1990 THE FORECAST FOR A WORLD PRODUCTION IS 126,000 METRIC TONNES.

THE IMPORTANCE OF SALMON FARMING BECAME READILY APPARENT IN 1980. BY THIS PERIOD SIGNIFICANT QUANTITIES OF FARMED SALMON WERE BEING EXPORTED FROM NORWAY TO 14 OTHER COUNTRIES. THE UNITED STATES AND JAPAN BEING THE LARGEST MARKETS FOR NORWEGIAN SALMON. FARMED SALMON WAS BEING WIDELY RECOGNIZED AND ACCEPTED AS A PREMIUM QUALITY SEAFOOD PRODUCT. SEALASKA HAS FOUND THESE PRODUCTS TO BE ENTERING EUROPEAN MARKETS TRADITIONALLY HELD BY FRESH FROZEN SALMON FROM ALASKA.

THE RAPID GROWTH AND MARKET ACCEPTANCE OF FARMED SALMON IS OCCURRING BECAUSE IT IS A "NEW PRODUCT FORM" THAT MEETS THE BUYER AND CONSUMER NEEDS. THE ATTRIBUTES OF FARMED SALMON IN THE MARKETPLACE ARE:

1. AVAILABLE IN THE SIZE PREFERRED BY THE CONSUMER.

2. OFFER CONSISTENTLY EXCELLENT QUALITY WITH FIRM FLESH, GOOD COLOR AND SILVER SIDES.

3. ARE AVAILABLE FRESH TO ALMOST ANY MARKET WITHIN THREE DAYS.

4. AND, DO NOT ENCOUNTER THE SEASONAL AVAILABILITY AND HIGH

STORAGE COSTS THAT OCCUR WITH COMMERCIALLY CAUGHT FISH.

NORWAY, WHICH HAS 592 FARMS AND 649 HATCHERIES, SUPPLIES MOST OF THE CURRENT WORLD PRODUCTION. OTHER EUROPEAN COUNTRIES, JAPAN, CHILE, NEW ZEALAND, CANADA AND THE UNITED STATES, ARE PROMOTING SALMON FARMING IN THEIR REGIONS. THE OBJECTIVE IS TO DIVERSIFY LOCAL ECONOMIES AND TO CREATE NEW JOBS. IN 1984 BRITISH COLUMBIA HAD 10 FARMS PRODUCING APPROXIMATELY 100 METRIC TONS, IN 1985 THERE WERE 35 PRODUCING FARMS AND IN 1986 THERE WILL BE AN ESTIMATED 146 PRODUCING FARMS. BRITISH COLUMBIA OFFICIALS CONSERVATIVELY ESTIMATE THAT IN 1990 FARM SALMON PRODUCTION WILL BE BETWEEN 12,000-15,000 METRIC TONS, WORTH APPROXIMATELY $122 MILLION DOLLARS. IN WASHINGTON STATE, THE GROWTH OF SALMON FARMING IS EQUALLY DRAMATIC. OFFICIALS IN WASHINGTON ESTIMATE THAT THERE WILL BE 100-140 FARMS BY 1990. IN BOTH WASHINGTON AND BRITISH COLUMBIA THE GOVERNMENTS RECOGNIZE THE SOCIAL, ECONOMIC AND ENVIRONMENTAL BENEFITS OF SALMON FARMING AND HAVE FORMULATED LAWS AND OTHER INSTITUTIONAL PROGRAMS TO PROMOTE SALMON FARMING IN THEIR RESPECTIVE REGIONS.

THE SUCCESS OF SALMON FARMING IN NORWAY AND OTHER COUNTRIES AND NOW CLOSER TO HOME IN BRITISH COLUMBIA AND THE PACIFIC NOWTHWEST STATES IS PROOF THAT FARMED SALMON HAVE ESTABLISHED A PERMANENT PLACE IN THE WORLD FOOD MARKETS. THE PRODUCTION OF FARMED SALMON IS NOW MARKET-DRIVEN WITH PREVIOUSLY NON-PRODUCING REGIONS AGGRESSIVELY PROMOTING SALMON FARMING IN ORDER TO CAPTURE A SHARE OF THE NEW MARKETS AND REALIZE THE SOCIAL AND ECONOMIC BENEFITS FROM SALMON FARMING. CLEARLY, AS A RESULT OF THESE DEVELOPMENTS ALASKANS MUST NOW CONSIDER SALMON FARMING AS PART OF THE GROWING ALASKA SEAFOOD INDUSTRY.

SEALASKA CORPORATION, AS A MAJOR FISHERIES INDUSTRY PARTICIPANT, HAS CONCLUDED THAT SALMON FARMING MAY BE WELL SUITED FOR ALASKA CONDITIONS. IF ECONOMICALLY FEASIBLE, SALMON FARMING WOULD PROVIDE SIGNIFICANT ECONOMIC AND SOCIAL BENEFITS IN ALASKA. EQUALLY SIGNIFICANT IS THAT A FAILURE OF ALASKA TO ACT ON SALMON

FARMING WOULD MEAN A LOSS OF INCOME AND SOCIAL BENEFITS TO THE STATE AND ITS RESIDENTS. IN LATE 1984 AND 1985, SEALASKA COMMISSIONED AN AQUACULTURE FEASIBILITY STUDY WITH SWEDISH AND ALASKAN CONSULTING FIRMS TO EVALUATE SALMON FARMING POTENTIAL.

THE STUDY OBJECTIVES WERE TO:

1. EVALUATE COSTS OF FARMING SALMON IN ALASKA.

2. DETERMINE IF SALMON FARMING IS ECONOMICALLY FEASIBLE; AND

3. EVALUATE POTENTIAL SOCIAL AND ECONOMIC BENEFITS TO ALASKA AND ITS RESIDENTS.

THIS STUDY FOUND THAT:

SALMON FARMING IS ECONOMICALLY FFASIBLE IN ALASKA UNDER CURRENT CONDITIONS, HOWEVER, COST CONTROL FARM EFFICIENCY AND A FAVORABLE REGULATORY STRUCTURE ARE ESSENTIAL TO MAINTAIN PROFITABILITY.

- THE CURRENT MARKET PRICE FOR FARMED SALMON IN HOUSTON OR LOS ANGELES IS IN EXCESS OF $4.00 PER POUND.

- THE DELIVERED COST OF FARMED SALMON FROM SOUTHEAST ALASKA FROM URBAN OR RURAL/REMOTE LOCATIONS RANGES BETWEEN $2.78 AND $2.98 PER POUND FOR AN ESTABLISHED METRIC TON FACILITY.

- ASSUMING A CONSERVATIVE PRICE OF $3.50 PER POUND THE GROSS PROFIT FOR A 200 METRIC TONNE SALMON FARM IN SOUTHEAST ALASKA WOULD BE BETWEEN $217,000 AND $268,000 OR 17% TO 21% PROFIT MARGIN.

- THE PRODUCTION COSTS OF FARMED SALMON IN ALASKA ARE APPRECIABLY HIGHER THAN COSTS TO PROVIDE THE SAME FISH IN WASHINGTON OR BRITISH COLUMBIA. IF GOVERNMENTAL AND REGULATORY PROGRAMS DO NOT ENCOURAGE SALMON FARMING, ALASKA

WILL BE UNABLE TO COMPETE WITH THE LESS EXPENSIVE FISH FROM THESE REGIONS.

A SALMON FARMING INDUSTRY IN ALASKA WILL CREATE A SIGNIFICANT NUMBER OF NEW JOBS AND PROVIDE SMALL BUSINESS OPPORTUNITIES FOR ALASKANS.

- AN ALASKA FARMED SALMON INDUSTRY PRODUCING 20,000 METRIC TONNES WOULD HAVE A PRODUCT SALES VALUE OF OVER $132 MILLION DOLLARS AND WOULD CREATE 2,800 JOBS. THIS IS 20% OF THE 1982 FISH AND SEAFOOD HARVESTING INDUSTRY ANNUAL AVERAGE EMPLOYMENT.

- IN AN ALASKA COMMUNITY FIVE TO TEN FARMS PRODUCING 500 METRIC TONNES WOULD CREATE APPROXIMATELY 33 NEW JOBS AND HAVE A SALES PRODUCT VALUE OF 3.3 MILLION DOLLARS.

- A 500 METRIC TONNE SALMON INDUSTRY IN A TYPICAL SMALL ALASKA VILLAGE WOULD EMPLOY 25% OR MORE OF THE AVAILABLE UNEMPLOYED LABOR FORCE AND CONTRIBUTE UP TO 50% IN ADDITIONAL WAGE EARNINGS TO THE COMMUNITY.

SALMON FARMING WILL PROVIDE DIRECT AND INDIRECT JOBS AND BENEFITS TO THE COMMERCIAL FISHING INDUSTRY.

- COMMERCIAL FISHERMEN MAY OWN AND OPERATE SALMON FARMS AS WELL AS CONTINUING TO FISH COMMERCIALLY. SALMON FARMING IS A YEAR-ROUND ACTIVITY, HOWEVER, DURING THE SPRING AND SUMMER MONTHS OPERATING A SALMON FARM IS AT A MAINTENANCE LEVEL REQUIRING REDUCED LABOR FORCE AND DIRECT MANAGEMENT THEREBY FREEING THE OWNER TO COMMERCIAL FISH. DURING THE WINTER HARVESTING AND PROCESSING PERIOD, THE COMMERCIAL FISHERMAN OWNER WILL BE AVAILABLE TO MANAGE THE OPERATION.

- SALMON FARMING REQUIRES LARGE QUANTITIES OF RAW FISH FOR USE AS FISH FOOD OR FISH MEAL. THESE RAW PRODUCT DEMANDS WILL

CREATE NEW AND DIFFERENTLY COMMERCIAL FISHING OPPORTUNITIES.

- CURRENTLY, SIGNIFICANT PORTIONS OF THE STATE AND PRIVATE NON-PROFIT OCEAN RANCHING FACILITIES BUDGET IS FOR PURCHASE OF EXPENSIVE FISH FOOD WHICH IS RECEIVED FROM WASHINGTON OR OREGON. THE FISH FOOD DEMANDS OF THESE FACILITIES IS INSUFFICIENT TO JUSTIFY A FISH FOOD PRODUCTION PLANT NEAR THESE FACILITIES. WITH THE GROWTH OF A SIGNIFICANT SALMON FARMING INDUSTRY SUFFICIENT FOOD REQUIREMENTS WOULD EXIST TO JUSTIFY REGIONAL FISH FOOD PRODUCTION PLANTS. THIS WOULD REDUCE COSTS TO THE OCEAN RANCHING FACILITIES.

SALMON FARMING IN ALASKA WILL NOT EFFECT THE ALASKA COMMERCIAL FISHING INDUSTRY DUE TO WORLD PRODUCTION AND MARKETS THAT ALASKA FARMED SALMON WILL ENTER

THE PRODUCTION OF FARMED SALMON IS VERY EXPENSIVE. IN ALASKA THE PROJECTED DELIVERED COSTS OF PRODUCING FARMED SALMON IS $2.78 TO $2.98 PER POUND. DUE TO THESE COSTS, FARMED SALMON FROM ALASKA WOULD ENTER ONLY VERY SPECIAL DOMESTIC MARKETS THAT WILL PAY PREMIUM PRICES.

AREAS OF POTENTIAL COMPETITION MAY BE FOR PREMIUM QUALITY COMMERCIALLY CAUGHT CHINOOK AND POSSIBLY COHO SALMON ENTERING FRESH AND FRESH FROZEN MARKETS. COMPETITION WILL NOT BE DIRECT BECAUSE FARMED SALMON CANNOT COMPETE WITH THE PRICES OF COMMERCIALLY CAUGHT FISH. FOR THIS REASON, FARMED SALMON GENERALLY ENTER THE MARKET DURING A 31-WEEK PERIOD (WINTER THROUGH LATE SPRING) WHEN FRESH COMMERCIALLY CAUGHT SALMON ARE NOT AVAILABLE. FARMED SALMON MAY ALSO IMPROVE MARKETING OF COMMERCIALLY CAUGHT FISH BY CREATING NEW MARKETS SUCH AS RESTAURANTS THAT PREVIOUSLY DID NOT CARRY SALMON. IN THESE MARKETS, PREMIUM QUALITY COMMERCIALLY CAUGHT FISH WOULD BE PURCHASED IN SEASON WHILE FARMED SALMON WOULD BE PURCHASED DURING THE OFF-SEASON.

SALMON FARMING IS OCCURRING THROUGHOUT THE TEMPERATE AND SUB-ARCTIC CLIMATES OF THE NORTHERN AND SOUTHERN HEMISPHERE. THERE IS PRESENTLY AN UNDECLARED RACE THROUGHOUT THESE REGIONS TO DEVELOP A SALMON FARMING INDUSTRY WHICH CAN SECURE A SHARE IN THE NEW MARKET. EACH COUNTRY IS POSITIONING ITSELF TO FIND THE GEOGRAPHIC MARKET AREA IN WHICH THEY WILL HAVE A COMPETITIVE ADVANTAGE OVER OTHER PRODUCING REGIONS. RECOGNIZING THE EXISTENCE OF THIS RACE, IT IS SAFE TO CONCLUDE THAT THE WORLD DEMAND FOR FARMED SALMON WILL BE FILLED. THUS, REGARDLESS OF ALASKA'S PARTICIPATION, IN SALMON FARMING THE MARKETS WILL BE FILLED. FAILURE OF ALASKA TO PARTICIPATE WILL ONLY MEAN A LOSS OF JOBS AND INCOME TO ALASKA.

<u>EXPEDIENT DEVELOPMENT OF SALMON AQUACULTURE POLICY AND REGULATIONS IS NECESSARY IF ALASKA IS GOING TO COMPETE IN MARKETS FOR FARMED SALMON</u>

- THE GROWTH OF A SALMON INDUSTRY INVOLVES CONSIDERABLE LEAD TIME. FOR EXAMPLE, IT TOOK NORWAY 20 YEARS BEFORE THE COUNTRY WAS ABLE TO PRODUCE 9,000 METRIC TONNES.

- IN ALASKA, THE LEAD TIME REQUIRED TO PRODUCE A MARKETABLE PRODUCT WILL BE AT LEAST FOUR YEARS.

- IT IS ESTIMATED THAT IT WILL TAKE A MINIMUM OF EIGHT TO 10 YEARS FOR ALASKA TO PRODUCE MORE THAN 5,000 METRIC TONNES. THIS ASSUMES THAT THE STATE WILL PROVIDE A MINIMUM OF 1.1 MILLION EGGS ANNUALLY AND THAT VERY FAVORABLE GOVERNMENTAL SUPPORT AND REGULATIONS ARE IN PLACE.

- A DELAY IN AUTHORIZING SALMON FARMING IN ALASKA WILL PREVENT ALASKA FROM ESTABLISHING ITS OWN FARMED SALMON MARKETS. THIS WILL ENABLE OTHER COUNTRIES SUCH AS CANADA AND FARMS IN THE UNITED STATES TO FILL THE DOMESTIC MARKETS BEFORE ALASKA PRODUCTION IS AVAILABLE.

SALMON FARMING WOULD BE BENEFICIAL TO ALASKA, HOWVER, THE SUCCESS OR FAILURE OF THE INDUSTRY IS PREDICATED ON EXPEDIENT POLICY DECISIONS TO ALLOW THE INDUSTRY IN ALASKA

THE PROJECTED DEMAND FOR FARMED SALMON WILL CONTINUE TO EXCEED SUPPLY THROUGH THE EARLY 1990S. THIS DEMAND WILL MAINTAIN A HIGH PRODUCT PRICE AND EXCELLENT PROFIT MARGIN. IT IS ANTICIPATED, HOWEVER, THAT AS THE MARKET DEMAND IS MET THE PRICE MAY DECREASE. ESTABLISHED SALMON FARMS WILL STILL BE ABLE TO MAINTAIN GOOD TO EXCELLENT PROFIT MARGINS THROUGH IMPROVED EFFICIENCY OF THEIR OPERATIONS AS PRICE DECLINES OCCUR.

THE SUCCESSFUL EVOLUTION OF A NEW SALMON FARMING IN ALASKA IS PREDICATED ON DEVELOPING THE INDUSTRY WHILE THE PRODUCT REMAINS HIGH. IF THE PRICE DROPS BEFORE ALASKA'S INDUSTRY IS ESTABLISHED, ALASKA WILL NOT HAVE THE EXPERIENCE AND IMPROVED EFFICIENCY NECESSARY TO MAINTAIN PROFIT MARGINS. THIS WILL HAVE ADVERSE IMPACTS ON DEVELOPING SMALL SALMON FARMING BUSINESSES THAT DO NOT HAVE SUFFICIENT CAPITAL TO WITHSTAND THE DEVELOPMENT PHASE.

IN CONCLUSION

ALASKA IS ON THE THRESHOLD OF OPPORTUNITY TO PROMOTE A NEW INDUSTRY IN THE STATE. THIS INDUSTRY WILL AFFORD SIGNIFICANT OPPORTUNITIES TO:

1. DIVERSIFY LOCAL AND STATE ECONOMIES.

2. ADD SIGNIFICANT NEW CAPITAL TO THE COMMUNITIES, PROVIDE NEW YEAR-ROUND EMPLOYMENT OPPORTUNITIES ALLEVIATING THE EXTREME UNEMPLOYMENT LEVELS DURING THE FALL AND WINTER MONTHS.

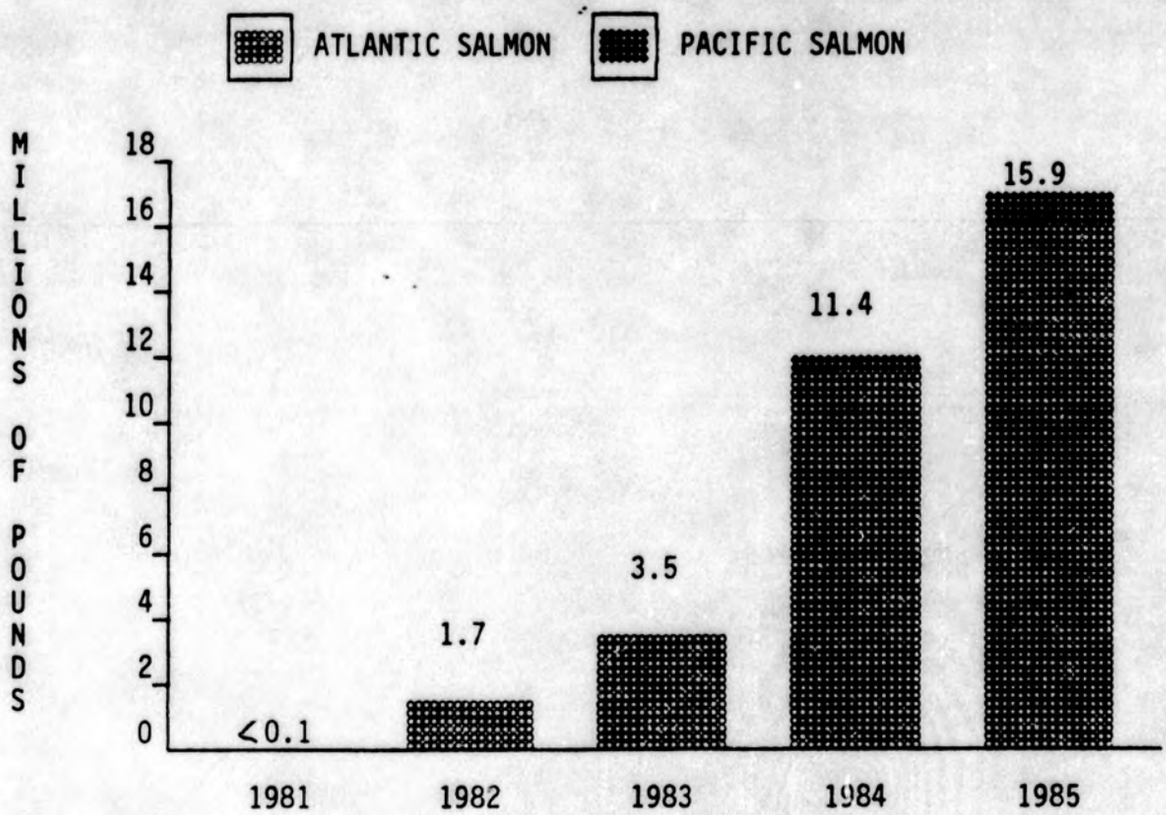
3. PROVIDE SIGNIFICANT NEW SMALL BUSINESS OPPORTUNITIES TO OUTLYING COMMUNITIES; AND

4. INCREASE OFF-SEASON OPPORTUNITIES FOR THE COMMERCIAL FISHING AND SEAFOOD PROCESSING INDUSTRIES.

THESE BENEFITS AND MORE CAN BE REALIZED BY DEVELOPING A SALMON FARMING INDUSTRY. SALMON FARMING IS A NON-EXTRACTIVE INDUSTRY WHICH REQUIRES MAINTENANCE OF ENVIRONMENTAL AND WATER STANDARDS AND IS CONSISTENT WITH ALASKA LIFESTYLES.

THE SUCCESSFUL DEVELOPMENT OF SALMON FARMING CANNOT ENCOUNTER PROTRACTED DELAY. THERE IS A WINDOW OF OPPORTUNITY TO DEVELOP THE INDUSTRY BUT DUE TO RAPID GROWTH OF SALMON FARMING IN OTHER REGIONS OF THE WORLD, COMPETITION FOR MARKET WILL INCREASE. ONCE THIS HAPPENS THE WINDOW OF OPPORTUNITY FOR MANY ALASKANS, PARTICULARLY SMALL BUSINESSES, MAY BE CLOSED.

SEALASKA BELIEVES THAT AQUACULTURE AND SALMON FARMING WILL BE BENEFICIAL TO ALASKA AND THAT EXPEDIENT DEVELOPMENT OF PUBLIC POLICY TO PROMOTE SALMON FARMING IS NECESSARY. DEVELOPMENT OF THIS MUST OCCUR WITH THE CLOSE COOPERATION AND INVOLVEMENT OF THE ALASKA SEAFOOD FOOD INDUSTRY. RECENTLY, THE GOVERNOR'S AQUACULTURE ADVISORY COMMITTEE PROPOSED AN AQUACULTURE POLICY FOR THE STATE AND A PLAN OF ACTION TOWARD IMPLEMENTING THAT POLICY. SEALASKA CORPORATION IS A PARTICIPANT TO DEVELOPMENT OF THE POLICY AND BELIEVES THAT IT REPRESENTS A PRACTICAL AND ACHIEVABLE PROCESS FOR THE PUBLIC TO CONSIDER THE BENEFITS AND IMPACTS OF OCEAN FARMING AND TO MAKE INFORMED DECISIONS REGARDING THE FUTURE OF SALMON FARMING IN ALASKA.



IMPORTS OF FARMED SALMON INTO U.S. MARKETS

Table 1.--World production of pen-farmed salmon, 1981-85; 1990 and 2000 projections.

Species/Country	Year						
	1981	1982	1983	1984	1985	1990	2000
	--metric tons--						
Atlantic							
Norway	8,907	10,266	17,016	25,000	30,000	80,000	200,000
United Kingdon	1,000	2,100	2,500	2,500	3,000	8,500	
Finland	500	700	700	700	750	2,500	
Ireland	80	103	256	256	300	2,000	
Canada	35	140	180	180	200	1,000	
Faroe Islands	100	130	160	160	190	2,000	
Sweden	60	80	100	100	100	500	
Iceland	20	30	50	50	50	300	
France	2	5	10	10	10	30	
Total	10,704	13,554	20,972	26,456	34,600	96,830	200,000
Pacific							
Japan	1,150	2,122	2,900	4,400	6,800	8,000	
United States	450	680	900	1,000	1,200	1,800	
Chile	60	80	100	150	200	3,000	
France	60	80	80	80	80	500	
Canada	3	5	10	100	100	50	
New Zealand	2	5	10	22	132	50	
Total	1,725	2,972	4,000	5,752	8,512	12,400	
Grand Total	12,429	16,526	24,972	32,208	43,112	109,230	200,000

Source: Branch of Foreign Fisheries Analysis and W. R. Heard, Auke Bay Laboratory, National Marine Fisheries Service, NOAA, U.S. Department of Commerce.

The commercial fishing fleet has been concerned with and damaged by salmon aquaculture for more than a decade. Without boring anyone with a detailed history, I would like to outline these concerns, especially in light of Sea Farm of Norway's recent request to increase its pen-rearing operation here in Puget Sound.

Economic concerns. Jon Lindberg, consultant for Sea Farm of Norway, makes the absurdly naive contention that there is no economic impact on the salmon fishery, since Sea Farm fish go into the fresh market during the off-season. While this may seem plausible to anyone not familiar with the salmon fishery, Mr. Lindberg certainly realizes, as do all other commercial fishermen, that there is but one salmon market, that it is international in scope, and that it consists almost entirely of frozen fish and, further, that the grocery stores and other resellers neither know nor care whether the fish are fresh or frozen, or even what species they are.

For example, if Alaska has a good year in salmon, it depresses the dock price worldwide for the following winter and first half of the next season until the market absorbs the old inventory.

According to the Pacific Fishery Management Council, in a report dated March 1985, the dollar value of pen-reared Atlantic salmon imported from Norway was 2.7 times the value of the entire commercial catch from Washington, Oregon, and California in 1984. Currently, there is an effort to apply trade tariffs to these imported fish. If Sea Farm of Norway is able to monopolize Washington pen-rearing, they will have successfully sidestepped these protective tariffs.

Sea Farm of Norway is requesting a permit to rear native coho and chinook. Mr. Lindberg states that the basis of this request is to compete with Chilean imports. This is an ironic piece of opportunism, since it was Mr. Lindberg's previous employer, Dom Sea Farms, who was responsible for the original importation of Washington salmon eggs in Chile.

Political concerns. I very much object to Sea Farm's attempt at monopoly by requesting more pen permits when they are only using a fraction of the permits they already have. If pen-rearing is to become a fixture of the region, it should at least include some of the commercial fishermen whom it has helped displace. It should not be restricted to one foreign-based corporation which employs only a few local people at near minimum wage and removes any profits not only from the city and county but from the state and country as well.

In short, the economic benefits are virtually nil, while the adverse impact is potentially very damaging.

Environmental concerns. What is even more potentially damaging are the many unanswered environmental issues involved. There is the very real possibility of habitat damage to the area under and near the pens from rotting feed, fecal matter, dead fish, and oxygen depletion resulting from this underwater feed lot. This problem has already surfaced in Sea Farm's other Puget Sound facility in Griffin Bay.

The other environmental problem is disease. Sea Farm has already had this problem here in Port Angeles with mortality running reportedly between 20% and 30%. The Washington Department of Fisheries considers 10% mortality to be epidemic in a hatchery environment. The cause of the mortality is apparently unknown, but likely results from either an immune deficiency among the Atlantic salmon or an induced disease from the country of origin. It has never been established if the Sea Farm fish are diseased or if these diseases are transferable to the native population of coho and chinook.

I believe that Sea Farm of Norway should not be allowed any additional pens at its Port Angeles site until they have utilized their existing permits. We have to preclude any monopolization that would eliminate local participation in the pen-rearing of salmon.

I also think that any pen-rearing operation should be required to provide a full environmental impact statement, including a baseline survey, independent scheduled monitoring of underwater habitat conditions, and documentation by accredited, responsible agency biologists of existing mortality, transferability of disease to local salmon, and the projected effect on the local salmon population.

It is especially important that these requirements be met before Sea Farm of Norway or any other operation be allowed to raise native coho and chinook salmon.



Tom Pope is an 11-year resident of Port Angeles, Washington and a commercial fisherman with experience in Alaska, Washington, Oregon, and California. He is the ex-chairman of the executive committee of the West Coast Professional Fishermen's Union, AFL-CIO No. 367.

"If pen-rearing is to become a fixture in the region, it should at least include some of the commercial fishermen it has helped displace."

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

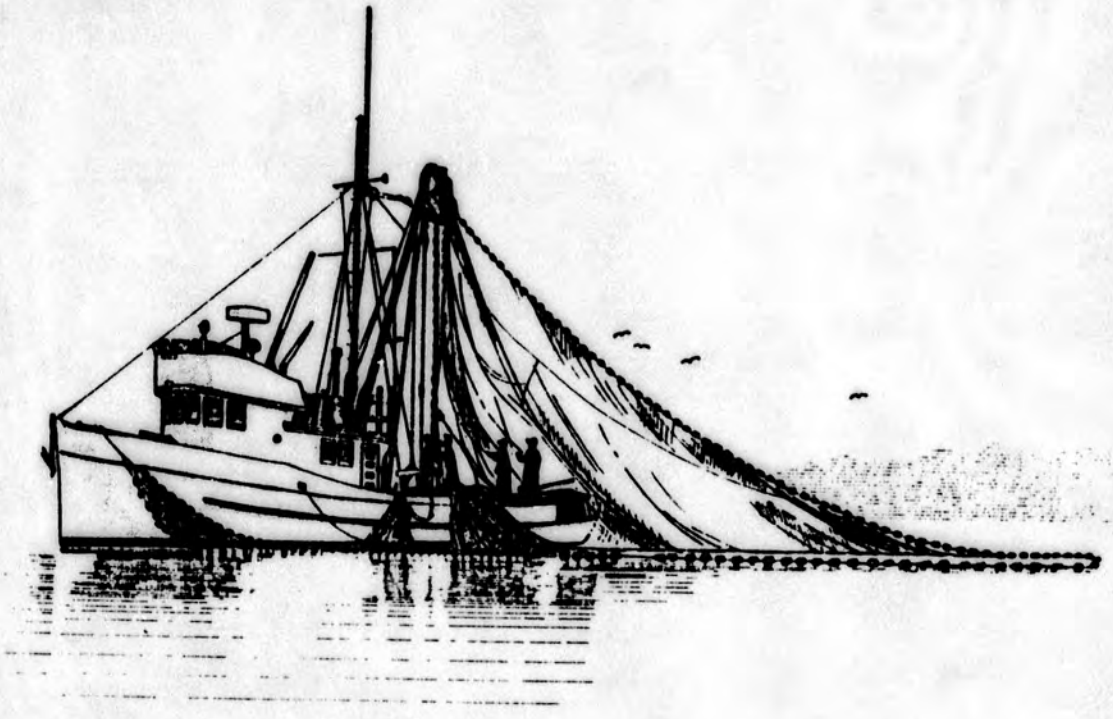
May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/11/86, 8:30am

North Pacific Fisheries Delphi Project Final Report



05052

NO POSTAGE
STAMP NECESSARY
IF MAILED IN THE
UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 158 JUNEAU, ALASKA

Postage Will Be Paid By:

OFFICE OF COMMERCIAL
FISHERIES DEVELOPMENT
DEPARTMENT OF COMMERCE
& ECONOMIC DEVELOPMENT
POUCH D
JUNEAU, ALASKA 99811

FISHERIES DELPHI EVALUATION

We are interested in how the North Pacific Fisheries Delphi Study will be used and its value to users. Please answer the questions below, and return the form to the address stamped on the back. Please fold and staple or tape so the mailing address is shown.

1. In your own anticipated use of the study results, the report will be

☐ referenced often ☐ read ☐ scanned ☐ generally ignored

2. With respect to the identification of important problems, issues and policies, is the report

☐ generally reliable ☐ reliable in many cases ☐ reliable in a few cases ☐ generally unreliable

With respect to the panel's predicted outcomes (majority opinion) are the panel's predictions for the study as a whole

☐ generally reliable ☐ reliable in many cases ☐ reliable in a few cases ☐ generally unreliable

3. In what area(s) is the report most accurate? (Denote the Chapter and/or Table #) _____

In what area(s) is the report least accurate? _____

4. Check your own primary affiliation in the left most column below (please check no more than two). Then indicate the report's usefulness to each group/organization by putting one check per row at the right.

AFFILIATION	GROUP/ORGANIZATION	VERY USEFUL	USEFUL	SOME USE	LITTLE VALUE
☐	Harvester(s)	☐	☐	☐	☐
☐	Processor(s)	☐	☐	☐	☐
☐	Distributor(s)	☐	☐	☐	☐
☐	Legislator(s)	☐	☐	☐	☐
☐	State agency(ies)	☐	☐	☐	☐
☐	Federal agency(ies)	☐	☐	☐	☐
☐	Researcher(s)	☐	☐	☐	☐
☐	Other _____	☐	☐	☐	☐

5. Rate your own level of expertise in the following six seafood issue categories (Put H for high, M for medium, L for low):

Supply _____ Trade _____ Price _____

Demand _____ Marketing _____ Policy _____

6. Please rank (1 - highest, 2 - next highest, etc.) the effectiveness of the following methods for long-range forecasting of fisheries developments:

[ ] econometric and mathematical models

[ ] forecasting by individual experts

[ ] Delphi method - forecasting by a group of experts augmented by individual rating of expert opinions in three rounds

[ ] group judgement methods other than Delphi

[ ] other (please specify) _____

7. If you are familiar with the Delphi method, please rate the importance of the following factors to the credibility of the Delphi study:

VERY IMPORTANT	MODERATELY IMPORTANT	OF LITTLE IMPORTANCE	
☐	☐	☐	High level of expertise of the panelists
☐	☐	☐	Large panels
☐	☐	☐	Anonymity during the process
☐	☐	☐	Multiple questionnaire rounds
☐	☐	☐	Feedback of previous round results for re-evaluation
☐	☐	☐	Appearance of a consensus among panelists

8. Are you willing to serve on a future Delphi panel? ☐ Yes ☐ No

Questionnaire _____: Your responses will be kept strictly confidential; this number is included here solely for control purposes.

PLEASE FEEL FREE TO USE THE BACK OF THIS FORM FOR COMMENTS

05052

THE NORTH PACIFIC FISHERIES DELPHI PROJECT

REPORT TO

OFFICE OF COMMERCIAL FISHERIES DEVELOPMENT

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

LOREN H. LOUNSBURY, COMMISSIONER

GREGORY BAKER, DIRECTOR

Contractor: Economic Analysis
Section, Department of Commerce and
Economic Development
Project Coordinator: Lynn Hutton
Principal Consultant: Brad Pierce
Research/Support Team:
Geoffrey Whistler
Robert Schiller
Jeanette Mitchell

Juneau, Alaska
September 1985

ACKNOWLEDGEMENT

The members of the Delphi panel listed below contributed many hours of hard work toward providing the information that made this study possible. We sincerely thank them for their dedication and patience.

Brian Allee
Andrew Alley
Lee Alverson
Don Amend
Nels Anderson
Phillip Appleyard
Clinton E. Atkinson
Jerry Babbit
R. C. Baker
Don Bevan
Martha Blaxall
Jim Branson
Alec Brindle
Alvin Burch
Bud Burgner
Chris Carter
Larry Cotter
James A. Crutchfield
Don DeVoretz
Bill Dietrich
Lauren Donaldson
John Doyle
Oscar Dyson
Ralph Eluska
Thomas R. Eyestone
Captain Barry Fisher
Jay Gage
Doug Gordon
Abby Gorham
Murry Hayes
Jeff Hendricks
Jack Hice
Roy Jackson
Keith B. Jefferts
Tim Joyner
Jon Karpoff
Albert S. Kawabe
Frank Kawana
Curt Kerns
Ernie Kolhase
Tsune Kusakawa
Bert Larkins
Doug Larson
Rick Lauber
Patricia A. Lavin
John Lecture
Peter Leitz
Rebecca J. Lent
Biing-Hwan Lin
Jon Lindbergh
Rae MacFarland
Byron Mallott
John Martin
Ole Mathisen
Jay Matsen
Richard McCormick
Bob Morgan
Eric Norgaard
Dick Pace
Steven Pennoyer
Walter Pereyra
John Peterson
Rick Ranta
Bruce Rettig
James A. Richardson
Arnold Roseman
Don Rosenberg
Carl Rosier
William F. Royce
Edward A. Ryan
Robert Ryan
Teruji Sakiyama
Keith Sandercock
Susan Shaw
David A. Stanchfield
Hans Stuercken
Ed Suska
Tom C. Swafford
Joe Terry
Clem Tillion
John Wedin
Jim Wilson
Carlos F. Wurmann

IN MEMORIAL

JACK O. HICE

Mr. Hice was a tireless and innovative leader in the field of fish processing. He invented the world's first fish sticks, and between him and his wife, Holly, had 57 patents in fish processing, including a flash freezing process and the molecular adhesion process for molding fish blocks. He also developed the concept and marketed the first boilable bags for cooking frozen foods.

His contributions to this study were innovative and thought-provoking. We are sorry to lose his valuable contribution to the study and to the industry.

TABLE OF CONTENTS

			PAGE
		EXECUTIVE SUMMARY	1
Chapter 1		INTRODUCTION	5
Chapter 2		FUNDAMENTAL ISSUES	8
	Table 2.1	Important Issues or Questions Facing the Industry in the Next 20 Years	10
	" 2.2	Probability of the Occurrence of Selected Potential Developments in the Industry in the Next 20 Years	13
	" 2.3	Panel Ranking of the Major Impediments to the Development of Alaska's Fisheries Potential	15
	" 2.4	Areas of Comparative Advantage in World Seafood Markets for Exploration by U.S. Producers	17
Chapter 3		INTERNATIONAL DEVELOPMENT OF SALMON AQUACULTURE	18
	Table 3.1	Biological Implications of the Release of 11 Billion Salmon Fry Into the North Pacific by the Year 2000	20
	" 3.2	Political Implications of the Release of 11 Billion Salmon Fry Into the North Pacific by the Year 2000	22
	" 3.3	Economic Implications of the Release of 11 Billion Salmon Fry Into the North Pacific by the Year 2000	23
	" 3.4	Implications of the Increasing Japanese Coastal Salmon Catch and Declining High Seas Salmon Catch for the U.S. Salmon Industry	26
Chapter 4		ALASKA HATCHERY ISSUES	28
	Table 4.1	Role of Pen-reared Salmon in Alaska's Future	29
	" 4.2	Political Implications of Farming Versus Hunting in Alaska Salmon Fisheries	32
	" 4.3	Geographic Dislocation of Traditional Fisheries Due to the Distribution of Hatchery Fish	33
	" 4.4	Future Changes Needed for Alaska Hatchery Programs to Maint in Competitiveness	35
	" 4.5	Whether Fishers and Processors Should Share in the Costs and/or Profits of Privately Held Hatcheries	38
	" 4.6	Whether Alaska State Should Allow Sufficient Escapement for Total, Partial, or No Cost Recovery	39
	" 4.7	What Means Should be Used to Finance Nonprofit, Private Hatcheries	40
	" 4.8	Effect on Net Profits to Producers	40
	" 4.9	Expected Net Profits to Fishers and Processors	41
	" 4.10	Will Fishers Get an Adequate Return on Their Investment?	43
Chapter 5		INTERNATIONAL GROUNDFISH ISSUES	44
	Table 5.1	Expected Displacement of Imports by Domestic Groundfish Production	46
	" 5.2	Some Reasons Why the U.S. Seafood Industry is Not in the Forefront of the Development of the Domestic Surimi Market	48

EXECUTIVE SUMMARY

This report presents the predicted impact of selected future developments and issues in the North Pacific seafood industry. The predictions were obtained from a panel of over 100 distinguished and expert members of the seafood industry. The study was performed under contract with the Office of Commercial Fisheries Development, Alaska Department of Commerce and Economic Development.

Methodology

Delphi is a method for combining expert opinions elicited from the members of a carefully selected panel. The method utilizes a series of structured questionnaires mailed to panelists, which was combined with feedback of interim results to panel members. Panelists are thus made aware of emerging panel positions, including areas of significant consensus or lack of consensus. The Delphi method has many of the advantages of a high level conference without the disagreements and logistical problems associated with putting together such a gathering.

Prospective Delphi panelists were selected based on their level of expertise in six seafood issue categories (supply, demand, trade, price, marketing, and policy) and the sector of the industry that the panelist represents (government, university, industry-harvester, industry-processor, industry-distributor). An original list of 249 prospective panelists was reduced to a balanced list of 187 highly qualified individuals. Of the 187 invited to participate, 101 persons participated in one or more questionnaire rounds.

Three questionnaires were constructed by the research team and disseminated to the panel members. The focus of the first questionnaire was an overview of the major issues and events that are expected to impact the North Pacific seafood industry in the next 20 years. The panel was asked to forecast the occurrence of significant events, identify major issues of concern to them, identify impediments to development and areas of comparative advantage for exploitation, and to respond to a number of more technical hatchery, market interaction, and supply issues.

Round 2 was primarily focused toward having the panel evaluate the collective panel responses from Round 1. A number of new "probe" questions were included which were generated by the panel's response in Round 1. Round 3 focused on refining the forecasts from Round 2 and evaluating the panel responses from new questions introduced in Round 2.

The panel responded to more than 500 variables and questions. The first questionnaire was sent to the panel in June 1984, the second was sent in November 1984, and the third in March 1985.

A complete description of the research methodology, including the measurement scales, procedure, method of analysis, and panel demographics is given in Chapter 8.

Principal Results

This section contains the most significant data obtained from the panel's response to the three Delphi questionnaires. The results reflect what a majority of the panel rated as valid and reliable conclusions about the impact of selected issues facing the industry in the next 20 years. Refer to the relevant chapters for the specific frequency distributions of the panel's ratings.

- The quality of fish delivered to the final consumer should be improved, both in the average and best practiced technologies.

- "Fishing to the Market." We need to recognize that fishing is a competitive business which requires a broad managerial outlook. Define and develop the demand potential for seafoods, understand the seafood consumer, and long-term trends in consumption.

TABLE OF CONTENTS

			PAGE
EXECUTIVE SUMMARY			1
Chapter 1	INTRODUCTION		5
Chapter 2	FUNDAMENTAL ISSUES		8
Table	2.1	Important Issues or Questions Facing the Industry in the Next 20 Years	10
"	2.2	Probability of the Occurrence of Selected Potential Developments in the Industry in the Next 20 Years	13
"	2.3	Panel Ranking of the Major Impediments to the Development of Alaska's Fisheries Potential	15
"	2.4	Areas of Comparative Advantage in World Seafood Markets for Exploration by U.S. Producers	17
Chapter 3	INTERNATIONAL DEVELOPMENT OF SALMON AQUACULTURE		18
Table	3.1	Biological Implications of the Release of 11 Billion Salmon Fry Into the North Pacific by the Year 2000	20
"	3.2	Political Implications of the Release of 11 Billion Salmon Fry Into the North Pacific by the Year 2000	22
"	3.3	Economic Implications of the Release of 11 Billion Salmon Fry Into the North Pacific by the Year 2000	23
"	3.4	Implications of the Increasing Japanese Coastal Salmon Catch and Declining High Seas Salmon Catch for the U.S. Salmon Industry	26
Chapter 4	ALASKA HATCHERY ISSUES		28
Table	4.1	Role of Pen-reared Salmon in Alaska's Future	29
"	4.2	Political Implications of Farming Versus Hunting in Alaska Salmon Fisheries	32
"	4.3	Geographic Dislocation of Traditional Fisheries Due to the Distribution of Hatchery Fish	33
"	4.4	Future Changes Needed for Alaska Hatchery Programs to Maintain Competitiveness	35
"	4.5	Whether Fishers and Processors Should Share in the Costs and/or Profits of Privately Held Hatcheries	38
"	4.6	Whether Alaska State Should Allow Sufficient Escapement for Total, Partial, or No Cost Recovery	39
"	4.7	What Means Should be Used to Finance Nonprofit, Private Hatcheries	40
"	4.8	Effect on Net Profits to Producers	40
"	4.9	Expected Net Profits to Fishers and Processors	41
"	4.10	Will Fishers Get an Adequate Return on Their Investment?	43
Chapter 5	INTERNATIONAL GROUNDFISH ISSUES		44
Table	5.1	Expected Displacement of Imports by Domestic Groundfish Production	46
"	5.2	Some Reasons Why the U.S. Seafood Industry is Not in the Forefront of the Development of the Domestic Surimi Market	48

TABLE OF CONTENTS
(Continued)

PAGE

Chapter 5 INTERNATIONAL GROUNDFISH ISSUES (Continued)

Table 5.3 Factors Affecting the Competitiveness of the Domestic Processing Industry..... 49
" 5.4 Effect on the U.S. Industry Resulting from a 50% Cut in the TALFF..... 51
" 5.5 Expected Retaliation by Other Nations Should a Large Cut in the TALFF Occur..... 54

Chapter 6 ALASKA GROUNDFISH ISSUES..... 55

Table 6.1 What Alaska Can do to Encourage the Development of a "Value-added" Groundfish Industry..... 57
" 6.2 How to Overcome Limitations to the Development of Shore-based Processing of Pollock and Yellowfin Sole..... 58
" 6.3 Medium Sized Factory Vessels as an Option for Increasing Alaska's Share in the "Value-added" Industry..... 60
" 6.4 Relative Share in Production..... 61
" 6.5 Relative Shares in Alaska's Groundfish Harvest..... 62

Chapter 7 MARKET ECONOMICS..... 63

Table 7.1 Growth Potential of Six U.S. Seafood Market Segments..... 64
" 7.2 Future U.S. Demand for Selected Product Forms..... 65
" 7.3 Factors Affecting Domestic and Foreign Demand..... 67
" 7.4 Most Important Factors Necessary to Insure Consistent Quality of Seafood Products..... 68
" 7.5 Basis for Product Differentiation Between Wild and Farmed Salmon. 69
" 7.6 Role of Exchange Rates in Groundfish Development..... 71
" 7.7 Strategies to Insulate U.S. Fishery Exports from Exchange Rate Fluctuations..... 73
" 7.8 Effect on U.S. Export Trading Companies Upon Price Fluctuations.. 74

Chapter 8 METHODOLOGY..... 75

Table 8.1 Panel Expertise for Three Questionnaire Rounds..... 77
" 8.2 Expertise Rating Scale..... 78
" 8.3 Number of High Ratings Each Panelist Self-assigned in Six Seafood Issue Areas..... 79
" 8.4 Panel Representation in Five Industry Sectors for Three Questionnaire Rounds..... 80
" 8.5 Percent of Panelists Indicating Five or Less Seafood Industry Sectors..... 81
" 8.6 Geographical Representation of the Panel at the Round 1 Stage... 82
" 8.7 Contents of the First Round Questionnaire..... 83
" 8.8 Contents of the Second Round Questionnaire..... 84
" 8.9 Contents of the Third Round Questionnaire..... 85
" 8.10 Validity Rating Scale 87
" 8.11 Importance Rating Scale..... 88

Appendix A THE DELPHI PANEL
Appendix B THE DELPHI QUESTIONNAIRES

EXECUTIVE SUMMARY

This report presents the predicted impact of selected future developments and issues in the North Pacific seafood industry. The predictions were obtained from a panel of over 100 distinguished and expert members of the seafood industry. The study was performed under contract with the Office of Commercial Fisheries Development, Alaska Department of Commerce and Economic Development.

Methodology

Delphi is a method for combining expert opinions elicited from the members of a carefully selected panel. The method utilizes a series of structured questionnaires mailed to panelists, which was combined with feedback of interim results to panel members. Panelists are thus made aware of emerging panel positions, including areas of significant consensus or lack of consensus. The Delphi method has many of the advantages of a high level conference without the disagreements and logistical problems associated with putting together such a gathering.

Prospective Delphi panelists were selected based on their level of expertise in six seafood issue categories (supply, demand, trade, price, marketing, and policy) and the sector of the industry that the panelist represents (government, university, industry-harvester, industry-processor, industry-distributor). An original list of 249 prospective panelists was reduced to a balanced list of 187 highly qualified individuals. Of the 187 invited to participate, 101 persons participated in one or more questionnaire rounds.

Three questionnaires were constructed by the research team and disseminated to the panel members. The focus of the first questionnaire was an overview of the major issues and events that are expected to impact the North Pacific seafood industry in the next 20 years. The panel was asked to forecast the occurrence of significant events, identify major issues of concern to them, identify impediments to development and areas of comparative advantage for exploitation, and to respond to a number of more technical hatchery, market interaction, and supply issues.

Round 2 was primarily focused toward having the panel evaluate the collective panel responses from Round 1. A number of new "probe" questions were included which were generated by the panel's response in Round 1. Round 3 focused on refining the forecasts from Round 2 and evaluating the panel responses from new questions introduced in Round 2.

The panel responded to more than 500 variables and questions. The first questionnaire was sent to the panel in June 1984, the second was sent in November 1984, and the third in March 1985.

A complete description of the research methodology, including the measurement scales, procedure, method of analysis, and panel demographics is given in Chapter 8.

Principal Results

This section contains the most significant data obtained from the panel's response to the three Delphi questionnaires. The results reflect what a majority of the panel rated as valid and reliable conclusions about the impact of selected issues facing the industry in the next 20 years. Refer to the relevant chapters for the specific frequency distributions of the panel's ratings.

- The quality of fish delivered to the final consumer should be improved, both in the average and best practiced technologies.

- "Fishing to the Market." We need to recognize that fishing is a competitive business which requires a broad managerial outlook. Define and develop the demand potential for seafoods, understand the seafood consumer, and long-term trends in consumption.

- Over half of the panel expects pen-reared (farmed) salmon to largely displace "caught-at-sea" salmon in the white tablecloth restaurant and European markets.

- The majority of the panel expects the maximum sustainable production and yield of ocean-reared (wild stocks and hatchery releases) salmon to be reached in the North Pacific by the year 2000.

- Major impediments to the development of Alaska's fishing potential are: the high cost of domestic processing, fierce competition from foreign groundfish products in the domestic market, and the U.S. technology of catching, processing, and storage needs to be upgraded to be competitive with the world market.

- Some areas of comparative advantage in world seafood markets for exploitation by U.S. producers are: in groundfish (individually frozen cod fillets for fast food restaurants), surimi products (low price should encourage domestic consumption), and in pink and chum salmon (market large volumes at a low price).

- There is insufficient factual data available to accurately predict the biological implications of the release of 11 billion salmon fry into the North Pacific by the year 2000.

- The major political implication of the release of 11 billion salmon fry is that existing regimes will predominate within the FCZ and greater competition will occur outside the FCZ and in nonterminal interception areas.

- The major economic implication of the release of 11 billion salmon fry is that there will be a long term increase in the supply of pink and chum salmon which will probably result in a more stable supply, lower price, and greater consumer demand.

- The significant implications of the increasing Japanese coastal salmon catch and declining high seas catch upon the U.S. salmon industry are that the Japanese import demand for red salmon will increase (thus U.S. exports should increase), and that the U.S. salmon market must be further expanded to compensate for the loss of Japanese import of the low valued salmon species (i.e., chum).

- Alaska needs salmon farming to open up year-round markets for high quality fish, assuming that pen-rearing is technically and economically feasible.

- Most panelists indicate that there is no reason why hunting and farming cannot be integrated into a single industry. Salmon farming will dominate the high priced fresh market in the off-season while hunting and ranching interests will hold the lower priced, high volume end of the market.

- Salmon pen-rearing should be profit motivated to attract investors, but the fishing lobby who view pen-rearing as competition may exert political pressure on the Legislature to prevent private for profit pen-rearing.

- The cost of hatchery programs should be carefully evaluated to insure they contribute more than they remove from the fishery economy. We should consider whether dollars spent on hatcheries might be better spent on research, stock assessment, and hatchery enhancement.

- Pen culture should be encouraged. The State should allow a pen farming network of size, scope, and marketing operations similar to Norway.

- "Private nonprofits" should concentrate on commercial fish production and enhancement of early and late stocks to extend seasons.

- Since salmon are most often fished in mixed stock fisheries and predicting run strength is an art even for hatchery fish, great care should be exercised not to close down valuable mixed stock fisheries in order to generate more hatchery returns. In other words, the expected costs and benefits of alternative methods of managing fisheries which intercept hatchery fish should be weighed.

- Two-thirds of the panel indicated that the preferred method used to finance nonprofit, private hatcheries would be a balance between an enhancement assessment and partial cost recovery.

- About half of the panel forecast that net profits will increase for both fishers and processors if there is a long-term increase in the supply of salmon stocks. Although price will decrease, the overall increase in harvest volume will increase unit efficiently (CPUE) as long as limited entry is in place.

- More than half of the panel expects that domestic groundfish production will generally displace imports in the next 20 years, but it will occur slowly. However, about one-third of the panel expects that the domestic industry will not completely displace imports because domestic producers will not be able to supply the total domestic demand, especially at a competitive price with foreign imports.

- According to the panel, the primary reasons why the U.S. seafood industry is not in the forefront of the development of the domestic surimi market are: that the Japanese have much historical experience in the processing of pollock and the technology of surimi product development due to their traditional markets in Japan and Korea.

- A majority of the panel indicated that domestic producers were surprised at the U.S. market's acceptance of analog products. In order to successfully compete with imports, either joint ventures will be necessary or a major domestic company which is capable for financing a fully integrated operation will be necessary.

- The major factors that affect the competitiveness of the domestic processing industry are: foreign labor costs, exchange rates, trade barriers and foreign government subsidies.

- According to the panel, strategies for encouraging the development of a "value-added" industry around Alaska's abundant groundfish resources are: to encourage steady improvement in infrastructure, to encourage development around factory trawlers (Alaska can benefit by providing support facilities and support services), and to pursue no development policy other than providing a stable regulatory environment.

- Over half of the panel indicated that a viable option for capturing some of the "value-added" from groundfish production would be a fleet of locally-based vessels, of smaller size than factory trawlers, which could harvest and process their catch at sea and ship their frozen finished product from Alaskan ports in freezer containers.

- The current relative share of production by domestic groundfish processors (floaters, 65%, shore-based, 35%) is forecasted to remain about the same for the next 20 years.

- Domestic processors are forecasted to increase by 20% their relative share in Alaska's groundfish harvest compared to joint ventures and foreign catch levels by the year 2000.

- The greatest growth in seafood markets will occur in fast food restaurants and in convenience type foods (e.g., frozen fillets, fish sticks) in the next 20 years.

- U.S. demand for seafood products will increase for fresh and frozen salmon and for groundfish products. Per capita demand for regular canned salmon will decrease or remain about the same, while demand for skinless and boneless canned salmon is expected to increase. Demand for canned crab and shrimp is projected to decrease.

- According to the panel's ranking of factors that affect foreign and domestic demand, product price, consistency of supply, and perceived quality appear to be more important in foreign demand for seafood products, while change in dietary habits, price of substitutes, and ease of preparation appear to be relatively more important factors for domestic consumer demand.

- The most important factors necessary to insure consistent quality of seafood products are: product standards, education, product inspection, bonus payments to fishers for quality, and product grading.

- Ninety-two percent of the panel indicated that the role of exchange rates was a critical factor in the development of the domestic groundfish industry.

INTRODUCTION

This final report is the culmination of the North Pacific Fisheries Delphi Study for the Alaska Governor's Fisheries Mini-Cabinet Task Force which began in March, 1984, and involved a panel of over 100 seafood industry experts. Panelists completed a series of three questionnaires which explored many issues concerning North Pacific fisheries products and markets. Special attention was given to groundfish and salmon fisheries development within Alaska's Fisheries Conservation Zone (FCZ). The panelists themselves chose many of the issues which are explored in this document and spent many hours filling out questionnaires.

For panelists, the Delphi process is a structured communication exercise where disparate points of view within the industry can be focused on particular issues and individual assumptions about the future can be weighed against the opinions of one's peers. The reader of this final report should gain a broader understanding of the diversity of viewpoints and interrelatedness of issues affecting the future of the domestic seafood industry in the North Pacific.

The Governor's Fisheries Task Force is charged with making recommendations to the Governor on future groundfish and salmon development. Other studies done for the Task Force concentrated on empirical or "hard data" approaches, e.g., benefit/cost ratios for the State's hatchery programs. The Delphi method is a much "softer," less quantifiable means of assessing future trends and attitudes and their political and economic consequences. The Delphi is defined "as a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem."* Decisionmakers can look at the Delphi as a modified version of a public hearing in which testimony from 100 experts on a particular issue is gathered, condensed, and presented back for evaluation by the experts.

At its best, the Delphi process causes an individual panelist to articulate his or her opinion about a particular subject. Then through successive rounds of questionnaires, individual opinion is brought into sharp focus against the background of the rest of the group's responses. As each question is reintroduced or refined, individual views tend to merge toward consensus or disperse into definite areas of disagreement. At its worst, the Delphi process can be a rehash of old arguments by the same experts who reinforce one another's prejudices. By insuring that the panel composition contains a broad cross section of representatives in the North Pacific seafood industry, this dynamic is held to a minimum.

Seafood industry "insiders" will discover in this report a full range or representative sample of opinion on most of the issues concerning the future development of Alaska's groundfish and salmon resources. The less informed reader will become aware of the major issues facing the industry and what the industry can do in the next 20 years to mitigate the negative impacts and enhance the positive impacts.

The research team was directed by the Office of Commercial Fisheries Development to:

- Forecast market demand for Alaska salmon and groundfish categorized by region, market segment, and product form.

- Identify market interactions such as the impact of exchange rate fluctuations, future international trade patterns, and the impact of promoting seafood products.

- Forecast future supply trends for salmon for the production methodologies of harvesting, ocean ranching, and farming.

---

* Linestone, H.A., and M. Turoff, (eds.), The Delphi Method Techniques and Applications (Reading, MA: Addison-Wesley, 1975), p.3.

After consulting with the project sponsor and seven fisheries consultants, the above objectives were translated into a series of questions. Due to the complexity of the fisheries issues and due to the preceived lack of sufficient factual information, the general format of the Delphi questions was exploratory rather than simply predictive. According to the consultants, too much factual data is unknown by anyone in these fisheries areas, thus numerical forecasts by the panel would produce insufficent accuracy to yield valid results. As a result, the general format of the questions was focused toward collecting the expert information that the respondents do possess in reference to an issue area. By using this format, we were able to maximize the use of the expert information without forcing the respondents to rely on their various knowledge levels to predict specific supply levels or forecast years.

Round 1 questionnaire was focused at obtaining an overview of the major issues and events that are expected to impact the North Pacific seafood industry in the next 20 years. The panel was asked to forecast the occurrence of significant events, identify major issues of concern to them, identify impediments to development and areas of comparative advantage for exploitation, and to respond to a number of more technical hatchery, market interactions, and supply issues.

Round 2 was primarily focused toward having the panel evaluate the collective panel responses from Round 1. A number of new "probe" questions were included which were generated by the panel's response in Round 1. Round 3 focused on refining the forecasts from Round 2 and evaluating the panel responses from new questions introduced in Round 2.

An advisory group of eight fisheries consultants was used by the research team to: identify significant issues for inquiry, pretest the questionnaires, and to provide clarification on the many technical issues raised by the panel. The members of this consulting work group were:

Dr. Richard Johnston
Department of Agriculture and Resource Economics
Oregon State University

Ron Jensen, President
Sea-Alaska Products, Inc.

Sara Hemphill
Alaska Contact, Ltd.

Chris Mitchell, Director
Alaska Fisheries Development Foundation, Inc.

Daryl Pedersen, President
Seawest Industries, Inc.

Eric Eckholm
Pacific International Marketing, Ltd.

Dr. William McNeil
Weyerhaeuser/Oregon Aquafoods

Greg Baker, Director
Office of Commercial Fisheries Development
State of Alaska

Chapter Eight discusses the methodology employed in this study in greater detail. Chapter Two through Seven present the principal results classified into the following categories: fundamental issues and events facing the industry, international development of salmon aquaculture, Alaska hatchery issues, international groundfish issues, and market economics.

In interpreting the results presented here, the reader should keep in mind the objectives of the research and the limitations of the Delphi method. The Delphi is not a method for obtaining statistical accuracy, but instead focuses on broad areas of agreement and disagreement about future developments. The Delphi should be judged as a method for allowing a group of experts to deal with a complex problem via a structured communication process. Refer to Chapter Eight for a more complete description of the Delphi procedure.

CHAPTER 2

FUNDAMENTAL ISSUES

- Important Issues Facing the North Pacific Seafood Industry in the Next 20 Years.
- Selected Potential Developments in the Seafood Industry in the Next 20 Years.
- Impediments to the Development of Alaska's Fishing Potential.
- Areas of Comparative Advantage in World Seafood Markets for Exploitation by U.S. Producers.

PRINCIPAL RESULTS

The quality of fish delivered to the final consumer should be improved, both in the average and best practiced technologies.

"Fishing to the Market." We need to recognize that fishing is a competitive business which requires a broad managerial out look. Define and develop the demand potential for seafoods, understand the seafood consumer, and long-term trends in consumption.

Over half of the panel expects pen-reared (farmed) salmon to largely displace "caught-at-sea" salmon in the white tablecloth restaurant and European markets.

The majority of the panel expects the maximum sustainable production and yield of ocean-reared (wild stocks and hatchey releases) salmon to be reached in the North Pacific by the year 2000.

Major impediments to the development of Alaska's fishing potential are: the high cost of domestic processing, fierce competition from foreign groundfish products in the domestic market, and the U.S. technology of catching, processing, and storage needs to be upgraded to be competitive with the world market.

Some areas of comparative advantage in world seafood markets for exploitation by U.S. producers are: in groundfish (individually frozen cod fillets for fast food restaurants), surimi products (low price should encourage domestic consumption), and in pink and chum salmon (market large volumes at a low price).

In developing a forecast of the future based on expert respondents, we chose to first formulate a general context of information about the future. This chapter summarizes the panel's views about the important issues the industry must deal with in the next 20 years, impediments to industry development, and areas of comparative advantage for industry growth. This chapter also includes the panel's predictions of the likelihood of occurrence of a number of national and international developments in the industry.

In this section are the data obtained from four questions given in the first questionnaire. The results for two questions which concern important issues facing the industry and impediments to the development of Alaska's fishing potential were subsequently fed back to the panel to be rated in Round 2. The question which deals with the probability of future developments was rated by the panel in Round 1. The last subsection in this chapter summarizes the results of the panel's one-time open-ended response. The data from this question was not submitted for rating by the panel.

The format of this and the remaining chapters is to present the informational context of the subject area and report the question used to elicit the panel's response. Then an analysis of the data is given which is followed by tables of data that formed the basis of the analysis. In a number of cases, however, data from another section of the report is referenced. Analytical statements are referenced to the table data. The notation used is this: T7.6,#1,2. T7.6 means Table 7.6 and #1,2 means item numbers 1 and 2 on Table 7.6. Citations at the bottom of each table refer to the questionnaire round and question number from which the data was obtained. Since most tables are composed of a number of variables, the number of panelists responding to each varies. To avoid over complicating the tables, the average number of panel members responding is given in a footnote to the table.

Important Issues Facing the North Pacific Seafood Industry in the Next 20 Years.

In Round 1, the panelists were requested to list three of the most important questions or issues relevant to the development of the North Pacific seafood industry in the next 20 years. In Round 2, the panelists' responses from Round 1 were listed and the panelists were requested to rate the importance of each issue (or question) using the four-point importance scale described in the last chapter.

Several general themes run through panelists' responses which are exemplified by the issues listed on Table 2.1. In the very broadest of terms, panelists feel that marketing and product development are the weakest aspects of the domestic seafood industry. Along with this is the need to upgrade quality standards at all levels to enhance the consumer's perception of domestically produced seafood products. To fully utilize Alaska's vast groundfish resources and derive maximum local economic benefits, large investments in infrastructure and support facilities are needed (T2.1,#7,22). Long-term solutions to overcapitalization problems must be sought for all North Pacific fisheries which will lead to orderly development and improved resource management (T2.1,#6,8,14,16). An overall concern of the panelists is that the domestic industry continues to lag behind foreigners in technological innovation and market development even as our salmon supplies have risen dramatically and foreign fleets have been regulated away from groundfish resources in the FCZ during the past several years (T2.1,#4,10,15,18,19,24). Financial incentives are needed to reverse this trend.

TABLE 2.1

Important Issues or Questions Facing the Industry in the Next 20 Years.

ISSUES SELECTED BY THE PANEL	PERCENTAGE OF PANEL SELECTING EACH ISSUE AS VERY IMPORTANT
1. The quality of fish delivered to the final consumer should be improved, both in the average and best practiced technologies.	78%
2. Quality, product development, marketing, and advertising should be encouraged in concert with each other.	61%
3. "Fishing to the market." We need to recognize that fishing is a competitive business which requires a broad managerial outlook. Define and develop the demand potential for seafoods, understand the seafood consumer, and long-term trends in consumption. Develop appropriate strategies.	60%
4. Can U.S. harvesters/processors be cost competitive with foreign producers and hold their own vis-a-vis expanded markets in the U.S. and foreign products in export markets?	57%
5. The Alaskan salmon market is being challenged by the Norwegian Atlantic salmon and this will increase. Also, the public perception of the quality of Alaskan salmon is still low. The best method of addressing these problems is to increase the quality of our products which will make marketing easier.	56%
6. Work at long-term planning rather than quick fixes.	53%
7. Develop transportation/storage/labor infrastructure to reduce the cost of U.S. processing and access to U.S. market.	53%
8. Management of fishery resources with combined elements of biology and economics. The relationship of biological management and economic utilization of fishery resources must be brought into accord in policy making.	52%
9. Will U.S. producers exhibit adequate entrepreneurship and foresight to develop products and marketing strategies which will lead to expanded sales? Growth is essential to ensure full exploitation of our resources by U.S. firms.	51%
10. Will Alaska with the major share of salmon, groundfish, and shellfish production habitat, i.e., supply, take its equitable market share on the world seafood markets?	49%
11. Quality standards similar to the meat industry should be adopted. Products should be graded and the grading should be enforced both on fish delivery and finished products to develop a reliably high standard for U.S. products.	47%
12. What will be the impact of worldwide salmon farming and ranching on the Alaskan salmon industry?	46%
13. To raise the per capita consumption of fish by influencing children and adults on the merits of eating seafood. Develop seafood eating habits.	45%

TABLE 2.1
(Continued)

Important Issues or Questions Facing the Industry in the Next 20 Years.

	PERCENTAGE OF PANEL SELECTING EACH ISSUE AS VERY IMPORTANT
14.	Fleet management. Without developing and implementing some form of property rights system in the fishing industry, economic profits will continue to be dissipated in capital investments. Fleet management strategies can also be used to improve the marketability of fish.	44%
15.	We need to establish positive incentives to the processing industry to improve technology allowing market expansion and innovation.	42%
16.	Better and more general solutions to the common property problem particularly in groundfish and shellfish operations.	42%
17.	We should give serious thought to profit oriented ranching and farming in Alaska.	41%
18.	Development of marketing oriented rather than production oriented attitudes by domestic seafood companies.	41%
19.	How can products from shore-based processors be cost competitive on the world market?	40%
20.	Supporting and maintaining university and federal educational and research facilities and staffs.	40%
21.	Long-term financing available at an interest rate that would allow the U.S. fishing industry to compete with imports.	39%
22.	Upgrading of major seafood ports to provide adequate ice and cold storage facilities; fish waste handling, shipping, and air freight facilities; and boat repair and dock facilities.	39%
23.	Management needs to insure that stock exploitation confers economic benefits to society at large.	38%
24.	To what degree will foreign countries be permitted to catch in U.S. waters? Will the U.S. Government use foreign quotas as a bargaining tool in U.S.-foreign relations?	37%
25.	There is an increasing need for adequate information systems (particularly as international trade increases) so that entrepreneurial abilities can exploit market opportunities.	36%
26.	The exchange rate of the dollar must be dealt with.	36%
27.	Agreement between fishing nations on the sharing of trans-boundary stocks and effective enforcement of such agreements.	36%
28.	An aggressive, fully funded marketing and promotion program for Alaska seafood products must be adopted for the next ten years.	34%

(R2-Q:6.1, Sec. A-K, average n = 72)

Selected Potential Developments in the Seafood Industry in the Next 20 Years.

The future of the U.S. seafood industry is affected by developments outside its borders and, thus, outside its direct control. By having the panelists indicate the probability of occurrence of selected global and national developments, an overall context for guiding our future inquiries was produced. Sixteen potential developments were given and the panelists used a six-point scale to rate the likelihood of occurrence of the development by the year 2000. The panel also rated their level of expertise for answering each of the 16 potential developments. The respondents that indicated a high level of expertise are separated out on Table 2.2 and labeled as "experts only." The "experts only" tend to confirm the general panel's responses.

Panelists confirm that trends which are apparent today will continue into the 20 year future (T2.2,#6,9,11). The fact that a majority of panelists feel the carrying capacity of the North Pacific for ocean reared salmon will be reached by the turn of the century has interesting biological, economic, and political implications which are explored further in Chapter 3 (T2.2,#4). Most of the potential developments rated by the panel as "probable" or "very probable" are positive for the U.S. seafood industry.

TABLE 2.2

Probability of the Occurrence of Selected Potential Developments in the Industry in the Next 20 Years.

POTENTIAL DEVELOPMENTS		Very Improbable (0-20%)	Improbable (20-40%)	Either Way (40-60%)	Probable (60-80%)	Very Probable (80-100%)	No. of Panelists
1. A Pacific Rim Common Market established.	ALL	29%	45%	13%	11%	2%	84
	EXPERTS ONLY	53%	20%	20%	7%	0%	15
2. There is a dramatic increase in "protectionism" in world trade.	ALL	3	28	40	25	4	93
	EXPERTS ONLY	4	25	50	13	8	23
3. Pen-reared (farmed) salmon will largely displace "caught at sea" salmon in the white tablecloth restaurant and European smoker markets.	ALL	5	14	28	33	20	94
	EXPERTS ONLY	7	10	26	33	24	42
4. The maximum sustainable production and yield of ocean reared (wild stocks and hatchery releases) salmon is reached in the North Pacific.	ALL	12	23	11	40	14	92
	EXPERTS ONLY	18	28	5	31	18	39
5. Japan will dramatically reduce imports of U.S. salmon by meeting demand through domestic production.	ALL	12	40	24	16	12	95
	EXPERTS ONLY	12	39	21	14	14	41
6. Europe will dramatically reduce imports of U.S. salmon by meeting demand through domestic production.	ALL	11	11	39	22	17	94
	EXPERTS ONLY	11	6	25	33	25	36
7. Third world countries will become major markets for U.S. salmon.	ALL	26	45	16	11	2	96
	EXPERTS ONLY	33	46	6	9	6	33
8. Third world countries will become major markets for U.S. groundfish.	ALL	6	23	20	35	16	96
	EXPERTS ONLY	7	19	19	26	29	31
9. Alaska becomes the principal supplier of U.S. groundfish.	ALL	4	13	19	37	27	94
	EXPERTS ONLY	5	21	5	32	37	43
10. The Jones Act is repealed or modified to allow purchase of foreign vessels and/or use of foreign labor for fishing and processing in the U.S. Fisheries Conservation Zone.	ALL	25	32	25	14	4	88
	EXPERTS ONLY	37	33	26	0	4	27
11. U.S. fishermen and processors completely displace foreign effort in the U.S. FCZ.	ALL	5	21	21	27	26	94
	EXPERTS ONLY	4	14	18	21	43	49
12. A futures market for U.S. seafoods is developed.	ALL	19	29	18	22	12	85
	EXPERTS ONLY	25	15	15	20	25	20
13. U.S. export trading companies begin trading substantial quantities of seafood on world markets.	ALL	2	16	38	29	15	87
	EXPERTS ONLY	0	22	26	22	30	23
14. The world fisheries harvest, exclusive of aquaculture, reaches its maximum sustainable level.	ALL	9	20	17	28	26	96
	EXPERTS ONLY	13	10	16	19	42	31
15. Privately-owned salmon ranching operations largely displace publicly financed hatcheries in the U.S.	ALL	6	51	24	14	5	94
	EXPERTS ONLY	10	60	10	13	7	30
16. The domestic common property salmon fishery is largely replaced by privately-owned operations and automated harvesting facilities.	ALL	29	38	17	11	5	95
	EXPERTS ONLY	43	26	13	10	8	39

(R1-Q:1-16; average n = 95)

Impediments to the Development of Alaska's Fishing Potential.

A primary opportunity for developing Alaska's renewable natural resource base in the next 20 years lies in fisheries products. More specifically in those species where the resource base has not yet been fully exploited. For all practical purposes halibut, herring, and shellfish are now being harvested at their maximum sustainable levels. Given a 20-year time horizon, the greatest opportunities for growth in seafood production appear to be in salmon, groundfish, and latent species such as mollusks.

With this background information as a context for their response, the panelists were requested to state the major impediments to the development of Alaska's fisheries potential. In Round 2, the panelists were requested to rate the impediments they submitted in Round 1 using the 4-point importance scale. Table 2.3 gives a breakdown of the impediments that were ranked as "very important" by the panel.

Most of the impediments to development of Alaska's fisheries potential state the obverse of the important issues ranked in Table 2.1. Impediments which were not addressed in the Important Issues Section are:

- Fierce competition from foreign groundfish products in the domestic market.
- Attempt to structure industry to perceived social demands rather than sound economic strategies.
- A stagnant industry structure which has not changed over time (i.e., fishermen vs. processors).
- Finances: most processors are in financial trouble and don't have cash available to finance new ventures.
- Lack of U.S. government response to infant industry status even though foreign firms are clearly subsidized.

TABLE 2.3

Panel Ranking of the Major Impediments to the Development of Alaska's Fisheries Potential.

IMPEDIMENTS SELECTED BY THE PANEL	PERCENT OF PANELISTS SELECTING EACH ISSUE AS VERY IMPORTANT
1. High cost of domestic processing.	44%
2. Fierce competition from foreign groundfish products in the domestic market.	39%
3. Technology of catching, processing, and storage needs to be upgraded to be competitive with the world market.	39%
4. Inadequate domestic and foreign market development.	37%
5. Low level of quality control.	32%
6. Lack of product standards, grading, and pricing by quality grade and final product inspection.	32%
7. Lack of integration between market identification and promotion and production (harvesting and processing). Need to work backward from outlets, not forward from production.	30%
8. Lack of support services and infrastructure in Alaska.	30%
9. Attempt to structure industry to perceived social demands rather than sound economic strategies.	27%
10. A stagnant industry structure which has not changed over time (i.e., fishermen vs. processors).	27%
11. High dollar entry and conversion costs to enter the groundfish industry.	26%
12. Finances: most processors are in financial trouble and don't have cash available to finance new ventures.	25%
13. Lack of marketing expertise.	24%
14. Lack of the development of effective licensing regimes which would discourage excess investment in harvesting and encourage productive investment in stock enhancement.	23%
15. Lack of U.S. government response to infant industry status even though foreign firms are clearly subsidized.	21%
16. Lack of a system acceptable to the industry that allows some property rights to be acquired so that fishing can become a viable long-term investment opportunity.	21%
17. Lack of State investment in research and development.	21%

(R2-Q:5.1, average n = 70)

Areas of Comparative Advantage in World Seafood Markets for Exploitation by U.S. Producers.

In Round 1, the panelists were asked to describe what areas of comparative advantage U.S. producers could exploit in the competitive world seafood markets of the future. They were to take into consideration the recent introduction of pen-reared salmon into international markets and the planned North Pacific hatchery releases of 11 billion salmon fry referred to in Chapter 4 of this report. Several common themes emerged from an analysis of the panel responses. In general, the panelists referred to the abundance of U.S. fishery resources (groundfish, salmon, and shellfish stocks), access to markets (especially a relatively unexploited domestic market), and technological "know how" as three areas of comparative advantage for U.S. producers to exploit. A synopsis of panel responses is given in Table 2.4.

TABLE 2.4

Areas of Comparative Advantage in World Seafood Markets for Exploration by U.S. Producers

Summarized Panel Comments
o The greatest opportunities are in groundfish - individually frozen cod fillets for fast food restaurants.
o The low price of surimi products should encourage domestic consumption.
o Alaska can market large volumes of pink and chum salmon at a low price.
o U.S. producers haven't exploited the domestic market where there is greatest advantage and room for expansion.
o For all products, it isn't the product itself that is competitive, but price. To gain a comparative advantage, we need to sharpen our fishing and processing costs. If the price is right and quality consistent, we can sell most anything.
o Our comparative advantage in salmon markets is the relative abundance of the resource. Pen-reared salmon which are fairly small and used for fresh or fresh like products will not be a serious competitor to reds; the market for chums is increasing in Europe; pinks are best canned, but the domestic market for frozen is increasing; coho would be hardest hit by pen-rearing, but there is a strong recreational demand; and Kings enjoy a strong domestic demand.
o U.S. export of seafood products has been uniquely successful on species unavailable elsewhere in the world or produced at lower prices than elsewhere, i.e., salmon, King and tanner crab, bait squid, black cod. Control of these resources is the key.
o Develop the domestic market for pollock as a high quality substitute for cod in fast food outlets and supermarkets.
o Groundfish production by foreign fleets and joint ventures which are presently part of TALFF are being phased out. As foreign fleets become older they will probably not be replaced, so U.S. fishermen/processors will be able to fill their domestic and export markets.
o The U.S. industry has shown it can catch groundfish cheaper than the foreigners can. Development of processing technology would promote domestic processing to where it would become a comparative advantage.
o Alaska has a tremendous advantage of site availability for salmon ranching/farming.

(R1-Q:D3, n = 97)

CHAPTER 3

INTERNATIONAL DEVELOPMENT OF SALMON AQUACULTURE

- Implications of the Potential Release of 11 Billion Salmon Fry into the North Pacific by the Year 2000.
- Implications of the Increasing Japanese Coastal Salmon Catch and Declining High Seas Salmon Catch for the U.S. Salmon Industry.

PRINCIPAL RESULTS

There is insufficient factual data available to accurately predict the biological implications of the release of 11 billion salmon fry into the North Pacific by the year 2000.

The major political implication of the release of 11 billion salmon fry is that existing regimes will predominate within the FCZ and greater competition will occur outside the FCZ and in nonterminal interception areas.

The major economic implication of the release of 11 billion salmon fry is that there will be a long term increase in the supply of pink and chum salmon which will probably result in a more stable supply, lower price, and greater consumer demand.

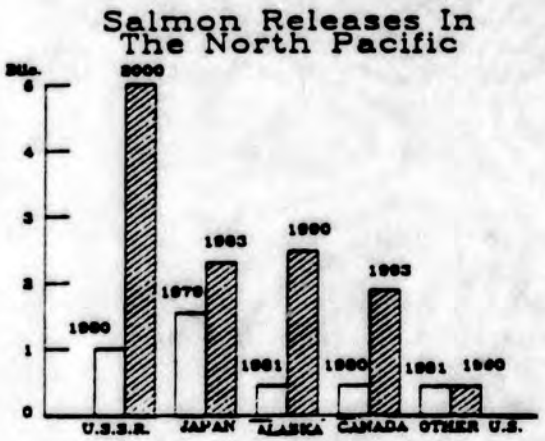
The significant implications of the increasing Japanese coastal salmon catch and declining high seas catch for the U.S. salmon industry are that the Japanese import demand for red salmon will increase (thus U.S. exports should increase), and that the U.S. salmon market must be further expanded to compensate for the loss of Japanese import of the low valued salmon species (i.e., chum).

Salmon aquaculture has expanded the supply of fish in the North Pacific and there is concern that a serious oversupply could occur. To obtain the panelists' views on this issue, we formulated a question that created a hypothetical situation, then requested the panel to react to this "what if" situation. The purpose here was to create a description of the future that is considered a plausible if not probable reality in the future. The panel was requested to describe the impacts of this possible future reality.

The intent of the second question in this section concerning the Japanese coastal and high sea salmon catches is based on a projection from historical trends into the 20 year future. For both of the questions in this section, the source data received two evaluations by the panel. Specifically, the data which was rated as valid or reliable on the validity scale by 66% or more of the panel was evaluated once. The data that was rated valid or reliable by less than 66%, but more than 40% of the panel at the first rating stage (Round 2) was resubmitted for rating by the panel in Round 3. The purpose the second stage of rating was to discover whether the panel would change their original response due to the insights they gained by reviewing the complete panel's responses and the panel's ratings.

Implications of the Potential Release of 11 Billion Salmon Fry into the North Pacific by the Year 2000.

Japan is the world's largest producer of hatchery salmon. It is estimated that between 70% and 80% of the salmon fry descending Japanese rivers are hatchery raised. The U.S., U.S.S.R., and Canada have also embarked on ambitious hatchery programs as shown in the accompanying graph.* If all of the planned releases materialized (which is unlikely), there could potentially be 11 billion salmon fry released throughout the North Pacific by the year 2000.



The panel was given the factual information above in order to provide a common base of information for answering the following question. The panelists were requested to explicate the biological implications of the projected releases; the political implications of the hatchery plans in terms of future shares of ocean rearing grounds and the economic implications of the projected releases. The group's self-rated level of expertise for this subject area was 49% high expertise, 29% medium expertise, and 22% low expertise (n = 87). In Round 2 and Round 3, panelists rated the relative validity of other panelists' responses using the six-point validity scale described in Chapter 8. The results from the panel rating are given on Table 3.1. Note that panel members who indicated they had a low level of expertise for this question (on Questionnaire #1) have been excluded from the table data.

---

*Alaska Fish Tales and Game Trails, Spring, 1982, page 35.

There was general agreement among panelists that the biological implications of these projected hatchery releases cannot be accurately predicted until more is known about environmental factors affecting salmon mortality on the high seas (T3.1,#2). The carrying capacity of North Pacific Ocean feeding grounds and the interaction between North American and Asian salmon stocks were frequently cited as key unknown variables. A significant minority of the panelists felt that the impact of hatchery production has been vastly overrated in comparison to natural runs (T3.1,#10). Several stated that hatchery runs (at least in North America) can contribute only marginally (one panelist of high expertise in this area estimates perhaps 10 - 15%) to the overall harvest, even during poor production years. The species and timing of releases were also cited as important variables when considering biological implications (T3.1,#9).

The major biological concerns expressed by panelists were that such massive hatchery releases could replace natural runs, making the gene pool more homogenous, and thereby increasing the chances for disease and epidemics (T3.1,#8). Several panelists thought that overall harvest levels would fluctuate dramatically as hatchery programs come to fruition, while a majority felt that the net result would be an overall long-term increase in the supply of salmon - especially pinks and chums which are the easiest and most economical species to produce (T3.1,#6). Several panelists, with high expertise in this area, cited specific signs of biological stress which would occur before the carrying capacity of North Pacific feeding grounds is reached. These include smaller average adult size, increased mortality in juvenile and estuary rearing grounds, diminishing return/release ratios, and disruptions in the food chain (i.e., declines in herring stocks or unusual increases in numbers of marine mammals) (T3.1,#4,5,7).

TABLE 3.1

Biological Implications of the Release of 11 Billion Salmon Fry
Into the North Pacific by the Year 2000.

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
1. Salmon stocks will not increase proportionately to projected releases.	82%
2. There is insufficient factual data available in order to reliably predict the biological implications of the projected releases. In order to predict, the following information must be known: the carrying capacity of ocean forage grounds, nature of mortality processes, the interaction between natural and hatchery stocks, environmental factors, hatchery techniques, and species and timing of releases.	81%
3. The impact on natural stocks could be severe if harvest is not carefully segregated between wild and hatchery stocks (i.e., greater emphasis placed on "terminal" harvest of hatchery runs).	80%
4. Juvenile rearing grounds have a finite holding capacity and will result in increased competitive pressure on other species (e.g. herring).	80%

TABLE 3.1
(Continued)

Biological Implications of the Release of 11 Billion Salmon Fry
Into the North Pacific by the Year 2000.

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
5. Localized areas (e.g. estuaries, near shore feeding grounds) will be stressed before the carrying capacity of the open ocean is reached.	77%
6. There will be increased concentration on the most cheaply raised species (i.e., pinks and chums).	70%
7. The overall size average will become smaller with larger returns.	51%
8. The gene pool will become more homogenous and thus more susceptible to disease and environmental changes.	44%
9. The timing and species of hatchery releases need to be coordinated internationally to avoid overburdening the seasonal carrying capacity of feeding grounds.	37%
10. Effect will be minimal. Hatchery stocks would occupy only a small fraction of the ecosystem compared to natural stocks.	26%

*The validity ratings of panelists that indicated a low level of expertise for this question have been excluded from the table.

(R2-Q:1.1; average n = 83)
(R3-Q:1.1; average n = 44)

Responses concerning the political implications of projected hatchery releases generally were divided into short-term issues of immediate or near future importance and long-term implications if and when the carrying capacity of North Pacific Ocean rearing grounds is reached. In the near term, the most important issue appears to be the high seas salmon fishery (T3.2,#2,5). Most panelists agree that existing regulatory regimes will predominate within the 200 mile Fisheries Conservation Zone (FCZ) into the foreseeable future (T3.2,#1). There is strong sentiment among respondents that some type of international agreement is necessary to curtail high seas salmon interceptions for investments in hatchery production to be worthwhile (T3.2,#3). The most often mentioned vehicle for controlling the high seas salmon fishery is to link foreign groundfish quotas within the Alaska FCZ to high seas salmon harvests.

Long-term political implications center around disputes over harvest levels in nonterminal fisheries, which would require agreements similar to the U.S.-Canada treaty based on the "country of origin principle," and allocation of ocean rearing grounds for hatchery releases as the carrying capacity of the sub-Arctic Pacific becomes imminent. Many panelists felt that if this level were reached, grandfather rights of some sort would be invoked by one or more of the countries involved (T3.2,#3). In any international hatchery releases agreement then, those countries with the largest number of releases out there first would benefit most.

TABLE 3.2

Political Implications of the Release of 11 Billion Salmon Fry
Into the North Pacific by the Year 2000.

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
PANEL ASSERTIONS	
1. Existing regimes would largely predominate within the 200 mile zone, but greater effort and cooperation will be necessary to manage resources outside the U.S. Fisheries Conservation Zone.	88%
2. If disputes between nations do arise, they will first involve conflict over high seas and nonterminal interceptions.	84%
3. Well before the carrying capacity of the sub-Arctic Pacific is reached in regard to salmon, signs will be evident. Some international agreement would have to be reached like the Canadian/U.S. treaty where stocks are harvested based on the country of origin. Also, grandfather rights, where each nation could claim quotas based on its hatchery contribution, would be sought.	78%
4. The danger is that certain elements in the industry will want hatchery production curtailed in order to boost the market price.	61%
5. There will be continued pressure by some countries to fish the high seas (Taiwan now, China next?). Other than high seas fishing, I can't see any serious implications.	44%
6. Ocean rearing grounds can be shared and effects monitored by following growth rates of natural stocks. If a drop in the growth rate occurs, hatchery production could be curtailed.	41%

*The validity ratings of panelists that indicated a low level of expertise for this question have been excluded from the table.

(R2-Q:1.1; average n = 83)
(R3-Q:1.1; average n = 44)

If the projected hatchery releases cited above actually materialized (there was considerable skepticism among panelists that they would) and the result was a long-term increase in the world salmon supply, the major economic implications cited by respondents were lower prices and declining export markets, particularly for pinks and chums (T3.3,#1,2,4,13). Panelists' conclusions were mixed as to whether the net effect would be positive or negative for the U.S. salmon industry. Many respondents viewed an increased supply of low priced fish enthusiastically as a great domestic marketing opportunity with the potential to reinstate salmon as a cheap staple commodity in the American diet (T3.3,#3,5,9,14). Several respondents cautioned that this would only occur if more popular product forms (such as microwave ready frozen fillets or diet entrees as opposed to traditionally canned salmon) were developed. Another factor mentioned is that

increased industry profitability is dependent on lengthening the production season (by enhancing early and late runs) in order to increase harvesting efficiency and processing productivity (T3.3,#10,11,12). Other panelists forecast a future glut of low quality and low priced salmon on both domestic and international markets which would decrease profits for fishermen and processors (T3.3.,#7,15,17). Aggressive marketing and product development appear to be the key differences between the two scenarios.

TABLE 3.3

Economic Implications of the Release of 11 Billion Salmon Fry
Into the North Pacific by the Year 2000.

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
1. There will be a long term increase in the supply of salmon, particularly chums and pinks.	89%
2. Most of the effect will be on the pink and chum markets since these are the cheapest species to raise.	89%
3. High volume production which could lead to increased profits at a lower price if accomplished effectively.	84%
4. There will be a decline in price for Alaskan salmon if current marketing strategies are followed.	84%
5. If biological and political problems could be solved, the supply of salmon should become more stable. We would see an increase in inexpensive salmon on the market causing consumer demand to increase.	80%
6. Economic implications depend on the regulatory regime. For example, an increase in fish stocks under an essentially open access regime will not increase the net productivity of the fishery.	78%
7. If the U.S.S.R. carries through with its projected releases (5 billion by 2000), the U.S., Canada, and Japan could lose some of their European market shares.	76%
8. The market price will be lower causing demand to increase.	71%
9. This could be a tremendous marketing opportunity. There is a need for a lower ex-vessel price, lower processing costs, and lower consumer price.	64%
10. The need in Alaska is to enhance the earliest and latest runs so as to lengthen the harvest and processing seasons thus spreading fixed costs over more product.	62%
11. Fishermen can increase their CPUE (catch per unit of effort) and thus make as much or more at a lower ex-vessel price.	61%
12. Processors will have a more stable supply and, therefore, a more efficient operation.	54%

TABLE 3.3
(Continued)

Economic Implications of the Release of 11 Billion Salmon Fry
Into the North Pacific by the Year 2000.

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
13. Export demand will decline.	50%
14. Price will decline as salmon returns to being a staple cheap protein commodity as pre-WWII.	49%
15. The more efficient harvesting sectors in the U.S.S.R. and Japan will reduce the price of pinks and chums which will severely affect U.S. fishermen.	48%
16. No effect on the red salmon market since these are difficult and costly to rear in hatcheries. They aren't native to Japan, and the U.S.S.R. doesn't have the lakes to support more than a limited supply.	47%
17. Prices will decline as supply increases. As this happens, there will be a demand for curtailing the ocean rearing programs.	37%

*The validity ratings of panelists that indicated a low level of expertise for this question have been excluded from the table.

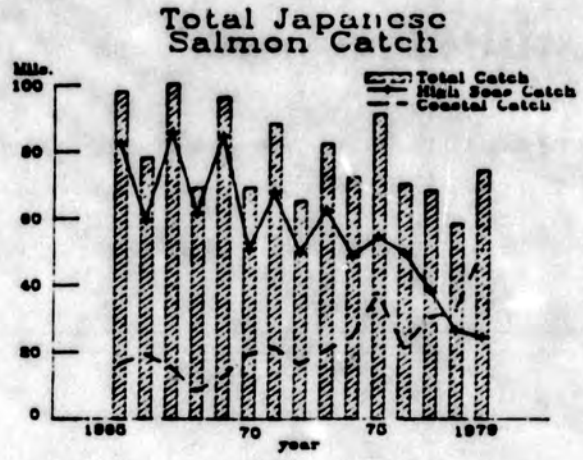
(R2-Q:1.1; average n = 83)
(R3-Q:1.1; average n = 44)

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1246 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

Implications of the Increasing Japanese Coastal Salmon Catch and Declining High Seas Salmon Catch for the U.S. Salmon Industry.

The effectiveness of the Japanese hatchery programs can be seen from the graph below.* The high seas salmon catch has decreased significantly since the early 1970's, due mainly to international agreements to restrict the high seas harvest. During the same period, the Japanese coastal catch (consisting mainly of hatchery raised adult chum salmon) has increased enough to equal the previous 15 year average.

The panelists were requested to review the factual information given below, then were asked to state the implications of the trend in the increasing Japanese coastal catch and declining high seas harvest for the U.S. salmon industry in the next 20 years. They were additionally instructed to identify species in their responses.



There was a high degree of consensus among the panelists' responses to this question. Japanese demand for reds is likely to continue to increase due to declining high seas catches (T3.4,#2,4,7,12). This could be moderated somewhat in the short term by the strength of the dollar (T3.4,#14). Hatchery produced pinks and chums are not close substitutes for reds in the Japanese market (T3.4,#5). Therefore, export sale of these species (pinks and chums) and sujiko (salmon roe) will probably weaken and prices will likely stay low (T3.4,#9,10,15,16). Most panelists stated that alternative domestic markets need to be aggressively developed for the price of pinks and chums to increase significantly (T3.4,#6).

*Alaska Fish Tales and Game Trails, Spring, 1982, p. 36.

TABLE 3.4

Implications of the Increasing Japanese Coastal Salmon Catch
and Declining High Seas Salmon Catch for the U.S. Salmon Industry.

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
1. These trends suggest a continuing shake out of the U.S. industry with only those having a special market niche, financial strength, and sustained profits remaining.	91%
2. Japanese salmon imports are 70 - 75% reds. With a decreasing high seas catch, demand for reds will increase.	88%
3. This implies that we must solve institutional questions related to salmon ranching if the U.S. is to compete effectively with Japan.	84%
4. The more significant trend for U.S. exports to Japan is the decreasing Japanese distant water catch.	84%
5. Chums and reds aren't good substitutes for one another in the Japanese market.	84%
6. The number one implication is to develop the U.S. salmon market.	76%
7. The Japanese coastal catch consists mainly of chums and pinks while the high seas catch concentrates on reds. Therefore, there would be negative effects on U.S. export markets for the low value species while the higher valued species would only be marginally affected, if at all.	74%
8. These trends will force U.S. producers to market fish elsewhere. European demand will be met by Norway and the U.S.S.R. One alternative will be the Third World which cannot absorb much at today's prices. The king and coho market will continue to be strong in the U.S. at reduced prices. Sockeye looks good in the frozen domestic market. Also, there will be increased domestic consumption at lower prices for pinks and chums.	74%
9. There will be a decline in export markets for chums.	71%
10. Alternative markets for salmon roe must be found.	70%
11. The Japanese per capita demand for all fish products will decline in the next 20 years due to changes in tastes and preferences among the younger generation.	61%
12. The overall Japanese salmon market has increased over the last 20 years and will continue to do so.	58%
13. The Japanese success with hatchery production provides a model to predict economic success of domestic hatchery production.	52%

TABLE 3.4
(Continued)

Implications of the Increasing Japanese Coastal Salmon Catch
and Declining High Seas Salmon Catch for the U.S. Salmon Industry.

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
PANEL ASSERTIONS	
14. One implication is to develop the overseas market (especially for canned products) in anticipation of a declining U.S. dollar.	50%
15. There will be a decline in the export markets for pinks.	46%
16. The greatest detrimental effect will be on sujiko (salmon roe) exports and not on the export of fish.	40%

*The validity ratings of panelists indicating a low level of expertise for this question have been excluded from the table.

(R2-Q:1.1, average n = 51)
(R3-Q:1.1, average n = 40)

CHAPTER 4

ALASKA HATCHERY ISSUES

- The Role of Pen-reared Salmon in Alaska's Future.
- Political Implications of Farming Versus Hunting in Alaska Salmon Fisheries.
- Geographical Dislocation of Traditional Fisheries Due to the Distribution of Hatchery Fish.
- Future Changes Needed for Alaska Hatchery Programs to Maintain Competitiveness.
- Types of Cost Recovery for Privately Held Hatcheries.
- Expected Net Profits to Producers.

PRINCIPAL RESULTS

Alaska needs salmon farming to open up year-round markets for high quality fish, assuming that pen-rearing is technically and economically feasible.

Most panelists indicate that there is no reason why hunting and farming cannot be integrated into a single industry. Salmon farming will dominate the high priced fresh market in the off-season while hunting and ranching interests will hold the lower priced, high volume end of the market.

Salmon pen-rearing should be profit motivated to attract investors, but the fishing lobby who view pen-rearing as competition will exert political pressure on the Legislature to prevent private for profit pen-rearing.

The cost of hatchery programs should be carefully evaluated to insure they contribute more than they remove from the fishery economy. We should consider whether dollars spent on hatcheries might be better spent on research, stock assessment, and hatchery enhancement.

Pen culture should be encouraged. The State should allow a pen farming network of size, scope, and marketing operations similar to Norway.

"Private nonprofits" should concentrate on commercial fish production and enhancement of early and late stocks to extend seasons.

Since salmon are most often fished in mixed stock fisheries and predicting run strength is an art even for hatchery fish, great care should be exercised not to close down valuable mixed stock fisheries in order to generate more hatchery returns. In other words, the expected costs and benefits of alternative methods of managing fisheries which intercept hatchery fish should be weighed.

Two-thirds of the panel indicated that the preferred method used to finance nonprofit, private hatcheries would be a balance between an enhancement assessment and partial cost recovery.

About half of the panel forecast that net profits will increase for both fishers and processors if there is a long-term increase in the supply of salmon stocks. Although price will decrease, the overall increase in harvest volume will increase unit efficienty (CPUE) as long as limited entry is in place.

The Role of Pen-reared Salmon in Alaska's Future.

Norway has developed a successful salmon farming industry. Production of pen-reared salmon exceeded 40 million pounds in 1984 and is expected to at least double by 1986. Other European countries are also entering this industry. Alaska salmon could largely be displaced from European markets for fresh and fresh/frozen salmon by 1990, and competition for U.S. markets is likely to intensify. Given these developments, we requested the panelists to describe the role that they foresee for pen-reared salmon in Alaska's future. In Round 2, panelists responded to an open ended format. For Round 3, the panelists' responses were fed back as a set of assertions. They were requested to rate the validity of each assertion using the six point validity scale.

A majority of the panelists thought Alaska should try to develop some type of salmon pen culture program at least on an experimental basis (T4.1,#3,6,7). The species most commonly proposed for farming were Kings, cohos, Atlantic salmon, and steelhead (T4.1,#14,15). Most respondents stated that a year round supply of high quality fresh salmon would be a great help in developing high priced domestic specialty markets (T4.1,#1). New fisheries could also be developed to supply feed to farms. Fish byproducts from processing plants could be converted into feed to add value to existing production (T4.1,#11). Some panelists, with a long-term outlook, said that the era of the "fisherman farmer" is beginning, where fishermen harvest wild and hatchery stocks during the regular season and harvest farmed fish in the winter (T4.1,#1). For the near term, about a third of the panel thought salmon farming in Alaska will be of minor importance compared to traditional salmon fisheries (T4.1,#9,12).

Panelists taking the opposing view argue that pen rearing in Alaska is too costly and politically unacceptable to fishermen (T4.1,#13). Several noted that the Norwegian program took many years to develop and massive government subsidies. Other negative factors mentioned include labor and capital costs, distance from markets, and lack of local brood stocks (which mature in winter).

Panelists stated that economic impacts on fishermen need to be better understood (T4.1,#2). It should be decided whether to allow large companies to enter or a network of small individually owned farms as in Norway (T4.1,#10). Lease and site arrangements need to be settled (T4.1,#4). Brood stocks need to be located and further biological research undertaken. In addition, questions such as the following were posed. "What about using Atlantic salmon in Alaska? How about eyed eggs from the Southern hemisphere which would have an opposite growth cycle from our fish?" These issues and more need to be thought through according to the panel.

In summary, the panel felt that some type of pilot or experimental pen-rearing program should be attempted. Careful study is needed, however, and an institutional framework needs to be worked out before a more ambitious program is undertaken.

TABLE 4.1

Role of Pen-reared Salmon in Alaska's Future.

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. Alaska needs salmon farming to open up year-round markets for high quality fresh fish. Farmed fish may actually increase the demand for high quality fresh and fresh frozen kings and cohos by assuring a steady supply.	76%
2. Assuming that pen rearing in Alaska is technically and economically feasible, the market effect of competition between farmed and troll caught kings and cohos needs to be better understood.	75%
3. The State should offer experimental permits to fishermen to conduct a pilot program and develop a system of individually owned small farms such as Norway has.	73%

TABLE 4.1
(Continued)

Role of Pen-reared Salmon in Alaska's Future.

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
4. Depends on government stance concerning leases, culture of Atlantic salmon, and financing of support facilities (i.e., brood stock and disease control).	70%
5. Southeast Alaska enjoys a comparative advantage in shipping costs to the Lower 48 ($.22/lb from Southeast vs. $1.10/lb from Norway). Therefore, we should concentrate on pen rearing salmon for the domestic market.	66%
6. Alaska should get into pen-rearing. It has the great advantage of site availability at least in Southeast and Southcentral Alaska.	60%
7. The development of pen reared salmon farming in Alaska is biologically feasible, but its economic feasibility is doubtful. High production and transportation costs will limit potential.	54%
8. There is absolutely no comparative advantage in North American pen rearing for European markets.	41%
9. Pen rearing in Alaska will be of very little importance compared to natural and hatchery production.	40%
10. Pen rearing by cooperatives composed of small producers would be a viable adjunct to total market development. Pen rearing of Alaskan chinook could potentially exceed or replace troll production.	36%
11. Pen-rearing would open up markets for fish wastes and by-products.	36%
12. For the near future (10-20 years), Alaska should stick to what she does best: harvesting salmon in her waters, not pen raising them.	32%
13. Alaska should not divert public funds into pen-raising and private industry will not find it profitable either.	32%
14. Coho, chinook and steelhead are the only species which should be considered for pen rearing.	29%
15. There are very few places in Alaska where the temperature conditions would be warm enough year round to compete with the growing conditions in Norway.	27%
16. One problem is high production costs for desired species, i.e., chinook and coho. Seasonality of production plus brood stock problems also limit present potential. Atlantic salmon may be Alaska's best bet for pen rearing at present.	23%
17. Pen rearing should be developed along the lines of the "mom and pop" hatcheries in rural areas.	16%

(R3-Q:2.1, average n = 57)

Political Implications of Farming Versus Hunting in Alaska's Salmon Fisheries.

We proposed the following premise to the panel for their response. "Salmon aquaculture will create a new interest group in Alaska salmon fisheries. This new group will possess a farming philosophy which can contribute to conflict with a traditional industry which is based on hunting. Legal and institutional structures for farming and hunting economies are quite different."

In reference to these assumptions, we asked the panelists to tell us what would be the political implications of farming versus hunting to Alaska salmon fisheries. A corollary question also posed was, "Can a salmon industry based on hunting survive with one based on farming?"

Most panelists agree that there need not be any philosophical conflict between "hunters" (fishers), "ranchers" (hatchery owners and operators), and "farmers" (future pen-rearing operations) in the future of Alaska's salmon industry (T4.2,#2). One respondent pointed to the current system of public and privately owned hatcheries that supply salmon to the common property fishery as a successful integration of "hunting" and "ranching" which enjoys widespread political support.

Pen rearing looms as a separate issue however. Many panelists observed that pen reared salmon are generally marketed fresh in the winter and thus fill a different market niche than traditional fresh and frozen products (T4.2,#4). Most respondents felt that fishermen would perceive pen rearing as a threat to their livelihood regardless of the "separate season-separate markets" argument (T4.2,#1). Therefore, any State sponsored pen rearing program may have to be designed to provide direct economic benefits to fishermen to be politically acceptable (T4.2,#3,4,5,6). Several panelists stated that fishermen are the best organized and most politically powerful segment of the salmon industry. Fishermen also have a great amount of political support in rural areas where pen-rearing operations would most likely be located (i.e., Southeast and Southcentral Alaska).

Panelists discribed a wide range of models and options for a State supported pen rearing program. About half of the panel said ADF&G should at least supply smolts and monitor the program (T4.4,#7). The most commonly mentioned ideas were: a fishermen's cooperative approach (as in Japan), a State controlled system of small farms owned by individuals (the Norwegian model), or allowing the private nonprofit associations to begin pen rearing (T4.2,#5). A few respondents commented that since trollers are the gear type whose markets are most affected by pen-reared species, perhaps they should receive some type of compensation or entry preference for issuing permits, licenses, sites, etc., if a pen-rearing program is started.

In general, panelists agree that "hunting," "ranching," and "farming" can and must be successfully integrated if Alaska's salmon industry is to remain competitive in traditional and developing markets. Many in the panel forecast a future salmon industry structure where net fisheries that harvest natural and ranched fish would supply the "low value-high volume" end of the market during the regular season; and farmed fish would predominate in the "high value off season" markets (T4.2,#2).

TABLE 4.2

Political Implications of Farming
Versus Hunting in Alaska Salmon Fisheries

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. Salmon pen rearing must be profit motivated to attract investors. Fishermen view pen-reared salmon as competition and resist aquaculture for profit. This strong fishing lobby will keep political pressure on the Legislature to prevent private for profit pen rearing.	71%
2. There is no reason why hunting and farming cannot be integrated into a single industry. Salmon farming will dominate the high priced fresh market particularly in the off season while hunting and ranching interests will hold the lower priced, high volume end of the market.	70%
3. An integration of the processing and farming sectors seems inevitable. Fishermen must be included to make this politically viable.	68%
4. You must be able to demonstrate some definite advantages to the "hunters" and to the State's economy as a whole. I think you can argue that the two products aren't all that competitive - they serve different market niches so far as pen reared versus wild/ranched fish are concerned.	62%
5. Only some type of fishermen's cooperative approach, where fishermen could fish during part of the year and farm during the remainder (as in Japan), would be politically acceptable.	37%
6. A salmon industry based on hunting can survive with one based on ocean ranching because the benefits of increased adult production are being realized by fishermen. Strict pen rearing will be incompatible unless it can somehow be integrated into the existing institutional structure possibly via fishermen's cooperatives or by allowing private nonprofit aquaculture associations to participate.	36%
7. The interests between hunting and farming may not necessarily be different. This has not been the case in Norway. Limit the farm size and limit farming to individuals by amending the limited entry permit to allow farming by a permit holder.	34%
8. We would not see any basic conflict for years, as Alaska's largest political group is made up of its fishermen. The big problem of DomSea in Puget Sound came from real estate, antipollution forces, and other directions - little opposition from fishermen.	33%
9. Only large corporations such as Weyerhaeuser or possibly Native corporations can afford the capital costs of pen rearing.	24%

(R3-Q:2.2, average n = 57)

Geographical Dislocation of Traditional Fisheries Due to the Distribution of Hatchery Fish.

Experience has shown that successful hatcheries can support major fisheries. We asked the panelists if they foresee changes in the geographical location of major fishing grounds in response to the distribution of hatchery fish.

In response, 38% of the panelists indicated 'Yes,' 33% indicated 'No,' and 29% indicated 'Don't Know' (n = 69). This question also included an open-ended comments section, and the summarized results of the group comments are given in Table 4.3. Few panelists responded to the open-ended portion of this question.

A general trend toward more terminal harvest fisheries is a theme that emerges from all of the salmon hatchery questions posed in this study. This coincides with the consensus reached early in the Delphi process by the panel that mixed stock fisheries should be managed to protect natural runs. Again, there is some skepticism about the relative importance of hatchery production compared to natural production. One panelist pointed out that some geographical movement has already occurred as special season openings are allowed to harvest surplus fish at certain hatchery sites, e.g. Hidden Falls hatchery in Southeast Alaska. This type of geographic dislocation is likely to continue as "new" fish become available through hatchery production. The major implication from this trend to terminal fisheries is more fish of lower quality (pinks and chums in particular). Most traditional fishing grounds will remain unaffected, with some minor changes in localized areas.

TABLE 4.3

Geographic Dislocation of Traditional Fisheries
due to the Distribution of Hatchery Fish

Summarized Panel Comments
o Generally there will be a geographical trend toward more terminal fisheries in response to successful hatchery programs to avoid overfishing of natural runs in areas where natural and hatchery runs mix. Witness the Hidden Falls and Neets Bay terminal fishing areas.
o Except for isolated areas for pinks and chums, most traditional Alaskan fishing grounds are likely to remain unaffected.
o Harvest areas can be tailored by releasing smolts at selected times and sites. These do not have to be coincident with hatchery locations.
o No doubt that "new" fish will change some of the traditional fleet distribution/allocation patterns and already have. In some cases, we have seen relocation of gear within established fishing areas, in others, we will probably see regulatory bodies such as the Board of Fisheries respond to allocation problems by changing local fishing areas. Hatchery location, species, and timing of releases can be a powerful management tool, but in many cases logistical limitations (water sources, construction costs, etc.) will force us to adapt the fishing to the opportunity.

(R2-Q:1.6)

Future Changes Needed for Alaska Hatchery Programs to Maintain Competitiveness.

In 1982, approximately 50% of the salmon eggs taken in Alaska were handled by private, nonprofit hatcheries. At the present time private-for-profit hatcheries, as such, are not allowed in Alaska. Currently three types of hatcheries exist in the State: public hatcheries (funded by tax dollars), private nonprofit hatcheries (PNP's, started by State loans and/or grants and funded by an aquaculture assessment on the ex-vessel value of the commercial catch landed in a particular region, e.g., 3% in Southeast, and the sale of surplus salmon), and so called "Mom and Pop" operations (started with State money and funded by the sale of surplus fish). Surplus fish are defined as fish which have passed through the common property fishery and returned to the terminal area over and above the numbers needed for cohort recruitment. Currently all of these programs are coordinated by the Alaska Department of Fish and Game.

Panelists were requested to give us their views on what type of institutional arrangement, different from that given above, will be necessary to maintain Alaska's competitiveness in future world salmon markets. In Round 1, the panelists responded in their own words. For Round 2, their responses were summarized and fed back as assertions. The panelists then rated the assertions using the six-point Validity Scale. In Round 3, assertions that revealed a lack of consensus of ratings in Round 2 were again fed back in order to possibly produce a greater consensus. Panelists' self-rated level of expertise for this question was 33% high expertise, 29% medium expertise and 38% low expertise (n = 84).

Panelists with high expertise in this area tended to have very strong ideological preferences on the public vs. private ownership issue. Many of the responses are lengthy and complex. As a result, in this section we will establish a general context based on the assertions given on Table 4.4. Other more specific questions about aquaculture programs grew out of panelists' responses to this question and are dealt with in detail later in this chapter.

One theme that recurs in panelists' responses is the realization that future development of the present institutional arrangement is constrained by a diminishing public funding source. Apparently the panel believes the present institutional arrangement will not be adequate for future development (T4.4,#8,14). Most panelists have no quarrel with the State providing funds through loans or grants to set up private for profit or private nonprofit hatcheries, but feel they should become self-sustaining fairly quickly. There is some concern that private sector hatcheries will require continual subsidies.

Panelists strongly agree that ADF&G should continue to manage hatchery runs and perform their regulatory role for the private sector hatcheries (T4.4,#4). Panelists also agree that the ADF&G, Fisheries Rehabilitation and Enhancement Division (FRED), should concentrate on research, distant upriver and sportfish hatcheries and not compete with the private sector for commercial production (T4.4,#12). A number of panelists said that ADF&G currently plays a dual role as regulator and competitor with private (PNP's and PFP's) hatcheries which can produce fish cheaper and more efficiently (T4.4,#10). Several respondents felt that current restrictions on the transfer of eggs by private hatcheries from one region to another are too restrictive (T4.4,#13). In their view, provided they are disease free, eggs should be more widely distributed so that the very earliest and latest runs can be enhanced to lengthen the harvest season (T4.4,#3).

Another concern of panelists, expressed repeatedly throughout the salmon hatchery series of questions, was whether State money spent to build and finance hatcheries might be better used for stock assessment, research, management, or enhancement (T4.4,#1). This question has at least been partially answered by empirical research conducted in tandem with this study by the Alaska Department of Commerce and Economic Development, Office of Enterprise, and ADF&G's FRED Division staff for the Governor's Fisheries Mini-Cabinet Task Force. These studies computed positive benefit/cost ratios for Alaska's private and public hatchery systems. While this research doesn't completely answer the question of where State dollars could be more wisely spent, it does indicate that the current hatchery systems produce more in economic benefits over time than they remove in costs.

In general, panelists' answers indicate they would like to see the State's hatchery systems run on a more businesslike basis (T4.4,#6,8). As one panelist put it, "The nonprofit concept was instituted to protect the salmon industry from the upheaval of too rapid change. It does not promote the best efficiency and innovativeness that a profit motive generates. Alaska should introduce the profit concept to private hatcheries at a deliberate pace or State interests will

fall behind more efficient foreign competition." Various ideas were proposed for consideration including affiliation of PFP's with fishermen's cooperatives, allowing PNP's to begin pen rearing, and giving property rights to private hatcheries for runs developed on barren systems that could be harvested with traps (T4.4,#11). Several panelists urged the State to pursue policies aimed at enhancing both competitiveness and vertical integration in the private hatchery systems (T4.5,#6).

TABLE 4.4

Future Changes Needed for Alaska
Hatchery Programs to Maintain Competitiveness

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
1. Costs should be carefully evaluated to assure they contribute more than they remove from the fishery economy. We should consider whether dollars spent on hatcheries might be better spent on research, stock assessment, and enhancement.	88%
2. Salmon stocks should be managed to protect natural runs.	82%
3. "Private nonprofits" should concentrate on commercial fish production and enhancement of early and late stocks to extend seasons.	75%
4. ADF&G should continue to manage hatchery runs and perform their regulatory role.	72%
5. Pen culture which should be encouraged and can be controlled in its entirety.	70%
6. Private <u>For Profit</u> hatcheries that can make some level of profit and still contribute to the common property fishery should be encouraged.	70%
7. The State should allow a pen farming network of size, scope and marketing operations similar to Norway.	67%
8. The nonprofit concept doesn't promote efficiency and innovation that the profit motive generates. Alaska should introduce profit at a deliberate pace or State interests will fall behind more efficient foreign competition.	55%
9. The State should fund a smolt operation for the purpose of getting the farming network started and maintaining a genetically strong strain.	48%
10. Private Non Profit (PNP) hatchery corporations, both local and regional, are stifled by overregulation from the Alaska Department of Fish and Game (ADF&G). The primary cause is the Fisheries Research and Enhancement Division (F.R.E.D.) playing a dual role as competitor and regulator.	46%
11. Exclusive area rights with no restriction on how the catch is taken. Should be in the form of fishermen/processor cooperatives. Offshore interceptions should be kept at a minimum through individual quota licensing arrangements.	41%

TABLE 4.4
(Continued)

Future Changes Needed for Alaska
Hatchery Programs to Maintain Competitiveness

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable*
12. The primary role of ADF&G should be research and development and disease control.	41%
13. Transfer of stocks, providing they are disease free, should be allowed between regions.	38%
14. The present institutional arrangement is practical in terms of political support and is functional.	19%

* The ratings of panelists that indicate a low level of expertise for this question have been excluded from the table.

(R2-Q:2.1, average n = 65)
(R3-Q:1.3, average n = 32)

Types of Cost Recovery for Privately Held Hatcheries.

The panelists were requested to give us their views on whether fishermen and processors should share in the costs and/or profits of privately held hatcheries. In response, the panel as a group was divided. That is, 48% of the panel responded with a "Yes," 38% with a "No" and 14% indicated "Don't Know" (n = 63).

The comments provided by the panel from this question were combined for analysis with the panel responses to the two additional questions below.

> Private nonprofit hatcheries are allowed to sell surplus adults as a means to generate funds for operations and debt repayment. Should the State (ADF&G) manage common property fisheries to allow sufficient escapement for total cost recovery? Partial cost recovery? No cost recovery?
>
> If there is partial or no cost recovery from returning adults, what means should be used to finance nonprofit, private, hatcheries?

Over 50% of the panelists indicated that they would like to see fishermen and processors share in the costs and/or benefits of privately held hatcheries above and beyond the current aquaculture assessment (T4.5,#6). A majority of the respondents stated that vertical integration between fishermen, processors, and hatchery owners and managers will become increasingly desirable to keep costs down and maintain competitiveness (T4.5,#6). One panelist suggested, "Provide 'buy-in' opportunities for fishermen and/or processors who wish to participate. Exclusive ownership by a single individual, partnership, or corporation should be discouraged."

Over half of the panel indicated that hatcheries, fishermen, and processors are separate entities and should remain so (T4.7,#3). They pointed out that fishermen already benefit by having more fish available in the common property fishery (T4.5,#4). Several stated that if a particular hatchery is sited so that its returns can be segregated from mixed stocks, then it may be possible to tax those who harvest them (T4.5,#3,5).

Panelists' responses were split on the issue of cost recovery for private nonprofit hatcheries. A majority felt that partial cost recovery was the most viable option (T4.5,#4; T4.6,#3; T4.7,#1,4). Those who objected to total cost recovery argued that terminally harvested fish are of poor quality and don't command the higher price of salmon caught in the open water fishery (T4.6,#2). Those who answered no cost recovery generally stated that only the number of fish necessary for brood stock should be allowed to return to the hatchery (T4.6,#7; T4.7,#5).

A number of respondents felt that trying to manage for a particular level of cost recovery for hatcheries was unrealistic given the historical accuracy of stock assessments and would add unneeded complication to an already complex job (T4.6,#1,4). In their view, this type of "fine tuning" is better left to the Alaska Board of Fisheries where local harvesting area boundaries and seasons can be set on an annual basis.

Most of the panel who stated that PNP's should be financed with partial or no cost recovery felt that the aquaculture assessment was the most equitable means of distributing costs on a "user pays" basis (T4.5,#4; T4.7,#2). Several stated that PNP's should learn to live within the funding limits of a combination of aquaculture assessments and partial cost recovery from the sale of surplus fish (T4.7,#1). It is also important to the private nonprofit concept that they are not put in a position of competing with fishers by having to depend on total cost recovery at the hatchery.

TABLE 4.5

Whether Fishers and Processors Should Share
in the Costs and/or Profits of Privately Held Hatcheries

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. Private for profit hatcheries should carry their own costs and/or profits.	79%
2. The public is precluded from commercial fishing by the limited entry system. Therefore, all of the costs and benefits of private hatcheries should be borne by those who are directly involved - fishermen, processors, and hatchery owners.	73%
3. In localized areas where fishermen can derive determinable benefits in increased catch, and where the major return is to hatcheries, fishermen should be assessed to fish.	71%
4. The current assessment is a good means for providing capital and operating costs on a "user pays" basis. The profit side should be covered by the availability of more fish to benefit the greatest number of people.	64%
5. The answer depends on identification of increases on production due to such hatcheries. The simplest mechanism is to allow an adequate escapement to hatcheries and assess no costs. If catch (interception) rates are set high, a cost-sharing arrangement may be in order.	58%
6. Yes, they should share costs and profits. Vertical integration and a better definition of property rights are necessary for Alaska to maintain its competitiveness.	56%
7. The ideal arrangement would be a joint stock company or limited partnership arrangement with fishermen as stockholders. The hatcheries should be private for profit complete with a manager and a board of directors.	35%
8. There should be no private for profit hatcheries. The only private for profit operations that should be allowed are pen rearing salmon farms. These should buy their smolts from ADF&G controlled hatcheries.	12%

(R3-Q:2.3, average n = 54)

TABLE 4.6

Whether Alaska State Should Allow Sufficient
Escapement for Total, Partial, or No Cost Recovery

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. Since salmon are most often fished in mixed stock fisheries and predicting run strength is an art even for hatchery fish, great care should be exercised not to close down valuable mixed stock fisheries in order to generate more hatchery returns. In other words, the expected costs and benefits of alternative methods of managing fisheries which intercept hatchery fish should be weighed.	86%
2. Partial recovery should be allowed. Terminal fisheries necessary for total recovery equal poor quality and are therefore economically inefficient.	64%
3. Partial cost recovery should be used to cover development costs. Assistance should be phased out eventually to convert nonprofits to profit status.	54%
4. Management costs should not be tied or limited to the actual year-by-year production of a fishery that is periodically depressed.	48%
5. Total cost recovery should be required of all hatcheries including State operated hatcheries.	28%
6. The present system for private nonprofit partial cost recovery is working well.	26%
7. No cost recovery. Surplus fish at the hatchery are of poor quality and should be used only for breeding stock.	11%

(R3-Q:2.4, average n = 53)

TABLE 4.7

What Means Should be Used to Finance
Nonprofit, Private Hatcheries

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. A balance between an enhancement assessment and partial cost recovery from fish sales is a good financial arrangement.	67%
2. Tax those who benefit, fishermen or processors. In any case, the cost will be passed on to the final consumer, tacked onto the price paid for the fish.	66%
3. Private for profit hatcheries should probably remain independent - to make their own profit or suffer loss, and they have to be assured of sufficient profit to encourage investment.	57%
4. PNP's must learn to live within what is provided by assessments.	51%
5. The simplest mechanism is to allow an adequate escapement to hatcheries and assess no costs.	15%

(R3-Q:2.5, average n = 53)

Expected Net Profits to Producers

Panelists were asked to assume that the planned fivefold increase in Alaskan hatchery releases of salmon fry (by 1990) would materialize into a long-term increase in salmon stocks. Given this, the panel was requested to indicate whether U.S. salmon fishers' and processors' net profits would increase, decrease, or stay about the same. The panel's response is presented on Table 4.8 below.

TABLE 4.8

Effect on Net Profits to Producers

	DECREASE	STAY ABOUT SAME	INCREASE
U.S. Salmon Fishers	15%	28%	57%
U.S. Processors	19%	32%	49%

(R1-Q:B15b, p. 11, n = 81)
(R2-Q:4.1, n = 67)

Panelists' opinions were evenly split on the two parts of this question, with about half thinking that fishers' and processors' net profits would increase and about the same number saying they would decrease or remain the same. Many respondents commented that the question was phrased too vaguely and didn't provide sufficient reference to current hatchery production (and species) as well as other important variables. A majority of panelists framed their answers in conventional economic terms of supply and demand, price elasticity of demand for salmon, etc. (T4.9,Ø5,11)

The rationale cited by those who felt fishers' net profits would increase was that returns from the increased catch volume would more than compensate for a drop in the ex-vessel price caused by a larger supply of fish on the market (T4.9,Ø1,2,4). The main concerns were that if too much of the total catch were composed of low valued species and low quality fish, it could further depress prices and cause gross revenues, thus, profits to decline (T4.9,Ø9). Another concern was that short-term profits tend to be dissipated in capital improvements which adversely affect long-term profitability when prices decline in the future (T4.9,Ø3,10).

TABLE 4.9

Expected Net Profits to Fishers and Processors

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. More fish will increase unit efficiency (CPUE) so long as limited entry is in place.	76%
2. The same level of effort with larger stocks will increase profits if we assume there is profit at current levels.	69%
3. Common property tends to erode average profitability.	63%
4. Price will decrease, but the overall increase in harvest volume will increase fishermen's net return.	59%
5. Net profit will increase initially since demand is price elastic.	59%
6. If properly managed, releases can stabilize the annual harvest, bringing stable prices and enhanced marketability.	54%
7. Profitability will vary widely from fishery to fishery, but will increase for those that catch predominately sockeye (i.e., Bristol Bay).	41%
8. An increase in the catch volume will lead to greater profits for only 5 - 10% of the fleet.	39%
9. Profitability will decline in areas where pinks and chums are the dominant species due to foreign competition.	39%
10. Profits will decline in the long run because short-term profits will be dissipated by reinvestment in the fleet and prices will decline.	35%
11. Net profit will decrease later as demand becomes more price inelastic.	34%

TABLE 4.9
(Continued)

Expected Net Profits to Fishers and Processors

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
12. Current profitability is recession oriented and will strengthen.	31%
13. Without corresponding increases in demand, current demand will be met by more efficient foreign operations including structured/fabricated products.	29%

(R2-Q:4.1, average n = 64)

Those panelists who felt processors' net profits would increase with larger catch volumes reasoned that production costs could be spread over larger product volumes. One concern was that hatchery production should ideally lengthen the processing season (through enhancement of early and late runs) to derive the greatest economic benefit. Intensifying production during the peak of the season when processors are already operating at capacity is not a desirable consequence and would only result in lower quality products.

Several panelists with a marketing orientation pointed out that several countries are increasing hatchery releases at once, particularly pinks and chums, which could lead to worldwide oversupply of these species (T4.10). Compounding this trend, at least in the short term, is the strength of the dollar (especially against the pound) which has depressed canned sales for the past few years (T7.6). Most of the marketing-oriented panelists view hatchery production positively. They feel that a larger and more stable supply of lower priced fish will lead to new products (e.g., salmon loaf, sausage, or skinless and boneless canned salmon) and increased markets (T4.10). The main problem with this viewpoint expressed by other panelists with a financial perspective is that the very companies who are best suited to handling large volumes (i.e., major salmon canning companies) have been hurt badly by depressed canned sales overseas. Major salmon canning companies should be in the forefront of the development of new salmon products for the domestic market, but don't have the financial ability to undertake major investments (T5.2,#8).

Empirical research has tentatively shown that the price inelastic (ex-vessel) portions of the demand curve for Alaska pink and chum salmon occur when the harvest levels near 120-150 thousand mt. for pinks and 30-40 thousand mt. for chums. The panel was requested to assume these numbers are correct and that total gross revenues for fishers began to decline when these harvest levels are reached. They were then asked the following questions.

> Given the current levels of Alaskan fishing effort in those fisheries where pinks and chums are the predominate species harvested, do you believe that world salmon markets can absorb these supply levels at prices which will provide an adequate return on investment for fishermen?

Fifty percent of the panel indicated a "Yes" response, 16% indicated a "No" responses, and 34% indicated "Don't know" (n = 62). A summary of the panel's comments is given in Table 4.10.

The Alaska Board of Fisheries convenes annually in each region of the State to set commercial salmon seasons and area allocations between gear types. In public testimony at meetings for Southcentral and Southeast Alaska during the past few years, salmon fishers have often complained of falling gross revenues while catching larger volumes than ever before. This is especially true for gear types which harvest mainly pinks and chums. The Commercial Fisheries Entry Commission

keeps track of returns on investments for limited entry permit holders by gear type. These data show that in some pink and chum dominated fisheries, real permit prices and returns on investments have declined as catch volumes have increased.

Most panelists stated in their explanation that a greatly expanded marketing and promotion effort by the State for pink and chum salmon products is the most important thing that could be done to insure future profitability for fishers and returns on hatchery investments. As one panelist put it, "Demand doesn't happen by itself, it is created by sustained promotional efforts." Another panelist pointed out that one Norwegian salmon company spent more on advertising and marketing in 1983 than the Alaska Seafood Marketing Institute (ASMI).

Other respondents pointed out that market prices of pinks and chums have become competitive with other forms of protein, thus opening a broader domestic market. Several stated that broader foreign market development is unlikely to occur until the dollar weakens.

TABLE 4.10

Will Fishers Get an Adequate Return on Their Investment?

Summarized Panel Comments
o We cannot assume static markets but the pink and chum products appear to be mostly traditional and not easily moved to the frozen market.
o Yes, if foreign owned processing companies are not allowed to dictate price and if product innovation is promoted and fostered in the industry.
o Not in the short-term anyway. New markets with U.S. dollars for foreign exchange will have to be created. The domestic markets tend toward the higher value species and imports of Atlantic salmon continue to foster the use of these higher value species.
o A recent study relating Bristol Bay ex-vessel price to Tokyo wholesale market price for red salmon at current conditions of inflation, consumption, etc., shows that a 14 to 23 percent increase in supply (as inventory) would still mean a 10 to 12 percent increase in market price and translates directly down to ex-vessel price. Red salmon, of course, are much different than pinks or chums but this does give you some idea of what we are looking at here.
o Better, more stable supply should allow a better market development effort.
o Adequate returns is the key word. I believe that increased pinks and chums can and will find markets and that return on present investments will be increased.
o Major marketing efforts, both domestic and foreign are the key here. The State of Alaska should make a major commitment in this area if it is going to get an adequate return on its hatchery investment and insure an adequate return for fishermen and processors.
o World wide increase in production of pink and chum will decrease price, but this will be overcome by new markets; and value added products - such as skinless, boneless fillets using <u>fresh</u> caught fish.

(R2-Q:4.5)

CHAPTER 5

INTERNATIONAL GROUNDFISH ISSUES

- Displacement of Imports by Domestic Groundfish Production
- Some Reasons why the U.S. Seafood Industry is Not in the Forefront of the Development of the Domestic Surimi Market
- Factors Affecting the Competitiveness of the Domestic Processing Industry
- Effects on the U.S. Industry Resulting from a 50% Cut in the TALFF
- Expected Retaliation by Other Nations Should a Large Cut in the TALFF Occur

PRINCIPAL RESULTS

More than half of the panel expects that domestic groundfish production will generally displace imports in the next 20 years, but it will occur slowly. However, about one-third of the panel expects that the domestic industry will not completely displace imports because domestic producers will not be able to supply the total domestic demand, especially at a competitive price with foreign imports.

According to the panel, the primary reasons why the U.S. seafood industry is not in the forefront of the development of the domestic surimi market are: that the Japanese have much historical experience in the processing of pollock and the technology of surimi product development due to their traditional markets in Japan and Korea.

A majority of the panel indicated that domestic producers were surprised at the U.S. market's acceptance of analog products. In order to successfully compete with imports, either joint ventures will be necessary or a major domestic company which is capable of financing a fully integrated operation will be necessary.

The major factors that affect the competitiveness of the domestic processing industry are: foreign labor costs, exchange rates, trade barriers and foreign government subsidies.

Displacement of Imports by Domestic Groundfish Production

In Round 1, we asked the panel whether they believed that domestic groundfish production would generally displace imports in the next 20 years. We also requested their comments which were subsequently turned into assertions and given in Round 2 for the panelists to evaluate using the six-point validity scale. After the panel evaluated the comments in Round 2, they were again requested to indicate whether domestic groundfish production would displace imports.

Responses to Round 2 indicate that 57% of the panel believe that domestic production will generally displace imports in the next 20 years. Thirty-four percent (34%) indicated that domestic production will not displace imports (9% indicated "Don't Know," n = 78). An analysis of the evaluated assertions given on Table 5.1, reveals substantial agreement among panelists that domestic groundfish production will greatly increase during the next 20 years. Many panelists remain doubtful that imports of groundfish products will be completely displaced however (T5.1,#1,7). The U.S. white fish market has been carefully developed by foreign fishing interests which will not be easily dislodged. Fishery exports to the U.S. are an excellent means to gain hard currency and thus are promoted and subsidized by foreign governments. So, although the overall domestic market for groundfish products has considerable scope for growth and is forecasted to continue growing at a rapid rate by the panel, American producers will still face stiff competition from foreign products.

Regulating foreign fleets out of the U.S. Fisheries Conservation Zone (FCZ) is only the first step in domestic market development. Several panelists pointed out that the comparative advantage of exclusive access to a major supply of raw product must be followed closely by technological and quality control improvements in order to produce high quality, moderately priced, consumer products (T5.1,#3). Ultimately, price and quality are the two most important variables in domestic consumer preference (T7.3). Respondents pointed out that some nationalistic prejudice does exist in consumer choices and U.S. groundfish products still suffer from a reputation of poor quality compared to foreign products (T7.3, T7.5). If the "made in U.S.A." or "fresh frozen from the pristine waters of Alaska" image is going to be promoted successfully, consumers must have an objective standard for product differentiation. A large majority of panelists feel that product standards are the most important factor influencing the consumer's quality perception (see Chapter 7, Table 7.4). Foreign production of higher valued groundfish species such as Pacific cod and black cod could be substantially replaced by domestic production fairly soon but the higher volume/lower priced species such as pollock and yellowfin sole are likely to remain dominated by foreign and joint venture production for the intermediate future (10 years).

A few panelists raised concerns about the long-term (10-20 years) outlook for domestic fishermen and processors. They pointed out that in every developing Alaskan fishery, open access has eventually led to overcapitalization, overharvesting, and financial hardship for all concerned. Several respondents thought that some type of restrictive licensing scheme, limited entry, share quota system, or property rights, need to be established before this resource is subjected to the same apparently inevitable boom and bust cycle of exploitation.

Other panelists pointed out that fisheries trade issues are perceived by the U.S. State Department as being of minor importance in the broader overall context of foreign trade. Thus, the amount of diplomatic pressure the U.S. Government is likely to exert on behalf of domestic fishers and processors is limited. The "fish and chips" trade policy of recent years (where foreign groundfish allocations are parcelled out in exchange for the technological, economic, or scientific contributions that a particular foreign country makes to the development of the U.S. fishery) will probably remain in effect for some time yet. Several panelists stated that even with complete Americanization of the Total Allowable Level of Foreign Fishing (TALFF), groundfish imports will still occupy certain niches in the U.S. market.

TABLE 5.1

Expected Displacement of Imports by
Domestic Groundfish Production

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. Our groundfish consumption will require imports. We can find some foreign markets, but price will be the main problem for U.S. producers.	84%
2. Displacement will occur very slowly. Development would be assisted by the development of table ready or easy to prepare items.	81%
3. Once we achieve domestic utilization of the TALFF, the U.S. market will increase if the price and quality are good.	68%
4. This question is too difficult to answer without an analysis of the direction of change in the key variables affecting domestic and foreign demand: exchange ratios, relative prices, import trade barriers, subsidies, etc.	68%
5. Yes, displacement will occur, but there will be more losers than winners in groundfish production due to low margins.	67%
6. New marketing companies are entering the business to take advantage of new supplies of raw product.	66%
7. Displacement will not occur completely unless tariffs or subsidies are employed.	58%
8. Complete displacement will not occur unless there is more of a movement toward development of a fleet of factory trawlers.	47%
9. Displacement will not occur unless cheap foreign processing hulls can be bought outright rather than borrowed through joint ventures.	32%
10. Yes we can displace imports, if identity standards are enforced which would keep foreign sources from using nonfish additives.	30%
11. The U.S. Government will not make the cuts in foreign catch to allow domestic production to displace imports.	20%

(R2-Q:3.1, average n = 66)

Some Reasons Why the U.S. Industry is Not in the Forefront of the Development of the Domestic Surimi Market

Surimi and remanufactured analog products (particularly imitation crab legs made from minced pollock flavored with King crab) are the fastest growing U.S. seafood import - 30 million pounds in 1983 vs 16 million pounds in 1982. Since much of the pollock used to make these products is caught in Alaskan waters, we asked why the domestic processing industry in not in the forefront of the development of the U.S. market. The self-rated level of expertise of the panel for this question was 41% high; 42% medium; and 17% low.

Most panelists feel that the main reason why the domestic processing industry hasn't shared in the U.S. surimi/analog products bonanza is simply that it's not a traditional U.S. product. Several pointed out that the products, markets, and technology used in producing surimi and remanufactured/analog items were developed over many years in Japan and Korea (T5.2,#1). Since entry costs are very high in this capital intensive industry and official and unofficial trade barriers have made it virtually impossible to penetrate the Far Eastern markets, U.S. processors have traditionally focused on the high value end of groundfish markets and products (T5.2,#5,13). Because of this, in the view of many in the panel, domestic processors were caught off guard by the success of the aggressive U.S. marketing campaign mounted by their Oriental competitors in recent years (T5.2,#3,6).

There is some skepticism among panelists about the eventual size of the domestic market for surimi and analog products although none doubt that at least some of these items will win long-term consumer acceptance. A "wait and see" attitude pervades. Several felt that once the novelty wore off, U.S. consumption would level out and domestic producers could establish their own market niches. Other panelists feel that it is precisely this kind of complacent attitude which has largely kept domestic processors from sharing in the U.S. market.

One of the greatest difficulties facing U.S. processors is to raise enough capital to enter the industry (T5.2,#18). Domestic harvesters have unlimited access to the resource while foreign competition is being regulated out of the FCZ. There is a growing domestic market and trade barriers are beginning to come down in the Far East. Foreign technology can be purchased (T5.2,#2). The availability of capital was the key for many on the panel. One processor panelist said, "Banks are unwilling to loan money for as yet unproven products in the domestic market, while the Japanese and Koreans refuse (in one way or another) us entry into their market" (T5.2,#14). In addition, many of the processors who should be investing heavily into expanding groundfish production have been financially strapped by the strength of the dollar and its effect on their traditional export sales of other seafood products. Another complication mentioned by a few panelists is that several West Coast processors are controlled by foreign capital (particularly Japanese holding companies) which also is heavily invested in distant water fisheries and overseas processing. Although these foreign controlled processors are in business to make a profit wherever they can, it may not be in the interest of the parent firm to provide them with capital to enter the surimi/analog business (T5.2,#10). This would be true if a holding company controlled distant water fleet was not fully depreciated, production capacity under-utilized, or capital commitments to overseas production not completely amortized.

Since the surimi/analog production process is very capital intensive, labor costs don't seem to be as important an obstacle to competitiveness as it would be for the domestic seafood products (T5.3). It is apparent from panelists comments that most feel the best way to economically produce surimi is to process at sea (T6.2). It is also apparent that many panelists think that with the advent of U.S. factory trawlers, the old perception of being unable to compete with foreign factory fleets due to the limitations of the Jones Act, high domestic shipbuilding costs, etc., may be changing (T5.3). Most of the financial problems listed previously apply to domestic shore-side processors (T5.2,#12). As one panelist put it, "New companies or cash rich food companies may find this a very attractive investment."

TABLE 5.2

Some Reasons Why the U.S. Seafood Industry is Not in the Forefront of the Development of the Domestic Surimi Market

PANEL ASSERTIONS	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
1. The Japanese have had many years of catching and processing pollock behind them; surimi products and the technology to produce them were all developed in Japan, and the markets are traditionally Japanese and Korean.	96%
2. The job will have to be done by joint ventures or by a U.S. major capable of financing a fully integrated operation. Technical expertise can be purchased. One domestic company turning a profit would do wonders for the industry.	91%
3. Domestic producers were surprised at the U.S. market's acceptance of analog products.	86%
4. It takes more than a spirit of challenge. It takes time and a skilled and dedicated labor force. It takes a dedicated interest rather than a venture capital interest. It takes painstaking hard work.	81%
5. Domestic processors find it extremely difficult to raise enough capital (in an extremely capital intensive business) to produce surimi for an as yet unproven U.S. market.	80%
6. Domestic processors are tradition bound by existing products and markets. They don't show the imagination and aggressive marketing abilities of their foreign competitors.	74%
7. Now that foreign fishing efforts are being phased out of the U.S. FCZ, there is great reluctance to allow U.S. penetration of these traditional Japanese and Korean markets.	69%
8. The large domestic processing firm's parent companies are getting out of Alaska seafoods (e.g. Castle and Cook, Amfac, R.J. Reynolds, Con Agra). The remainder are small and underfinanced for the long-term investment needed to produce Kamoboko-type (fish cake) products.	69%
9. Surimi production is relatively high tech compared to traditional processing methods of canning, freezing, etc. It requires an entrepreneur rather than an operator to push into a new production area.	63%
10. Many companies have a high degree of foreign ownership as a means of securing a supply of raw product. A foreign company is unlikely to encourage the development of surimi production that could hurt it in other areas.	62%
11. Domestic processors lack technical competence and quality control. These products are particularly susceptible to poor quality. Any rush of U.S. firms into the business could damage market potential.	58%
12. Shore-side processed surimi sells for half the price (in Japan) as processed at sea products. The substandard shore-side products could be manufactured into ham, salami, etc., all good products, but very low priced and difficult to make pay.	55%

TABLE 5.2
(Continued)

Some Reasons Why the U.S. Seafood Industry is Not in the Forefront of the Development of the Domestic Surimi Market

	Percentage of Panelists Selecting Each Assertion as Valid or Reliable
13. It is virtually economically impossible for the U.S. industry to invest the necessary capital to acquire surimi processing equipment, process pollock into surimi either on land or at sea, and acquire analog equipment to manufacture products to sell in competition with foreign products at today's interest rates. Domestic entry into the market requires all new equipment to compete with largely amortized and often subsidized foreign competition.	52%
14. There is distrust among investors about returns on "imitation" products.	52%
15. Labor costs demand floating processors. Americans are not interested in spending six months at sea at a time in a factory ship.	49%
16. One problem with surimi products is that people tire of them quickly.	10%

(R2-Q:3.3, average n = 65)

Factors Affecting the Competitiveness of the Domestic Processing Industry

Domestic processors have generally found it difficult to compete with Joint Ventures and foreign factory ships in world groundfish markets. The panel was asked to review the factors given on Table 5.3 and rank the factors according to which had the greatest impact. Several panelists suggested additional factors. Chief among these was a lack of adequate infrastructure which is dealt with in greater detail in Chapter 6.

TABLE 5.3

Factors Affecting the Competitiveness of the Domestic Processing Industry

FACTORS	Percentage of Panel Indicating the Factor is One of the Five most Important PERCENT
Foreign labor costs.	47%
Exchange rates	47%
Trade barriers - including tariffs and quality controls.	45%

TABLE 5.3
(Continued)

Factors Affecting the Competitiveness of
the Domestic Processing Industry

	Percentage of Panel Indicating the Factor is One of the Five most Important
FACTORS	PERCENT
Foreign government subsidies.	41%
Jones Act - Requires U.S. crews on U.S. built ships operating in U.S. waters.	35%
Complacent attitude - traditionally production oriented industry.	32%
Low quality of products.	28%
Total Allowable Level of Foreign Fishing (TALFF) too high.	23%
Foreign capital (particularly Japanese holding companies) having a major financial stake in the domestic processing industry.	23%
Lack of knowledge about foreign markets.	21%
Foreign technology.	19%
Government regulations.	18%
Taxes.	3%

(R1-Q:D7, maximum n = 47)

Effects on the U.S. Industry Resulting from a 50% Cut in the TALFF

The question posed to the panel in Round 1 was: If a large cut in the Total Allowable Level of Foreign Fishing (TALFF), say 50%, were to occur, what would be the resulting positive and negative effects on U.S. fishing, processing, and marketing forms?

Approximately 20% of the panelists did not respond to this question, and several others only partially responded vis-a-vis their position within the industry. Because of this partial response and the relatively low level of self-rated expertise for this question, we decided not to reiterate this question in subsequent questionnaire rounds. However, some valuable ideas were given by the panel, and thus they are presented in Table 5.4. The panelists' responses give a fair sampling of the range of opinion on this issue.

TABLE 5.4

Effect on the U.S. Industry Resulting from a 50% Cut in the TALFF

SUMMARIZED PANEL COMMENTS

FISHING FIRMS

POSITIVE EFFECT:	NEGATIVE EFFECT:
o Decreased gear and grounds conflicts.	o The resulting decrease in supply would have a negative effect on established markets.
o Increase in joint ventures.	o Profits would be recapitalized without fleet control.
o Increase in the catch per unit of effort (CPUE).	o Would decrease foreign nations willingness to participate in joint ventures.
o Very little positive effect, U.S. fishermen have priority for all they can catch.	o Would force industry into smaller, more efficient vessels for shore-side delivery.
o Would force the industry to look at domestic shore-side deliveries and/or build at sea processing vessels.	o Would decrease the competitive incentive.
o Would help provide year-round usage of vessels.	o Domestic processing would not be able to handle the increase in supply, at least in the short run.
	o Japanese threat of retaliation.

PROCESSING FIRMS

POSITIVE EFFECT:	NEGATIVE EFFECT:
o May encourage further shore-based processing capacity.	o I assume by joint ventures, you mean over-the-side purchases by foreign processing vessels. Also, that the pattern will follow a gradual shift from TALFF, to joint operations, to U.S. complete processing and marketing and the next shift that we are looking at here is from TALFF to joint operations - we are not ready to go all the way. There has also been the suggestion to close out the TALFF completely, thus forcing the price up. Don't depend on it - there are other products for surimi and there is a lot of pollock off Japan, Korea and the U.S.S.R.
o Open foreign markets for groundfish and surimi.	o Very little negative effect.
o Perhaps allow for more rapid growth in the groundfish area by an infusion of foreign dollars into domestic fish plants.	
o Allow more control over domestic market penetration by foreigners.	
o Would increase the available fish supply for a few years until overcapitalization forced season reductions.	

Table 5.4
(Continued)

Effect on the U.S. Industry Resulting from a 50% Cut in the TALFF

PROCESSING FIRMS
(Continued)

- Would increase the interest of U.S. investors.
- With increased raw material availability and increased export demand, production could expand to maximize the use of domestic processing facilities and profits would increase.
- There is a serious domestic lack of know how.
- Would increase foreign equity ownership in the U.S. industry.
- Inability to expand to match market growth with a potential loss to foreign firms with access to other supplies.
- We would need a radical change in processing capability as our processors are used to speculative marketing in low capital intensity, low volume, high unit priced fisheries.
- Joint ventures could become so strong that we would never get rid of them.

MARKETING FIRMS

POSITIVE EFFECT

- An increase in fish through traditional channels. However, the rise of multinational marketing firms through joint ventures appears imminent.
- Would increase the variety and volume of products available.
- Get our foot in the door of foreign markets and thus develop a broader foundation.
- Not necessarily any effect if joint venture caught.
- Markets would firm for Alaskan whitefish products and margins would increase.
- Could help U.S. firms to fully exploit the domestic market.

NEGATIVE EFFECT

- Possible quality control problems.
- Inability to adequately respond to market growth.
- Would increase resistance and decrease cooperation by displaced nationals.
- We might lose the urgency for domestic resource development.
- Instability of supply would increase prices.

(R1-Q:D1)

Expected Retaliation by Other Nations Should a Large Cut in the TALFF Occur

The panel was requested to indicate whether or not a large cut in the TALFF would result in retaliation in other seafood markets, e.g., salmon, and to briefly explain their answer. Panel comments are summarized in Table 5.5.

Thirty-seven percent (37%) of the panel indicated that retaliation would occur and 43% indicated retaliation would not occur (20% indicated "Don't know," n = 89). Clearly the panel was split on this issue. Several panelists suggested that a retaliatory response to a cut in the TALFF would depend on how it was perceived by foreign participants in the U.S. Fisheries Conservation Zone (FCZ). If U.S. harvesters were able to step right in and take over production, retaliation would seem unlikely. If they weren't and a cut was seen as a political gesture, then retaliation would be likely to occur. Any retaliation would probably consist of a decrease in over-the-side sale type in joint ventures rather than any direct market response. A number of respondents pointed out that foreign fishing is being phased out of the U.S. FCZ anyway so that in the long-term an accelerated TALFF cut would not have much effect. There seems to be general distrust among most panelists of the U.S. Government interference in seafood markets through national interest policies. As was noted previously, in the overall context of foreign trade, foreign fishing and domestic seafood exports are not viewed as vitally important by the U.S. State Department.

TABLE 5.5

Expected Retaliation By Other Nations
Should a Large Cut in the TALFF Occur

Summarized Panel Comments
o The cut would mostly affect foreign fishing companies which are usually different from the Export Trading Companies that market their products. Export markets are more often with trading companies which would just discontinue marketing some of their seafood lines of products.
o They didn't retaliate when we cut off King and Tanner crab.
o North America has 20% of all continental shelf species. We can overcome any situation in the long-term.
o There is probably too much competition between trading companies for significant organized resistance.
o Yes, they would retaliate, they have nothing to lose.
o Japan will not like U.S. joint venture catches, but, the cost of the product from the U.S. fishermen will be less than from their own fishermen.
o The consumer will still demand the product and competition will cure any attempt at retaliation.
o Certainly the Japanese would look hard for alternative supplies and/or substitutes and might increase informal trade barriers.
o The main reaction would likely be from Japan. If the result was a diversion of large quantities of cheap salmon to European markets (through refusal to purchase U.S. salmon), the EEC would probably implement their reference price arrangement approved in principal, but currently suspended.
o We have been told by the Japanese that we could lose markets if we get too tough. Filling in foreign groundfish production in the FCZ with domestic fishing and processing, in an orderly phase-out, is a plan we can both live with.

(R1-Q:D2)

CHAPTER 6

ALASKA GROUNDFISH ISSUES

- What Alaska Can do to Encourage the Development of a "Value-added" Groundfish Industry
- How to Overcome Limitations to the Development of Shore-based Processing of Pollock and Yellowfin Sole
- Medium Sized Factory Vessels as an Option for Increasing Alaska's Share of the "Value-added" Industry
- Domestic Groundfish Processing: Floaters vs. Shore-side
- Alaskan Groundfish Production: Joint Ventures vs. Domestic Processors vs. Foreign Catch

PRINCIPAL RESULTS

According to the panel, strategies for encouraging the development of a "value-added" industry around Alaska's abundant groundfish resources are: to encourage steady improvement in infrastructure, to encourage development around factory trawlers (Alaska can benefit by providing support facilities and support services), and to pursue no development policy other than providing a stable regulatory environment.

Over half of the panel indicated that a viable option for capturing some of the "value-added" from groundfish production would be a fleet of locally-based vessels, of smaller size than factory trawlers, which could harvest and process their catch at sea and ship their frozen finished product from Alaskan ports in freezer containers.

The current relative share of production by domestic groundfish processors (floaters, 65%, shore-based, 35%) is forecasted to remain about the same for the next 20 years.

Domestic processors are foecasted to increase by 20% their relative share in Alaska's groundfish harvest compared to joint ventures and foreign catch levels by the year 2000.

What Alaska Can do to Encourage the Development of a "Value-added" Groundfish Industry

The twelve Seattle-based American flag factory trawlers currently operating within the Alaskan FCZ add little to Alaska's economy. Over-the-side sale type joint ventures provide income for some local fishermen, but all of the "value added" from processing the harvested fish into its final product form escapes overseas. Processed-at-sea surimi sells for twice as much as the shore processed product in export markets. Given these facts, the panel was asked to tell us what Alaska can do to encourage the development of a "value-added" industry around its abundant groundfish resources.

Infrastructure development in the Aleutian Chain and a steady regulatory environment would be the most encouraging things the State could do to promote Alaskan groundfish development according to the panel (T6.1,#1,4,5). "Value added" will enter the State economy first through support services (i.e., cold storages, trans-shipment facilities, brokers, and suppliers) for domestic factory trawlers and J.V. catcher vessels, and later as facilities expand, through secondary manufacturing and distribution (T6.1,#3; T6.5). Several panelists likend Alaska to a developing country, in that Seattle and other West Coast ports have historically provided the base for extracting Alaska's resources in the raw. The fishing industry has grown around this status quo and is unlikely to change its structure very rapidly. Market connections to the "Lower 48" and foreign countries are steadily improving via improved air freight service. One panelist pointed out that there is no major brokerage sector in Alaska, it is based in Seattle which has the advantages of being a major port with regular transport links to foreign and domestic markets.

Several themes emerge in analyzing panelists' responses to this question. Aside from strong support for further Americanization of the Alaska FCZ, which is virtually unanimous among the panel, the panel indicated that the State should encourage U.S. factory trawlers and provide services to them (T6.1,#3). Local harvesters should concentrate on the high valued species, e.g. (T6.1,#9), blackcod, rockfish, Pacific Ocean perch, etc. Shore-side processing facilities should only be encouraged for ports which are very close to the fishing grounds such as Akutan, Kodiak, Sand Point, and Dutch Harbor (T6.2). Products must be targeted at the domestic market with an integrated effort promoting both shore based products and those which are cheaper to process on factory ships at sea. The Alaska Fisheries Development Foundation and Alaska Seafood Marketing Institute were singled out as vehicles for development and promotion. As one panelist put it, "We must create a market development program that stimulates demand - not just for added value retail/food service, but to increase industrial consumer demand. There are functional advantages for the protein quality of salmon, roe, pollock, etc., as components or ingredients in other products. We should not promote the 'image' of fish alone. A constant question asked should be 'where else can we use the properties of this resource.' There is a great future volume potential for added value products in competition with meat and poultry if fish products are modified for the remanufacture market." Other respondents noted that the domestic market doesn't have any basis for discriminating between "at sea" and "shore-side" processed surimi, so no price differential exists as it appears to, in the Japanese marketplace (T6.1,#7).

A general sense of the panelists' responses is that as Americanization of Alaska's FCZ increases, so should the domestic groundfish industry. It is important to establish a broad domestic market for groundfish. The State can help with support services, product development, tax incentives, financial support, and marketing (T6.1,#2).

TABLE 6.1

What Alaska Can do to Encourage the
Development of a "Value-added" Groundfish Industry

PANEL ASSERTIONS	Percent of Panel that Selected Each Assertion as Valid or Reliable
1. Encourage steady improvement in infrastructure. Stay away from subsidies.	81%
2. Employ tax incentive schemes to generate modernization of plants and vessels.	66%
3. To be competitive, the U.S. industry must develop around factory trawlers. Alaska can benefit by providing support facilities and support services.	60%
4. Provide long-term, low interest loans for infrastructure development in Alaskan coastal communities and most important, low cost electrical energy and tax incentives.	57%
5. I'm not sure it would be wise to pursue any development policy other than providing a stable regulatory environment - using State funds to develop a fishery merely transfers wealth from the State as a whole to the relatively few individuals who would benefit.	56%
6. Surimi is the bottleneck at the present time. Under current restrictions, surimi processing is hard to put together economically. I would suggest that we forget surimi processing and turn to production of surimi products to take advantage of the growing U.S. market now.	52%
7. Shore-based processors have to process pollock into surimi for the domestic market. The domestic market doesn't recognize the quality difference between at sea or shore-based processing. Subsidies and/or proof of profitability will stimulate processors into the bottomfish industry.	41%
8. Alaska should take a hard look at "in State waters" joint ventures and take advantage of them for a while.	39%
9. Concentrate efforts on higher value species, i.e., rock fish, flounder, cod. Pollock can follow at a much later date. Provide information on direct marketing of higher value species.	37%
10. Allow the landing of Japanese produced product, restricted to U.S.-Japan joint operation produced product if necessary, directly into Alaska ports.	36%
11. Restructure the raw fish tax; graduate it from tax credit to actual tax determined on the extent to which a product is locally processed.	33%

(R3-Q:2.6, average n = 56)

How to Overcome Limitations to the Development of Shore-based Processing of Pollock and Yellowfin Sole

Several factors inhibit the development of shore-based processing of pollock and yellowfin sole, the most abundant commercial groundfish resources in Alaska's FCZ. Chief among these are the rapid deterioration of pollock after it is caught and the relatively small average size of yellowfin sole which makes fillets unattractive to the domestic consumer. Panelists were requested to tell us how these limitations can be overcome. The responses given on Table 6.2 represent what we considered to be a representative sampling of the responses.

Panelists treated these limitations as technological and marketing problems. Their assertions fall into two categories: those who believe these limitations can be easily overcome by the application of appropriate technology or marketing strategy; and those who believe shore-side processing of these species will never be viable.

TABLE 6.2

How to Overcome Limitations to the Development
of Shore-based Processing of Pollock and Yellowfin Sole

Summarized Panel Comments
o First, explore the technology available. The U.S. is always far behind in most fisheries research; we always end by adopting someone else's methods. Use an organization that has a history of successful application of appropriate technology to overcome the apparent technological obstacles. This takes time and money.
o A selective, long-line fishery for sole should eliminate the problems of small fillets, unwanted incidental catches and trawl damage to fishing grounds.
o There are many markets for small sole fillets. Other fish also deteriorate rapidly, but this is overcome by handling methods at sea. TV dinners require small chickens to fit into the package. The market can accept the small fillets - it is a matter of market research. (In 1966, Howard Johnson's was trying to buy millions of pounds of sole fillets from 1 to 2 ounces, without success.)
o Why should these limitations be overcome? Presently the accepted technology worldwide is floating processors. They make sense. Shore-based processing facilities will probably never make it with pollock or yellowfin sole nor should they. This is not their comparative strength.
o Shore-side facilities should concentrate on processing and shipping species which can be delivered in fair to excellent condition.
o I seriously doubt there will ever be substantial (relative to the actual harvest) shore-side processing of either specie. Instead, Alaska should set the Aleutians up as a series of service stations where floaters can offload the product for trans-shipment, brokering, secondary processing, and to take on supplies. Tax incentives to make this attractive also need to be incorporated.
o NEFCO tried to overcome these problems at their Kodiak Plant and lost millions. Provide at sea processing, this is the only way the U.S. industry can compete given the present level of technology.

TABLE 6.2
(Continued)

How to Overcome Limitations to the Development
of Shore-based Processing of Pollock and Yellowfin Sole

Summarized Panel Comments
o There is no simple answer. However, for pollock, turn to other surimi products that can be manufactured from the lower quality shore-side processed surimi - they do it in Japan, why not here?
o For yellowfin sole, it is too small for U.S. and Japan markets (pricewise). Two suggestions: (1) use the surimi extractors to extract the flesh from the yellowfin and reconstitute the product into fish product of some kind, or into Fish Protein Concentrate, etc., or (2) dry and sell to third world poor countries that generally like dried fish (Africa, etc.).

(R2-Q:3.5)

Medium Sized Factory Vessels as an Option for Increasing Alaska's Share in the "Value-added" Industry

One option that would help capture some "value added" from groundfish production is a fleet of locally based vessels, of smaller size than the factory trawlers, which could harvest and process their catch at sea and ship their frozen finished product from Alaskan ports in freezer containers.

Panelists were asked if this was a viable option and to further comment. Fifty-two percent (52%) indicated it was a viable option and 19% indicated it was not a viable option (28% indicated "Don't Know," n = 68)

A majority of panelists felt the idea of a fleet of medium sized locally based vessels (as compared to the current generation of American factory trawlers) was a viable option at least for some groundfish species and products. Several panelists stated this idea wouldn't be practical for large scale surimi production which requires the economies of scale found with factory trawlers or speedy delivery to a shore-side plant (T6.3,#8,10). Smaller vessels equipped with automated whitefish filleting lines which are adaptable to several species could pay off however (T6.3,#6). In any case, panelists thought development of more trans-shipment facilities to take advantage of Alaska's proximity to the Orient should proceed as quickly as possible (T6.3,#5).

It is clear from panelists responses that the economics of various sized catcher/processors, their products, and market niches are not well known. It is also apparent that with the Americanization of the FCZ, serious study needs to be done in this area if domestic vessels are going to replace foreign factory ships and joint ventures in a timely manner. The general sense of the panelists' responses is that the future composition of the domestic fleet in Alaska's FCZ will be different than it is today, and it will also be much different than the distant water foreign fleets it will be replacing.

One panelist summed up the marketing situation well, "I don't know whether economics make it worthwhile. I remember the nonsuccess of the ALEUTIAN MISTRESS which was in that (midsized) category. We may need factory trawler production volume to be able to compete pricewise. The real question in my mind as an economist and marketing person is whether the primary processed food service layered puck fillet (the one factory trawlers make, 15 lb. block, 3/15 per case) can compete with the imports. Without question, a more targeted marketing effort involving much person-to-person contact will be needed to develop a segmented market for an Alaskan product which is equivalent to the Icelandic marketing strategy. Did you know Icelandics get from 50-65¢ more per pound because of their market niche?"

TABLE 6.3

Medium Sized Factory Vessels as an Option for
Increasing Alaska's Share in the "Value-added" Industry

PANEL ASSERTIONS	Percentage of Panelists that Rated the Assertions as Valid or Reliable
1. The focus of smaller sized vessels must be on higher valued species and high quality markets.	89%
2. We see some of it already, especially in higher value fish, sablefish, cod, turbot, but must have storage and shipping facilities greatly improved.	86%
3. Locally based vessels would tend to contribute more to the local economies. However, if high wages are required for Alaskan crews and smaller boats are inherently less efficient, such boats may be marginal operations at best.	84%
4. Lower priced imports from Korea, Canada and other countries seeking hard currencies will probably make it difficult. Specialized market niches, especially with high quality/value products are a viable option, however.	84%
5. Because of Alaska's transportation cost advantage to the Orient, offloading in Alaskan ports for trans-shipment should be encouraged.	75%
6. Some studies I have seen indicate that the most efficient processors are of medium size and the size of boat has to be carefully matched with efficiency of production. I don't know at the moment what the optimum size is. Otherwise, a viable option I think.	72%
7. Shore based processing companies simply must get out of the mind-set that they are adversaries to floating processors or else they will die on the vine. I dare say that had there been some innovative thinkers among the shore based processors or the new larger class of factory trawlers would never have been built in the U.S. Someone still has to do the groundwork for vessels once they land their catch. Why not break into this?	65%
8. Pollock and yellowfin sole are caught in such tremendous quantities and are of such low value that it dictates a large boat, large volume fishery.	46%
9. If government leadership is provided for R & D, grants for production equipment and extension and marketing help, this could be accomplished.	45%
10. The fact that there is little movement in this direction indicates that it is probably not "viable," i.e., profitable.	44%
11. Shipping costs are too great and the dollars going into Alaska's economy would be negligible.	20%

(R3-Q:2.7, average n = 54)

Domestic Groundfish Processing: Floaters vs. Shore-side

Domestic groundfish processors can be classified as floaters (consisting mainly of U.S. factory trawlers - twelve in operation currently, mostly producing frozen-at-sea cod fillets) and shore based processors. Panelists were asked to forecast their relative share of production for the years 1990 and 2000. As a group, the panel forecast very little change from the current status quo.

TABLE 6.4

Relative Share in Production

	Panel Group Means		
	1983 (Prelim.)	1990	2000
Floaters	65%	67%	63%
Shore-based	35%	33%	37%
	100%	100%	100%

(R1-Q:D5, n = 73)

Alaskan Groundfish Production: Joint Ventures vs. Domestic Processors vs. Foreign Catch

Ninety-eight percent (98%) of the Pacific Coast groundfish catch is taken in Alaska's waters. As shown in the table below, the 1983 production is divided into the three categories of joint ventures, domestic processors, and foreign catch. The panel was requested to forecast the relative percentage shares of the total Alaskan harvest in the three categories for the years 1990 and 2000.

The data show a continual decline in foreign catch and a steady increase in domestic processing. Joint ventures will increase into the intermediate future and a decline in the long-term future.

TABLE 6.5

Relative Shares in Alaska's Groundfish Harvest

	Panel Group Means		
	1983	1990	2000
Joint Ventures	23%	42%	38%
Domestic Processors	3%	19%	43%
Foreign Catch	74%	39%	19%
	100%	100%	100%

(R1-Q:D4, average n = 70)

CHAPTER 7

MARKET ECONOMICS

- Growth Potential of Six U.S. Seafood Market Segments
- Future U.S. Demand for Selected Product Forms
- Factors Affecting Domestic and Foreign Demand
- Most Important Factors Necessary to Insure Consistent Quality of Domestic Seafood Products
- Consumer Product Differentiation Between "Wild" and "Farmed" Salmon
- Role of Exchange Rates in the Development of the Domestic Groundfish Industry
- Strategies to Insulate U.S. Fishery Exports from Exchange Rate Fluctuations
- Effect of U.S. Export Trading Companies Upon Price Fluctuations

PRINCIPAL RESULTS

The greatest growth in seafood markets will occur in fast food restaurants and in convenience type foods (e.g., frozen fillets, fish sticks) in the next 20 years.

U.S. demand for seafood products will increase for fresh and frozen salmon and for groundfish products. Per capita demand for regular canned salmon will decrease or remain about the same, while demand for skinless and boneless canned salmon is expected to increase. Demand for canned crab and shrimp is projected to decrease.

According to the panel's ranking of factors that affect foreign and domestic demand, product price, consistency of supply, and perceived quality appear to be more important in foreign demand for seafood products, while change in dietary habits, price of substitutes, and ease of preparation appear to be relatively more important factors for domestic consumer demand.

The most important factors necessary to insure consistent quality of seafood products are: product standards, education, product inspection, bonus payments to fishers for quality, and product grading.

Ninety-two percent of the panel indicated that the role of exchange rates was a critical factor in the development of the domestic groundfish industry.

Growth Potential of Six U.S. Seafood Market Segments

The panel was requested to rank the six seafood market segments shown in the left column on Table 7.1. They were instructed to rank the segments according to their growth potential in the next 20 years. The panel felt that demand for seafood products would continue to increase in all market segments with fast food restaurants and convenience type products showing the greatest growth.

TABLE 7.1

Growth Potential of Six U.S.
Seafood Market Segments

Percentage of panel selecting a sector as having the greatest growth potential. Also, percentage of panel selecting the sector as among the top three sectors.

Seafood Sectors	Sector With Greatest Growth Potential	Sector Selected Among Top Three
Fast food restaurants	34%	76%
Convenience type foods (e.g., frozen fillets or fish sticks)	30%	62%
Home prepared entrees (e.g., fresh whole, eviscerated, or filleted fish)	16%	49%
Family restaurants	14%	54%
White tablecloth restaurants	11%	25%
Institutional (e.g., large volume canned products or frozen blocks)	8%	40%

(R1-Q:D9, n = 87)

Future U.S. Demand for Selected Product Forms

The U.S. market for fishery products is widely regarded as the largest underdeveloped market in the world. The American per capita annual consumption of edible commercial fish and shellfish products at 12.9 lbs. is less than half the world average of 27.1 lbs. The panel was asked to project whether per capita U.S. demand will increase or decrease from the current level for the product forms and species given in Table 7.2. Panelists were to consider a 20 year time frame in making their responses.

The panel forecast that demand would increase for fresh and frozen salmon with groundfish products increasing the most. Per capita demand for regular canned salmon is forecasted to decrease or remain about the same, while demand for skinless and boneless canned salmon is expected to increase. Demand for canned crab and shrimp is projected to decrease. Of the smoked and cured products listed, salmon appears to be the most likely to increase in demand.

TABLE 7.2

Future U.S. Demand for Selected Product Forms

	Percentage of Panel Indicating Demand will Decrease, Stay about the Same or Increase *			
U.S. Per Capita Demand Will:	Decrease	Stay About the Same	Increase	No. of Panelists
Product Forms				
Fresh whole, eviscerated or filleted:				
- salmon	4	14	82	71
- groundfish	4	4	92	70
- crab	20	54	28	66
- shrimp	6	52	43	68
Frozen natural fillets:				
- salmon	1	17	82	71
- groundfish	1	10	87	70
Frozen:				
- crab	23	44	33	66
- shrimp	6	48	32	67
Frozen processed:				
- breaded fillets	10	28	62	68
- breaded fish sticks	24	25	51	69
- breaded shrimp	9	41	50	66
- salmon	0	33	67	67
- seafood analogs				
a. minced products	1	12	86	67

TABLE 7.2
(Continued)

U.S. Per Capita Demand Will: Product Forms	Decrease	Stay About the Same	Increase	No. of Panelists
- seafood analogs				
b. restructured seafood based meat products (i.e., sausages, ham, etc.)	0	8	92	63
Canned:				
- skinless and boneless salmon	16	40	44	67
- canned salmon	34	37	29	68
- crab	48	36	16	67
- shrimp	45	39	16	67
Cured:				
- salmon	9	46	45	68
- salmon roe	9	62	28	64
- herring roe	8	73	19	64
- groundfish	9	52	39	65
- groundfish roe	5	71	24	62

* Group expertise for this question is high 17%, medium 54%, and low 26%. The ratings of panelists who indicated a low level of expertise for this question have been excluded from the table.

(R1-Q:C2, average n = 71)

Factors Affecting Domestic and Foreign Demand

Seven factors that affect consumer demand for seafood products were submitted to the panel to rank. The panel was requested to review the list and rank the top five factors according to their impact on domestic and foreign demand. The panel was also instructed to add other factors not included in the list we provided.

As presented in Table 7.3, product price, consistency of supply, and perceived quality appear to affect foreign demand for seafood products more than domestic consumer demand, while change in dietary habits, price of substitutes, and ease of preparation appear to be relatively more important to American consumers. Exchange rate (which could be subsumed under product price) was the most often suggested additional factor affecting foreign demand while advertising and promotion were the most frequently suggested additional factors that affect domestic demand. Per capita income exerts about the same amount of influence in foreign and domestic seafood demand.

TABLE 7.3

Factors Affecting Domestic and Foreign Demand

Percentage of Panel that Ranked the Factor Among the Top Three Factors Having the Greatest Impact Upon Demand

Factors affecting demand	RANK	
	DOMESTIC	FOREIGN
1. Product price	87%	96%
2. Per capita income	54	57
3. Consistency of supply	40	48
4. Perceived quality	62	74
5. Change in dietary habits	61	35
6. Price of substitute products (beef, pork, chicken)	64	42
7. Ease of preparation	39	29

(R1-Q:C3, maximum n = 91)

Most Important Factors Necessary to Insure Consistent Quality of Domestic Seafood Products

U.S. seafood products are widely perceived as being of inferior quality when compared to the same products produced by foreign competitors. Given this, the panel was requested to rank the list of factors, given in the left column of Table 7.4, according to their importance for insuring consistent quality within the domestic seafood industry. The panelists were also requested to add important factors that were not included on the list we provided.

Product standards, education, product inspection, financial incentives for quality, and grading were the most important factors indicated by the panel. These confirm, at least partially, the group consensus reached in Chapter 5 (Displacement of Imports by Domestic Groundfish Production), that objective criteria are very important factors in the consumer's perception of quality. Additional factors that were most frequently suggested by the panelists were: advertising, loans and/or subsidies, and promotion of at-sea processing.

The main obstacles to improving domestic seafood quality may be the structure of the industry itself and the American consumer's relative lack of sophistication about seafood products. Even if producers can provide a prime quality product, distributors and brokers may be unwilling to pay a premium price if they think their customers aren't able to differentiate between a prime quality product and one of lesser quality. The ultimate solution to this problem is to educate the American consumer. A major promotional effort of seafood product standards should come from within the industry and would go a long way toward developing the domestic market according to panelist's comments.

TABLE 7.4

Most Important Factors Necessary to
Insure Consistent Quality of Seafood Products

FACTORS	Percentage of Panel Indicating the Factor as One of the Five Most Important
Product Standards	70%
Education	61%
Product Inspection	57%
Bonus payments to fishermen for quality	57%
Product grading	52%
Plant verification of quality control	38%
Quality seal	32%
Research	27%
Regulations - e.g., trip limits	10%
Operations plan	10%
Vessel/hold inspection	8%
Delivery schedules for fishermen	8%

(R1-Q:C7, maximum n = 70)

Consumer Product Differentiation Between "Wild" and "Farmed" Salmon

In the European white tablecloth restaurant market, particularly the British portion, wild Atlantic salmon (as opposed to pen-reared) has enjoyed a premium position. Customers apparently have some basis for this product differentiation. The panel was instructed to provide what they believe is the basis for this consumer preference. Most panelists gave a similar response. That is, that the premium price and prestige accorded to "wild" Atlantic salmon is primarily based upon snob appeal, image, or national chauvanism rather than objective criteria.

In addition, the panel was asked the following corollary question. "Over time, would 'wild Pacific salmon' maintain a preferred U.S. market position over pen-reared Atlantic salmon without special advertising?" In response, 28% of the panel answered "Yes," 51% answered "No," (21% indicated that they did not know, n = 64). Comments were solicited for both of these questions and selected comments are reported on Table 7.5. The comments were selected on the basis of the frequency of a single or similar concept or issue being stated by the panel members.

TABLE 7.5

Basis for Product Differentiation Between
Wild and Farmed Salmon

Summarized Panel Comments

- Most Europeans are convinced that "salmon salar" is superior to any Pacific salmon. I think the most important factor in the European market is that Atlantic salmon is almost always marketed fresh, while Pacific salmon have been frozen and shipped by boat. Some of the preference may be a "snob" effect, i.e., wild Atlantic salmon is more expensive, so supposedly it is better.

- Before we get into advertising, lets do more about quality. U.S. Pacific salmon's reputation has improved over the past few years, but we can do more. Advertising is very expensive and complex (we may end up increasing the consumption of Norwegian salmon).

- This is an example of prejudice based on a cherished belief rather than verifiable experience. It is possible that a slight flavor or texture distinction can be made. Perhaps the "wild" fish has firmer flesh due to better muscle tone, or that the feed of "wild" fish imparts a different flavor detectable by gourmets.

- Premium quality product at a premium price. Only Pacific Coast steelhead probably could command same price with a little promotion.

- Snob appeal, i.e., at the gourmet restaurant level. The thought that someone has risked life and limb to "hunt" to provide the meal carries great prestige. Could also be due to the appeal of being "natural."

- Only blindfold tests to compare organleptic perceptions by expert taste panelists would be a valid way to affirm or disspell any real differences. A good marketer would know exactly how to "glamorize" the pink or chum salmon through other means (e.g., diet entrees for weight watchers) rather than exact competition with the solidly established red and Kings. For three decades the South African lobster tail has brought a premium price over warm water species, but even the experts cannot detect a difference.

- Any industry should have its "high end, or superior product," and the leaping, wild salmon is a natural. However, special advertising would still be needed to guide public attitudes.

- Competition with "wild Atlantic salmon" could be extremely difficult. It is a different fish and tradition. Product substitution becomes more difficult at a narrow margin of sophistication in buyer's discrimination. We are talking about a very small segment of the consumers in any case.

- Relative scarcity, larger size and prestige of a "wild" fish.

- A natural consumer preference for domestic product over imports, assuming that quality is as good or better, frequently occurs the marketing of fish. You will find the same thing on the U.S. East Coast where Atlantic salmon (pen-reared) will have a strong appeal to the consumer because of the magic historical link to the once native Atlantic salmon in New England. It is also observed in the Japanese consumer preference for domestic produced salmon products over imports. Even the very carefully prepared chum salmon from Kotzebue or the Yukon, of excellent quality, still does not quite get the price of domestically produced chum salmon in Japan. I simply call this consumer preference based almost upon tradition alone.

TABLE 7.5
(Continued)

Basis for Product Differentiation Between
Wild and Farmed Salmon

Summarized Panel Comments
o "Image!" Perceived quality of wild fish is higher, perhaps customers feel wild diet is "more natural."
o I doubt that a promotional campaign could produce positive net benefits. Also, I doubt that the market size for this premium fish is large enough to warrant advertising.
o You must be prepared to market the "wild salmon" of equal quality and at a competitive price. Incidentally, the advertising campaign put on by Alaska two or three years ago was excellent and I don't what to discourage this kind of effort. Quality and price, however, are more important than special advertising in maintaining a premium position in the market.

(R2-Q:4.6 & 4.7, n = 64)

Role of Exchange Rates in the Development of the Domestic Groundfish Industry

The panel was requested to indicate on a four-point importance scale the relative importance of the role of exchange rates in the development of the U.S. groundfish industry. Ninety-two percent (92%) of the panel indicated that the role of exchange rates was either "Very Important" or "Important," 8% indicated exchange rates were of little importance, and 2% indicated exchange rates were unimportant. Panelists that indicated a low level of expertise for this question are not included in the above percentages. Seventy-two panel members responded to this question, of which 20% or 16 persons indicated a low level of expertise for this question. The panel was also requested to briefly explain their response and their summarized explanations are given on Table 7.6.

A large proportion of the panel believe exchange rates will play an important role in future groundfish development. In their comments, panelists noted that even if domestic groundfish markets are aggressively promoted, a strong dollar only encourages imports and of course, the price of domestic products will be directly affected in export markets. There are a great many substitute species for groundfish products so Americanization of the FCZ is not the only answer, since alternative sources of supply are available in other parts of the world.

TABLE 7.6

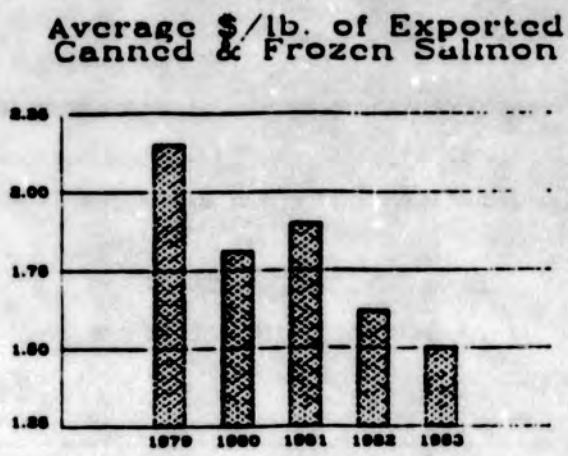
Role of Exchange Rates in Groundfish Development

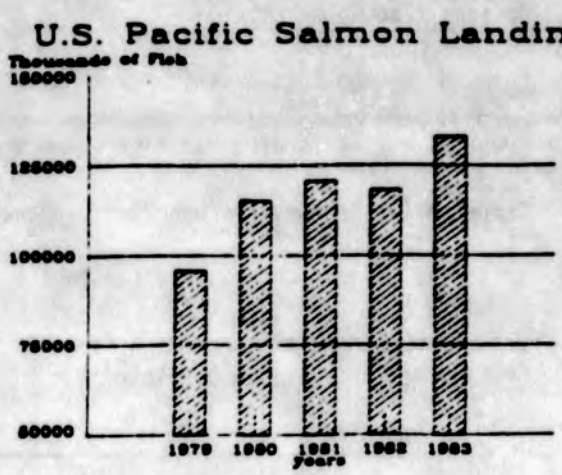
Summarized Panel Comments
o A strong dollar retards sales in a high volume, capital intensive, low unit value fishery. Differences of $5 - $20/mt. of finished product can be crucial.
o In my recent discussions with Japanese and European traders, exchange rates have outstripped quality as a major impediment to sales of Alaskan products.
o This problem makes it much harder for U.S. producers to keep their share of the U.S. market e.g., Arctic Trawler cod in the U.S. food service sector must compete with Icelandic imports which get steadily cheaper as the dollar increases in value.
o Exchange rates probably impact prices for all fish species more than any other factor in the long run.
o To the extent that we export groundfish products, a strong dollar will discourage sales.
o Current world markets are in other countries, U.S. acceptance of pollock and hake will be slow so exchange rates are very important.
o All EEC currencies at present make it nearly economically impossible to export salt cod even though there are currently good markets. Once trade barriers are lifted, the same will hold true for surimi and pollock blocks to Japan.
o There is not much elasticity in fish prices and absolutely no place to cut costs in U.S. groundfish production. Cheap imports will kill the U.S. effort.
o The world groundfish market is fiercely price competitive and largely determined by production outside the U.S.

(R1-Q:C6)

Strategies to Insulate U.S. Fishery Exports from Exchange Rate Fluctuations

Since 1979, the value per pound of canned and frozen salmon exported from the U.S. has fallen 25% (see graph at left). This drop has almost exactly paralleled the fall of the British pound (-25%), the French franc (-36%), to a lesser extent the Japanese yen (-9%) and the Canadian dollar (-5%). At the same time the supply of U.S. salmon was steadily increasing (see graph at right).*





Panelists were asked what could be done, aside from reducing the federal deficit, to insulate U.S. fishery exports from exchange rate fluctuations. They were instructed to briefly answer in terms of hedging strategies, futures markets, etc., that they were aware of in other countries or commodities.

As we expected, the overall level of panel expertise for this question was quite low. Forty-eight percent (48%) of the panel indicated a low level of expertise, 33% indicated a medium level of expertise, and 18% indicated a high level of expertise (n = 73).

There was considerable agreement among the panelists that little can be done to avoid long-term currency rate fluctuations. For the long-term, the most frequently mentioned strategies (Table 7.7) were: to develop the U.S. market, improve overall domestic seafood quality to stabilize the price, diversify product lines, and work to decrease tariffs, import quotas, and barriers to trade. Several panelists thought that a futures market, similar to agricultural futures, might work for frozen and canned products but was somewhat impractical for more perishable products and products with major supply fluctuations.

---

*The source for the graphs is: At right, Alaska 1984 Catch and Production, Commercial Fisheries Statistics, Alaska Department of Fish and Game, 1984. At left, Fisheries of the United States, 1983, Current Fisheries Statistics No. 8320, National Marine Fisheries Services, April, 1984, p. 58.

TABLE 7.7

Strategies to Insulate U.S. Fishery Exports
from Exchange Rate Fluctuations

Summarized Panel Comments
o Options trading market.
o Forward funding foreign exchange contracts.
o Hedge by buying foreign currency - speculate.
o Compensation schemes for exporters - draw backs, tax deductions, custom duty deductions.
o Subsidize freight charges similar to the Norwegians.
o Enter into long-term supply agreements specified in commodities. With the Export Trading Company Act this is now possible.

(R1-Q:C4)

Effect of U.S. Export Trading Companies Upon Price Fluctuations

The panel was requested to reveal what they believed would be the effect of the recent advent of U.S. export trading companies upon future price fluctuations in exported seafood products.

As presented in Table 7.8, most panelists indicated that U.S. export trading companies will have little or no effect on price fluctuations for exported seafood products. Those panelists who view these companies as important factors in future international trade predict only moderate influence on prices. Several panelists pointed out that these companies are unlikely to become as powerful within the U.S. legal system as they are in Japan with its system of legalized cartels.

TABLE 7.8

Effect of U.S. Export Trading
Companies Upon Price Fluctuations

Summarized Panel Comments
o Probably very little as it is unlikely that long-term contacts would be specified in dollars.
o If U.S. companies were structured similar to Japanese zaibatsu (conglomerates unrestricted by anti-trust laws), then diversified export activity could stabilize prices since fish exports would be part of a larger portfolio.
o Very little, export trading companies don't seem to like perishables.
o Export trading companies are absolutely critical to get market power and deal with foreign exchange fluctuations.
o They may moderate fluctuations if trading companies are in a position to take advantage of hedging strategies.
o Very little effect unless U.S. exporters can learn to be cooperative instead of engaging in the fierce competition that now characterizes the export business.
o They will have a moderate impact. They won't be as effective as similar organizations in other countries due to anti-trust legislation.
o Price fluctuations should stabilize since trading companies could collude to establish price floors.
o Export trading companies will follow market demand and not lead it, thus, they will not exert price control.

(R1-Q:C5)

CHAPTER 8

METHODOLOGY

- The Delphi Method
- Study Design
- The Delphi Panel
- The Delphi Questionnaires
- Procedure
- Analysis and Interpretation of the Results

The Delphi Method

The basic Delphi process in involves a small research team that designs a questionnaire which is sent to a larger respondent group. After the questionnaire is returned the research team summarizes the results and, based upon the results, develops a new questionnaire for the respondent group. The respondent group is given an opportunity to re-evaluate its original answers based on an examination of the group response. This form of Delphi represents a combination of a polling procedure and a conference procedure that attempts to shift a significant portion of the effort needed for individuals to communicate from the larger respondent group to the smaller research team.

Usually the Delphi process undergoes three phases. The first is characterized by exploration of the subject under discussion, where each respondent contributes information (s)he feels is germane to the issue. The second phase involves reaching an understanding of how the group views the issue (where the members agree or disagree). Typically, new areas of inquiry are added as a consequence. If there is significant disagreement, then it is explored in the third phase.

Study Design

The study's focus was defined by the Director of the Office of Commercial Fisheries Development at the direction of the Governor's Mini-Cabinet on Fisheries. The study focus was refined in consultation with an advisory consulting work group, which was composed of eight persons who have in-depth knowledge of different aspects of the North Pacific seafood industry. This group met for a total of three days with the research team in order to identify critical issues and events facing the industry in the next 20 years and to identify issue areas that could be usefully analyzed using the Delphi method.

Once identified, the issue areas were translated into questionnaire items for the first questionnaire. A total of three questionnaires were constructed by the research group and disseminated to the respondent panel. The panel was composed of industry representatives who were judged to have expert knowledge by the eight member consulting work group. After the return of the first and second questionnaires, the research team analyzed the panel responses, then constructed the next questionnaire based on the responses to the previous one. In the case of the first questionnaire, most respondent data was in the form of written narrative responses. These data were analyzed, summarized, and turned into a set of panel assertions. The assertions represent the panel's narrative responses and were presented to the panel to evaluate in the second questionnaire.

The analysis of the results of the second questionnaire was primarily based on the tabulated frequency distributions for each rated assertion in the previous questionnaire. The panel used a six-point validity scale or a four-point importance scale to rate the assertions (Tables 8.10 and 8.11). Construction of the third and last questionnaire involved selecting assertions for re-evaluation by the panel, and reporting assertions that revealed a high amount of consensus by the panel. Also, new questions that were introduced in the second questionnaire was evaluated by the panel in the third questionnaire.

The Delphi Panel

The panel members were selected on the basis of expertise, the sector of the industry they represent, and on maintaining a regional balance. The eight member consulting work group was responsible for nominating most of the prospective panel members. This advisory group provided a list of 249 names and rated each nominee according to two criteria. The criteria were: level of expertise in the six seafood issue categories of supply, demand, trade, marketing, price, and policy. The second criteria was the sector of the seafood industry that the nominee represents, i.e., government, university, industry-harvester, industry-processor, and industry-distributor. The final determination of the membership of the panel of respondents was the responsibility of the research group based upon these criteria and on producing a regional balance of representation. The advisory group also provided narrative descriptions of the panel nominee's expertise.

From an initial list of 249 potential panelists, 183 were invited to participate in the study with the expectation that about 50 percent would accept. Of the 183 potential panelists, 101 (55%) returned a completed questionnaire. For Round 2, 101 questionnaires were sent to the Round 1 panelists and 78 (77% response rate) panelists completed and returned the questionnaire. For Round 3, 78 questionnaires were sent to the Round 2 panelists and 70 were completed and returned. This represents a 90% response rate for the third questionnaire. Eight questionnaires were returned too late to include in the Round 3 analysis. Based on the initial panel size of 101, the response rate at the Round 3 stage was 69%.

The relatively high response rate is an indication of the dedication and patience of the panel. They persevered through 140 pages of instructions and questionnaires which contained over 500 variables.

In the Round 1 questionnaire, the panel members were requested to rate their level of expertise in six seafood categories and the sector of the industry that they represent. The panelists used the same scales as those used by the advisory group who nominated them. Table 8.1 displays the panel composition categorized by the six seafood issue categories. Panelists self-rated their expertise level according to the criteria given in the expertise scale (Table 8.2). The panel composition for Rounds 2 and 3 are also given on Table 8.1. The proportions among the six seafood issue categories remained relatively constant across the three rounds of questionnaires.

Table 8.1

Panel Expertise for Three Questionnaire Rounds

	Expertise Level	Seafood Issue Categories					
		Supply	Demand	Trade	Market-ing	Price	Policy
Round 1	High	57%	33%	27%	27%	31%	49%
N = 101	Medium	32	52	45	53	46	40
	Low	11	15	28	20	23	11
Round 2	High	55%	33%	24%	25%	28%	48%
N = 78	Medium	37	53	54	55	47	43
	Low	8	14	22	20	25	9
Round 3	High	61%	33%	27%	23%	28%	49%
N = 62	Medium	34	54	50	55	43	44
	Low	5	13	23	22	29	7

(R1-p.3, maximum missing = 7 in Round 1)

Table 8.2

Expertise Rating Scale

High	Actively involved in decisions, research or analysis in this area.
Medium	Informed in this area through reading reports, listening to expert testimony, or conversation with experts.
Low	Knowledge or expertise about the same as a well informed citizen.
No Response	If you feel you have insufficient expertise for a particular question or topic, you may leave the expertise scale and the question blank.

Table 8.3 displays the relative expertise of the Round 1 panel according to the number of high ratings the panelists self-designated in the six seafood issue categories. A maximum of six high designations, one for each of the six categories, was allowed. About 7% of the panel self-rated their expertise as high in all six seafood issue categories. About 38% of the panel self-rated their expertise as high in three or more of the six categories. Approximately 20% of the panel rated their expertise in the seafood issue categories as medium or low.

Table 8.3

Number of High Ratings Each Panelist
Self-assigned in the Six Seafood Issue Areas *

	Frequency	
Number of High Ratings	Percent	No. of Panelists
6	7.4%	7
5	7.4	7
4	5.3	5
3	18.1	17
2	25.6	24
1	14.9	14
0	21.3	20
Total	100.0	94

* A maximum number of six ratings per panelist was allowed.

(R1-p.3)

In the Round 1 questionnaire, the panelists indicated which sectors of the seafood industry that best described their knowledge area. The panelists could indicate up to five seafood industry sectors. Table 8.4 illustrates the percent of panelists that indicated each of the five sectors as the area(s) that best described the industry sector they represent. Panelists were allowed to designate more than one sector. The relative proportion of representation in the industry sectors was maintained throughout the three rounds, with only the Industry-Distributor sector as an exception. This sector changed from 21% to 13% from Round 1 to Round 3. This reduction indicates that the greatest attrition rate was in the Industry-Distributor sector. Of the 48% of the panel (in Round 1) that indicated the Government category, 53% (n = 25) also indicated the Industry-Harvester category, 36% (n = 17) of the panel that indicated the Government category also indicated the University category, and 30% (n = 14) of those who indicated the Government category also indicated the Industry-Processor category.

Table 8.5 displays the percentage of panelists that indicated five (the maximum allowed) or less seafood industry sections. About 50 percent of the panel indicated one sector, 21% indicated two sectors, and 22% of the panel indicated three sectors. The geographic representation of the panel is given on Table 8.6. About one-third of the panel had mailing addresses in Alaska, about one-third in Washington, and about 13% of the panel had addresses outside the U.S.

Table 8.4

Panel Representation In Five Industry Sectors
for Three Questionnaire Rounds *

	Sectors				
			Industry		
Round	Government	University	Harvester	Processor	Distributor
1	48%	30%	38%	44%	21%
N = 101					
2	51%	35%	35%	41%	18%
N = 78					
3	51%	36%	30%	43%	13%
N = 61					

* Panelists checked more than one category, therefore the rows will not sum to 100 percent.

(R1-p.3, maximum missing = 3 in Round 1)

Table 8.5

Percent of Panelists Indicating Five or Less Seafood Industry Sectors*

No. of Categories Indicated	Frequency	
	No. of Panelists	Percent
5	2	2.0
4	3	3.1
3	22	22.5
2	21	21.4
1	50	51.0
Total	98	14

* A maximum number of five categories per panelist was allowed.

(R1-p.3, missing = 3)

Table 8.6

Geographic Representation of the Panel
at the Round 1 Stage

Geographic Location	Percent	Number
United States		
Alabama	1	1
Alaska	36	37
California	5	5
District of Columbia	2	2
Illinois	2	2
Kansas	2	1
Kentucky	1	1
New York	2	2
North Carolina	1	1
Oregon	4	4
Rhode Island	1	1
Washington	30	31
Canada		
British Columbia	5	5
Nova Scotia	1	1
Quebec	1	1
United Kingdom		
England	1	1
Ireland	1	1
Scotland	1	1
Japan	2	2
Chile	1	1
Total	100	101

The Delphi Questionnaires

The questions that were posed to the panel covered a wide range of topics and issues and generally were technical in nature. The questionnaire items were constructed by the research team after consultation with the advisory consulting group. The questionnaires were pretested by having the advisory group of experts complete and comment on each of the three questionnaires. The selection of subject areas of inquiry were directed by the project objectives and the advisory group. The basic format used for the questions was to provide a factual/historical context of information about the subject area, then the specific question followed. Tables 8.7, 8.8, and 8.9 list the contents of the three questionnaires. The three questionnaires are shown in Appendix B.

Table 8.7
Contents of the First Round Questionnaire

Panelists were requested to:

- Identify the three most important issues or questions facing the North Pacific seafood industry in the next 20 years.
- Predict global and national developments that may affect the North Pacific seafood industry.
- Predict the effects of the potential release of 11 billion salmon fry into the North Pacific by the year 2000.
- Project whether net profits to fishers and processors will increase as a consequence of a five-fold increase in the Alaska hatchery release of salmon fry.
- Describe the implications of the trend in the increasing Japanese coastal salmon catch and declining high seas harvest for the U.S. salmon industry.
- Predict U.S. demand for selected product forms.
- Rank the relative importance of factors that affect consumer demand for seafood products.
- Identify strategies to insulate U.S. fishery exports from exchange rate fluctuations.
- Evaluate the role of exchange rates in the development of the domestic groundfish industry.
- Rank the most important factors necessary to insure consistent quality of seafood products.
- Describe the effects on the U.S. industry resulting from a 50% cut in the TALFF.
- Identify areas of comparative advantage for U.S. producers in international markets.
- Predict the relative share of groundfish production for joint ventures vs. domestic processors vs. foreign catch.
- Predict the future share of domestic groundfish processing: floaters vs. shore-side.
- Predict whether domestic groundfish production will displace imports in the next 20 years.
- Rank the factors that affect the competitiveness of the domestic processing industry.

Table 8.7
Contents of the First Round Questionnaire
(Continued)

- Identify the reasons why the U.S. seafood industry is not in the forefront of the development of the domestic surimi market.
- Rank the growth potential of six U.S. seafood market segments.
- Describe future changes needed for Alaska hatchery programs to maintain competitiveness.
- Rate the relative importance of 15 seafood areas where further research is needed.

Table 8.8
Contents of the Second Round Questionnaire

- General feedback from Round 1

Panelists were requested to:

- Rate the relative validity of the panelists' predictions about the effect of the potential release of 11 billion salmon fry into the North Pacific by the year 2000.
- Rate the relative validity of the panelists' answers describing the implications of the trend in the increasing Japanese coastal catch and declining high seas harvest for the U.S. salmon industry.
- Describe the role they foresee for pen-reared salmon in Alaska's future.
- Identify the political implications of farming versus hunting in Alaska salmon fisheries.
- Describe the geographic dislocation of traditional fisheries due to the distribution of hatchery fish.
- Rate the relative validity of the panelists' responses to the question on future changes needed for Alaska hatchery programs to maintain competitiveness.
- Evaluate and explain the preferred types of cost recovery for privately-held hatcheries.
- Rate the relative validity of the panelists' responses to whether domestic groundfish production will displace imports in the next 20 years.
- Rate the relative validity of the panelists' responses to why the U.S. seafood industry is not in the forefront of the development of the domestic surimi market.
- Describe what Alaska can do to encourage the development of a "value-added" industry.
- Explain how to overcome limitations to the development of shore-based processing of pollock and yellowfin sole.
- Indicate whether medium sized factory vessels are a viable option for increasing Alaska's share of the "value-added" industry.

Table 8.8
Contents of the Second Round Questionnaire
(Continued)

- Rate the relative validity of the panelists' responses to whether net profits to fishers and processors will increase as a consequence of a five-fold increase in the Alaska hatchery release of salmon fry.
- Re-evaluate whether U.S. salmon fishers' net profits will increase or not.
- Predict whether U.S. salmon fishers' net profits will increase at a 21 to 28 million salmon catch level.
- Predict the average total Alaska commercial salmon harvest for the next 20 years and the range around the average they would use for a confidence interval.
- Indicate whether world salmon markets can absorb projected pink and chum supply levels at prices which will provide an adequate return on investment for fishers.
- Explain the basis for consumer product differentiation between wild and pen-reared salmon.
- Rate the relative importance of the panelists' responses describing the major impediments to the development of Alaska's fishing potential.
- Rate the relative importance of the panelists' responses describing the most important question or issues relevant to the development of the North Pacific seafood industry in the next 20 years.

Table 8.9
Contents of the Third Round Questionnaire

- A "Feedback Document" accompanied this questionnaire which was a report of a preliminary analysis of Round 1 and 2 data.

Panelists were requested to:

- Re-evaluate panel assertions concerning the implications of the potential release of 11 billion salmon fry into the North Pacific by the year 2000.
- Re-evaluate panel assertions concerning the implications of the trend in the increasing Japanese coastal salmon catch and declining high seas harvest for the U.S. salmon industry.
- Re-evaluate panel assertions related to future changes needed for Alaska hatchery programs to maintain competitiveness.
- Evaluate panel answers describing the role of pen-reared salmon in Alaska's future.
- Evaluate panel responses concerning the political implications of farming versus hunting in Alaska salmon fisheries.
- Evaluate panel responses to whether fishers and processors should share in the costs and/or profits of privately held hatcheries.

Table 8.9
Contents of the Third Round Questionnaire
(Continued)

o Evaluate panel responses concerning whether the State (ADF&G) should manage common property fisheries to allow sufficient escapement for total, partial, or no cost recovery.
o Evaluate panel answers describing the means that should be used to finance nonprofit, private hatcheries if there is partial or no cost recovery from returning adults.
o Evaluate panel responses about what Alaska can do to encourage the development of a "value-added" industry.
o Evaluate panel responses concerning how to overcome limitations to the development of shore-based processing of pollock and yellowfin sole.

A number of different response formats were used in the questionnaires. The primary format used during the first and second questionnaire was open-ended and required panelists to write in their own unique response. Another primary format used in the second and third questionnaires was close-ended and required the panel to rate the questionnaire items by using a six-point validity scale or a four-point importance scale (Tables 8.10 and 8.11). These scales have been frequently used in Delphi studies to define validity and importance. Panelists also responded to a three-point expertise scale for a number of questions in Round 1 (Table 8.2). The group's relative expertise for a question is reported with the analysis. A General Comments section was provided at the end of each questionnaire for the panel to comment on specific items and the Delphi process in general.

The time horizon used in this study about future developments in the seafood industry was the year 2000 and/or 20 years into the future.

A key feature of the Delphi is the process where the panel reviews and evaluates the contributions of the other panel members. In Rounds 2 and 3, panel responses were summarized and transformed into conceptual "assertions." These assertions represent the conceptual answer originally offered by the panelist to the question. The wording of the responses frequently had to be modified or shortened. However, whenever possible, the exact wording of a panelist's comment was retained. The assertions, the summarized panel responses, were fed back to the panel along with the original question. The panel was instructed to review the original question and evaluate the list of assertions according to how valid or reliable each assertion was as a contribution to an answer to the original question. The bulk of Rounds 2 and 3 questionnaires was largely due to the panel assertions (i.e., responses/ variables) that were presented to the panel to evaluate.

In Rounds 2 and 3, the panel evaluated approximately 500 assertions and reevaluated 40 assertions that revealed no clear panel position. Specifically, items for re-evaluation in Round 3 were selected from Round 2 assertions which displayed a frequency distribution where less than 66% of the panel, but more than 40% of the panel, indicated the assertion was valid or reliable. Panel assertions that were judged valid and/or reliable by 66% or more of the panel were defined as having a high amount of consensus. As a result, these assertions were given as feedback information only in Round 3.

Table 8.10

Validity Rating Scale

Numeric Scale		
1	VALID	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	RELIABLE	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	NOT DETERMINABLE	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	RISKY	- substantial risk of being wrong - not willing to make a decision based upon this - many incorrect inferences can be drawn
5	UNRELIABLE	- great risk of being wrong - worthless as a decision basis
6	NOT PERTINENT	- even if the assertion is VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

Table 8.11

Importance Rating Scale

Score Value	Importance (Priority or Relevance)
1 Very Important	- a most relevant point - first-order priority - has direct bearing on major issues - must be resolved, dealt with, or treated
2 Important	- is relevant to the issue - second-order priority - significant impact but not until other items are treated - does not have to be fully resolved
3 Of Minor Importance	- insignificantly relevant - third-order priority - has little importance - not a determining factor to major issue
4 Unimportant	- no priority - no relevance - no measurable effect - should be dropped as an item to consider

Procedure

The first Delphi questionnaire was mailed in June 1984, the second in November, and the third was mailed in March, 1985. The Round 1 questionnaire was accompanied by a letter from the Governor of Alaska that invited the prospective panelist to participate. Panelists were given six weeks to complete and return their questionnaire. The questionnaire was 27 pages long and requested many open-ended narrative responses. Many panelists commented that it took them about three hours to complete.

The content of the open-ended narrative data was analyzed using a rigorously applied method to control for subjective bias. Responses to a question were compiled and reviewed. Content areas which were unique conceptually and represented the position of a significant portion of the panel were listed. This preliminary list of summarized panel responses was then re-applied to the body of panel responses in order to validate their importance and to refine the preliminary list. This process was applied to all open-ended questions.

Inevitably, some ambiguity about the meaning of a panelist's response occurred during the summarization of the narrative data. By requiring the panel to evaluate the validity of each summarized panel assertion, the potential bias of the research group is mitigated. In other words, the panel as a group essentially selected which assertions were valid and which were not by rating the assertions.

Analysis of the content of the panel's response to the open-ended questions was an exceedingly time-consuming process. Those panelists with strongly held views on a particular issue tended to express themselves in detail and at great length. The panel was encouraged to make comments at any point in the questionnaire, and many did.

The second questionnaire, sent in November 1984, was 76 pages long and contained over 200 panel assertions to be rated. It also contained 14 new "probe" questions that were generated from analysis of the Round 1 results. The panel was allowed two months to complete and return the

questionnaire. The evaluated and rated data were coded and submitted for computer analysis using SAS Software in the State's IBM Mainframe computer. The open-ended data was analyzed using the same procedure described in the analysis of Round 1 narrative data.

In Round 3 analysis, some assertions that received less than 40% support at this evaluation phase were retained for analysis. The frequency distribution of the panel responses from Round 2 were reported along with the assertions presented in the Round 3 questionnaire. No new questions were included in the last questionnaire. The third questionnaire was mailed to 87 panelists in March 1985, and 62 were returned within six weeks. Since this questionnaire contained only fixed response data, analysis was performed on the computer.

Analysis and Interpretation of the Data

In this final report, the data gathered in all three rounds of the questionnaires were brought together. Each question (or group of questions where they have been combined) is accompanied by a "summary statement" that gives a general sense of the group response and a set of assertions which are representative or provacative. In other cases, particularly where there were many lengthy or complicated answers, a fairly long summary was necessary to provide a context for the panelists' responses. Occasionally statements from the general comments section are brought in to clarify a point. In all cases, the analysis and interpretation have remained minimal and secondary to the panel's responses. In some cases the assertions themselves tell the story and need little summarization.

The reader should read through the questions, tables, and summary statements for a general overview and then explore the assertions and their ratings for a more complete range of views on a particular issue. The principle form of the data reported in the foregoing chapters are tables of panel responses that have been validated by the panel using either the validity or importance scales. The panel responses or assertions that were judged as valid or reliable (2 of the 6 points on the validity scale) by at least 40% of the panel were considered sufficiently valid for inclusion in the final analysis. Although this proportion represents a minority, we nonetheless consider it a significant minority.

The assertions represent what the panelists believe to be valid or reliable statements. These statements (assertions) were interpreted as reliable indicators relevant to producing an answer to the original question. The assertions represent relevant concepts that should be considered in a search for a complete answer to the questions. The assertions may also be defined as a set of statements that are important to consider in an analysis of future trends in the industry. At the same time, the assertions do not represent a total answer to a question. Generally, the questions were complex, broad, and far-reaching. Each could require years of basic research to fully address. What the assertions do reveal is what a group of industry representatives think about the future outcome of some of the critical issues facing the North Pacific seafood industry in the next 20 years.

APPENDIX A

THE DELPHI PANEL

Brian Allee
Prince William Sound
Aquaculture Corporation
Cordova, Alaska

Andrew Alley
Ministry of Industry &
Small Business Dev.
Victoria, B.C. Canada

Lee Alverson
Natural Resource Consultants
Seattle, Washington

Don Amend
Southern Southeastern Alaska
Regional Aquaculture Assoc.
Ketchikan, Alaska

Nels Anderson
Dillingham, Alaska

Phillip Appleyard
International Fisheries Counselor
Surrey, England

Clinton E. Atkinson
Alaska Sea Grant
Seattle, Washington

Jerry Babbit
Kodiak Investigations-Utilization
National Marine Fisheries Service
Kodiak, Alaska

R. C. Baker
Dept. Poultry & Avian Science
Cornell University
Ithaca, New York

Don Bevan
College of Fisheries
University of Washington
Seattle, Washington

Martha Blaxall
BBH Corp.
Washington D.C.

Jim Branson
North Pacific Fishery
Management Council
Anchorage, Alaska

Alec Brindle
Columbia-Ward Fisheries
Seattle, Washington

Alvin Burch
Alaska Draggers Association
Kodiak, Alaska

Bud Burgner
Fisheries Research Institute
University of Washington
Seattle, Washington

Chris Carter
Oregon Department of Fish & Wildlife
Portland, Oregon

Larry Cotter
International Longshoremen's and
Warehousemen's Union
Juneau, Alaska

James A. Crutchfield
Institute of Marine Studies
University of Washington
Seattle, Washington

Don DeVoretz
Economics Department
Simon Fraser University
Burnaby, B.C. Canada

Bill Dietrich
Van De Kamp
Long Beach, California

Lauren Donaldson
College of Fisheries
University of Washington
Seattle, Washington

John Doyle
Marine Advisory Program
University of Alaska
Anchorage, Alaska

Oscar Dyson
Alaska Seafoods
Kodiak, Alaska

Ralph Eluska
Koniag, Inc.
Anchorage, Alaska

Thomas R. Eyestone
DPRA, Inc.
Manhattan, Kansas

Captain Barry Fisher
South Beach, Oregon

Jay Gage
Trustee of the St. Paul
Island Trust
Seattle, Washington

Doug Gordon
National Food Processors
Washington, D.C.

Abby Gorham
University of Alaska
Alaska Sea Grant College Program
Fairbanks, Alaska

Murry Hayes
National Marine Fisheries Service
Seattle, Washington

Jeff Hendricks
Hendricks & Associates
Anacortes, Washington

Jack Hice
Research Associates
Charlotte, North Carolina

Roy Jackson
Natural Resources Consultants
Seattle, Washington

Keith B. Jefferts
N.W. Marine Technology, Inc.
Shaw Island, Washington

Tim Joyner
Sheldon Jackson College
Sitka, Alaska

Jon Karpoff
Department of Fin., Bus., Econ.
and Quantitiative Methods
University of Washington
Seattle, Washington

Albert S. Kawabe
Kawabe Trading Co.
Anchorage, Alaska

Frank Kawana
JAC Creative Foods, Inc.
Los Angeles, California

Curt Kerns
University of Alaska
Juneau, Alaska

Ernie Kolhase
Douglas, Alaska

Tsune Kusakawa
Faculty of Marine Science
& Technology
Tokai University
Shimizu, Shizuoka Japan

Bert Larkins
Marine Resources Co., Inc.
Seattle, Washington

Doug Larson
North Pacific Fishery
Management Council
Anchorage, Alaska

Rick Lauber
Pac. Seafood Processors Assoc.
Juneau, Alaska

Patricia A. Lavin
Department of Resource Economics
University of Rhode Island
Kingston, Rhode Island

John Lecture
Seafood Producers Cooperative
Bellingham, Washington

Peter Leitz
Economics & Statistical Services Unit
Fisheries-Pacific Region
Vancouver, B.C. Canada

Rebecca J. Lent
Univesity of Quebec at Rimouski
Rimouski, Quebec Canada

Biing-Hwan Lin
Department of Economics
University of Alaska
Fairbanks, Alaska

Jon Lindbergh
North Bend, Washington

Rae MacFarland
Beehive Machinery, Inc.
Sandy, Utah

Byron Mallott
Sealaska Corporation
Juneau, Alaska

John Martin
Ursin Seafoods
Seattle, Washington

Ole Mathisen
University of Alaska
Juneau, Alaska

Jay Matsen
Peterson, Sullivan & Co.
Seattle, Washington

Richard McCormick
Prepared Foods
Chicago, Illinois

Bob Morgan
Pacific - Seafood Processors Assn.
Seattle, Washington

Eric Norgaard
Norgaard Consultants
San Fransisco, California

Dick Pace
Universal Seafoods
Redmond, Washington

Steven Pennoyer
Department of Fish & Game
Juneau, Alaska

Walter Pereyra
Prefish International
Seattle, Washington

John Peterson
Ocean Beauty Seafoods
Seattle, Washington

Rick Ranta
National Marine Fisheries Service
Seattle, Washington

Bruce Rettig
Department of Agricultural
& Resource Economics
Oregon State University
Corvallis, Oregon

James A. Richardson
Resource Econ
Anchorage, Alaska

Arnold Roseman
Jerrico
Lexington, Kentucky

Don Rosenberg
Alaska Sea Grant Program
Fairbanks, Alaska

Carl Rosier
Fisheries Development
National Marine Fisheries Service
Juneau, Alaska

William F. Royce
Seattle, Washington

Edward A. Ryan
Star-Kist Foods, Inc.
Terminal Island, California

Robert Ryan
Ryan Engineering, Inc.
Seattle, Washington

Teruji Sakiyama
International University of Japan
Niigata, Japan

Keith Sandercock
Fisheries & Oceans Canada
Vancouver, B.C. Canada

Susan Shaw
Department of Business Studies
University of Stirling
Stirling, Scotland United Kingdom

David A. Stanchfield
M/V MORNING STAR
Unalaska, Alaska

Hans Stuercken
Seaex Products, Limited
Vancouver, B.C. Canada

Ed Suska
Formax, Inc.
Mokena, Illinois

Tom C. Swafford
ALFA-LAVAL, Inc.
Novato, California

Joe Terry
National Marine Fisheries Service
Seattle, Washington

Clem Tillion
Homer, Alaska

John Wedin
Pacific N.W Region
National Marine Fisheries Service
Seattle, Washington

Jim Wilson
National Marine Fisheries Service
Juneau, Alaska

Carlos F. Wurmann
Santiago, Chile

APPENDIX B

THE DELPHI QUESTIONNAIRES

DELPHI QUESTIONNAIRE #1

Department of Commerce and Economic Development

Office of Commercial Fisheries Development

Please return completed questionnaire to;

Department of Commerce and
Economic Development
Pouch D
Juneau, Alaska 99811

Lynn Hutton, Project Director
(907) 465-2079 ext. 43

Jeannette Mitchell
Research Assistant
(907) 465-2079 ext. 20

GENERAL INSTRUCTIONS

This is the first of the three Delphi questionnaires you will receive on future developments in the North Pacific seafood industry. We are interested in knowing what you think will happen, and why it will happen. Thus, we are asking you to provide both projections of future events or trends, and comments explaining your reasoning.

Because this study is being undertaken on behalf of the Office of Commercial Fisheries Development, of the Alaska Department of Commerce and Economic Development, our questions focus heavily upon the North Pacific seafood industry and the U.S. seafood market. Unfortunately, other aspects of the U.S. seafood industry, such as East and Gulf coast markets are beyond the scope of this particular study. The inclusion of a project, trend, or policy in this questionnaire should not be interpreted to imply a bias, for or against, rather they are included due to their potential impact.

This first questionnaire focuses on an overview of events and trends that may impact the future of the North Pacific seafood industry, while the two subsequent questionnaires will provide feedback from previous round results and examine disagreement in greater depth. This first questionnaire consists of the following sections:

- FUNDAMENTAL ISSUES

  In this section, you are requested to identify the three most significant questions or issues facing the North Pacific fisheries.

- GLOBAL AND NATIONAL FORECASTS

  In this section, you are asked to identify international developments of importance to U.S. and Alaskan fisheries.

- MARKET PLACE

  In this section, the U.S. seafood industry's position in national and international markets is explored.

- FUTURE ALTERNATIVES

  In this section, long-term issues affecting the future competitiveness of the U.S. and Alaskan fishing industries are raised.

Included with a number of the questions which follow is an expertise scale. Please rate your self-assessed level of expertise in reference to the specific question to which it refers. Use the following guideline as a basis for your self rating.

Knowledge or expertise rating scale

High	Actively involved in decisions, research or analysis in this area.
Medium	Informed in this area through reading reports, listening to expert testimony, or conversation with experts.
Low	Knowledge or expertise about the same as a well informed citizen.
No Response	If you feel you have insufficient expertise for a particular question or topic, you may leave the expertise scale and the question blank.

A GLOSSARY of terms is included on page four of the questionnaire for reference.

In order to classify the type of fisheries expertise of the panel members, we request that you self-rate your level of expertise in the six seafood issue categories given below. Put "H" for high, "M" for medium or "L" for low in each box.

Supply	Demand	Trade	Marketing	Price	Policy

Put a check in the appropriate box(s) to indicate which sector of the seafood industry you believe best describes your knowledge area.

		Industry		
Government	University	Harvester	Processor	Distribution

Glossary of terms

Jones Act - Requires U.S. crews on U.S. built boats conducting commerce between U.S. ports.

Cohort recruitment - A cohort is a given year class of salmon. Stocks of salmon are managed to insure enough escapement of spawners to provide for continuation of supply.

TALFF - Total Allowable Level of Foreign Fishing quota system for foreign vessels operating within the U.S. Fisheries Conservation Zone (200 mile limit) established by the Magnuson Act in 1977.

Surimi - A high protein fish paste used heavily by the Japanese usually made from minced pollock. Surimi products include imitation crab legs, shrimp "perfects," fish portions, sausages and hams.

Joint Ventures - A co-operative harvesting/processing agreement between domestic fishermen and foreign processor within the U.S. Fisheries Conservation Zone. Joint ventures can be classified as "over the side" operations, where U.S fishermen just sell their catch to a foreign processing vessel; or a true joint venture, where equity and profits for the whole operation are shared by both parties. At present, of the 21 so called joint ventures, only one Marine Resources (U.S. and U.S.S.R.) qualifies as something of a true joint venture. The others are all "over the side" operations.

Common Property Salmon Fishery - Salmon returning to their rearing streams and lakes are intercepted by U.S. fishing fleets in what is known as the common property fishery. Salmon stocks from hatcheries (public and private) as well as native stocks mingle together until they reach their terminal areas. The common property fishery is controlled by limited entry permits, vessel size, area, and gear limitations. Escapement for each area is managed through season openings and closures with the primary purpose of maintaining wild stocks.

A. FUNDAMENTAL ISSUES

On the following pages, we will ask you to respond to specific questions regarding the future of the world and national seafood industries. However, the mere statement of a particular question focuses thinking in a particular direction, and thus introduces a form of bias. We believe that it is necessary to obtain some insights from you before your thinking may be influenced by the questionnaire. IN YOUR OPINION...

what are the three most important questions or issues relevant to the development of the North Pacific seafood industry in the next 20 years?

(After responding, please rank your list in terms of their priorities; first, second, and third.)

_____

_____

_____

_____

_____ Priority:

_____

_____

_____

_____

_____ Priority:

_____

_____

_____

_____

_____ Priority:

B. FORECASTING GLOBAL AND NATIONAL DEVELOPMENTS

The future of the U.S. seafood industry is affected by developments outside its borders, and thus, outside its direct control. In order to fully understand your views of the U.S. seafood industry's future, we need to have some idea of how you see the global and national context in which the U.S. industry will exist from now until the year 2000. Some possible key developments are listed on the next page.

Please indicate with a checkmark for each development:

1. the likelihood or probability of the event occurring.
2. the impact on the U.S. seafood industry should the event occur.
3. your level of expertise for each.

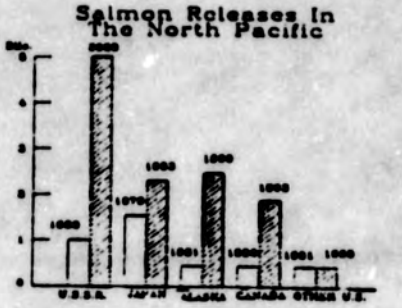
If important developments have been omitted, please enter them in the spaces provided at the end of the list.

POTENTIAL DEVELOPMENTS	LIKELIHOOD OF OCCURRENCE BY 2000						IMPACT ON U.S. SEAFOOD INDUSTRY IF DEVELOPMENT WERE TO OCCUR				MY EXPERTISE LEVEL FOR THIS QUESTION		
	Very Probable (80-100%)	Probable (60-80%)	Either Way (40-60%)	Improbable (20-40%)	Very Improbable (0-20%)	No Judgement	Strong	Moderate	Slight or None	No Judgement	High	Medium	Low
1. Pacific Rim Common market established.													
2. Dramatic increase in "protectionism" in world trade.													
3. Pen reared (farmed) salmon will largely displace "caught at sea" salmon in the white tablecloth restaurant and European smoker markets.													
4. The maximum sustainable production and yield of ocean reared (wild stocks and hatchery releases) salmon is reached in the North Pacific.													
5. Japan will dramatically reduce imports of U.S. salmon by meeting demand through domestic production.													
6. Europe will dramatically reduce imports of U.S. salmon by meeting demand through domestic production.													

POTENTIAL DEVELOPMENTS (Continued)	LIKELIHOOD OF OCCURRENCE BY 2000						IMPACT ON U.S. SEAFOOD INDUSTRY IF DEVELOPMENT WERE TO OCCUR				MY EXPERTISE LEVEL FOR THIS QUESTION		
	Very Probable (80-100%)	Probable (60-80%)	Either Way (40-60%)	Improbable (20-40%)	Very Improbable (0-20%)	No Judgement	Strong	Moderate	Slight or None	No Judgement	High	Medium	Low
7. Third world countries will become major markets for U.S. salmon.													
8. Third world countries will become major markets for U.S. groundfish.													
9. Alaska becomes the principal supplier of U.S. groundfish.													
10. Jones Act is repealed or modified to allow purchase of foreign vessels and/or use of foreign labor for fishing and processing in the U.S. Fisheries Conservation Zone.													
11. U.S. fishermen and processors completely displace foreign fishing effort in the U.S. FCZ.													
12. A futures market for U.S. seafoods is developed.													

POTENTIAL DEVELOPMENTS (Continued)	LIKELIHOOD OF OCCURRENCE BY 2000						IMPACT ON U.S. SEAFOOD INDUSTRY IF DEVELOPMENT WERE TO OCCUR				MY EXPERTISE LEVEL FOR THIS QUESTION		
	Very Probable (80-100%)	Probable (60-80%)	Either Way (40-60%)	Improbable (20-40%)	Very Improbable (0-20%)	No Judgement	Strong	Moderate	Slight or None	No Judgement	High	Medium	Low
13. U.S. export trading companies begin trading substantial quantities of seafood on world markets.													
14. The world fisheries harvest, exclusive of aquaculture, reaches its maximum sustainable level.													
15. Privately-owned salmon ranching operations largely displace publicly financed hatcheries in the U.S.													
16. The domestic common property salmon fishery is largely replaced by privately-owned ranching operations and automated harvesting facilities.													

14. Japan is the world's largest producer of hatchery salmon. It is estimated that between 70% and 80% of the salmon fry descending Japanese rivers are hatchery raised. The U.S., U.S.S.R. and Canada have also embarked on ambitious hatchery programs as shown in the accompanying graph. If all of the planned releases materialized (which is unlikely), there could potentially be 11 billion salmon fry released throughout the North Pacific by the year 2000.



a. What are the biological implications of these projected releases?

_____

_____

_____

b. What are the political implications of these hatchery plans in terms of future shares of ocean rearing grounds?

_____

_____

_____

c. What are the economic implications of these projected releases?

_____

_____

_____

_____

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

15. Assuming that the planned five-fold increase in Alaskan hatchery releases of salmon fry (by 1990) will result in a long-term increase in the supply of salmon stocks; how will net profits be affected? (Assume a constant level of effort and constant dollars.) Check one of the three options.

a. Will U.S. salmon fishermen's net profit (check one):

___ - Increase
___ - Decrease
___ - Stay the same?

Briefly explain: _____

_____

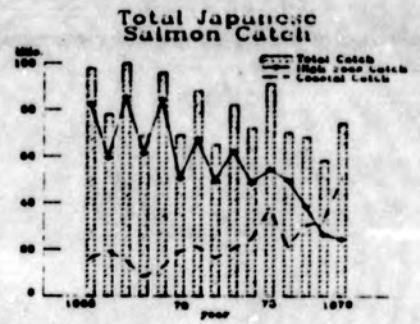
b. Will domestic processor's net profit (check one):

___ - Increase
___ - Decrease
___ - Stay the same?

Briefly explain: _____

_____

16. The effectiveness of the Japanese hatchery programs can be seen from the graph below. The high seas salmon catch has decreased significantly since the early 1970's, due mainly to international agreements to restrict the high seas harvest (Japan accounted for 61% of all U.S. fishery exports in 1983). During the same period, the Japanese coastal catch (consisting mainly of hatchery raised adult chum salmon) has increased enough to equal the previous 15 year average.



a. What are the implications of this trend (i.e., increasing Japanese coastal catch) for the U.S. salmon industry in the next 20 years? Please identify species in your answer.

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

C. MARKET PLACE

1. Canada (8.0%), the U.S. (7.4%), and Norway (6.5%) are the three leading exporters of fishery products (seven major fishery commodity groups compiled by FAO 1978-81) in order of market share. These respective market shares have remained relatively stable over the period for which data is available, while the total worldwide export market grew 32.8% to $5.3 billion in 1981.

What other exporters (nations) especially emerging players will become important in the next 20 years and in which species?

	Nation	Species
a.		
b.		
c.		

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

2. The U.S. market for fishery products is widely regarded as the largest underdeveloped market in the world. The American per capita annual consumption of edible commercial fish and shellfish products at 12.9 lbs. is less than half the world average of 27.1 lbs. Project whether per capita U.S. demand will increase or decrease from the current level for the product forms and species given below. Consider a 20 year future time frame in making your responses. Add product forms you believe will become important. Put one check mark for each product form (i.e., per row).

U.S. per capita demand will:

Product Forms and species	Decrease Sharply	Decrease Moderately	Stay about the same	Increase Moderately	Increase Sharply
Fresh whole, eviscerated or filleted:					
- salmon					
- groundfish					
- crab					
- shrimp					
- other shellfish (specify)					
Frozen natural fillets:					
- salmon					
- groundfish					
- other (specify)					
Frozen:					
- crab					
- shrimp					
- other shellfish (specify)					

U.S. per capita demand will:

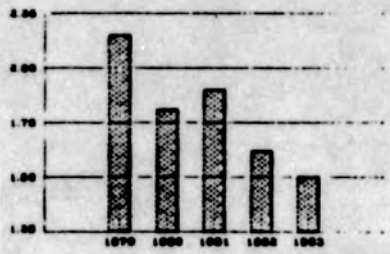
Product Forms and species	Decrease Sharply	Decrease Moderately	Stay about the same	Increase Moderately	Increase Sharply
Frozen processed:					
- breaded fillets					
- breaded fish sticks					
- breaded shrimp					
- salmon					
- seafood analogs					
a.. minced products					
b. restructured seafood based meat products (i.e., sausages, ham, etc.)					
- other (specify)					
Canned					
- skinless and boneless salmon					
- canned salmon					
- crab					
- shrimp					
- other (specify)					
Cured:					
- salmon					
- salmon roe					
- herring roe					
- groundfish					
- groundfish roe					
- other roe (specify)					

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

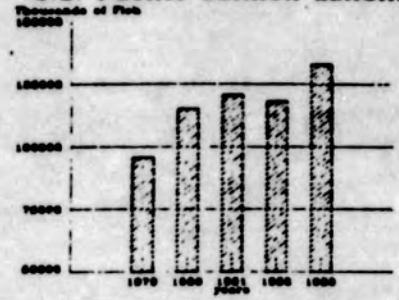
3. Given below are some factors that affect consumer demand for seafood products. Please review the list and add factors you think should be included. Then rank the top five factors (1 = greatest impact) according to their impact on foreign and domestic demand.

RANK ORDER FOREIGN	Factors affecting demand	RANK ORDER DOMESTIC
____	Product price	____
____	Per capita income	____
____	Consistency of supply	____
____	Perceived quality	____
____	Change in dietary habits	____
____	Price of substitute products (beef, pork, chicken)	____
____	Ease of preparation	____
____	_____	____
____	_____	____
____	_____	____

Average $/lb. of Exported Canned & Frozen Salmon



U.S. Pacific Salmon Landings



4. Since 1979, the value per pound of salmon exported from the U.S. has fallen 25% (see graph). This drop has almost exactly paralleled the fall of the British pound (-25%), the French franc (-36%), and to a lesser extent the Japanese yen (-9%) and the Canadian dollar (-5%). At the same time the supply of U.S. salmon was steadily increasing (see graph). What if anything (aside from reducing the federal deficit) can be done to insulate U.S. fishery exports from exchange rate fluctuations? Briefly answer in terms of hedging strategies, futures markets, etc., you are aware of in other countries or commodities.

a. _____

_____

_____

b. _____

_____

_____

c. _____

_____

_____

_____

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

_____

5. What effect do you think the recent advent of U.S. export trading companies will have in the future on price fluctuations for exported seafood products?

_____

_____

_____

_____

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

_____

6. How important will the role of exchange rates be in the development of the U.S. groundfish industry?

Very Important	Important	Little or Effect	Unimportant

Briefly explain.

_____

_____

_____

_____

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

_____

7. U.S. seafood products are widely perceived as being of inferior quality when compared to the same products produced by foreign competitors. From your perspective (as related by your position in the industry checked on page 3), what are the most important factors government and/or industry can do to insure consistent quality within the domestic seafood industry? Listed below are several factors. First, add any additional items you feel may be important; then, rank the top five in order of importance.

RANK

____ Research

____ Education

____ Product Standards

____ Product Inspection

____ Vessel/hold Inspection

____ Regulations - e.g., trip limits

____ Plant verification of quality control

____ Operations plan

____ Product grading

____ Quality seal

____ Delivery schedules for fishermen

____ Bonus payments to fishermen for quality

D. FUTURE ALTERNATIVES

1. The 1983 Total Allowable Level of Foreign Fishing (TALFF) under the Magnuson Act for the U.S. Pacific Coast was 1,767,792 mt. of which 98% of the harvest occurred in Alaskan waters. The relative shares of the total Alaska groundfish harvest can be partitioned as follows:

Joint Ventures	352,874.6 mt	+93% from '82 level
Domestic Processors	46,651.1	+46%
Foreign Catch	1,124,836.2	-16%
TOTAL	1,524,361.9 mt	- 2%

If a large cut in the TALFF, say 50%, were to occur, what would be the resulting positive and negative effects on U.S. fishing, processing, and marketing firms?

a. Fishing firms - positive effect _____

_____

b. Fishing firms - negative effect _____

_____

c. Processing firms - positive effect _____

_____

d. Processing firms - negative effect _____

_____

e. Marketing firms - positive effect _____

_____

f. Marketing firms - negative effect _____

_____

_____

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

_____

2. Do you believe a large cut in the TALFF would result in retaliation in other seafood markets, e.g., salmon? YES NO DON'T KNOW

Briefly explain _____

_____

_____

3. Given your knowledge of the species and products involved: what areas of comparative advantage do you think U.S. producers can exploit in the competitive world seafood markets of the future? Consider for examples the recent introduction of pen raised salmon into international markets and the planned North Pacific hatchery releases previously mentioned. Be specific in terms of species and/or product forms, and market segments.

a. _____

_____

_____

b. _____

_____

_____

c. _____

_____

_____

_____

My expertise level for this question is: (Circle One) HIGH MEDIUM LOW

_____

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1247 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

4. 98% of the Pacific Coast groundfish catch is taken in Alaska's waters. Given your knowledge of developments within the U.S. groundfish industry, forecast the relative percentage shares of the total Alaskan harvest for the following years.

	1983	1990	2000
Joint Ventures	23%		
Domestic Processors	3%		
Foreign Catch	74%		
	100%	100%	100%

5. Domestic groundfish processors can be classified as floaters (consisting mainly of U.S. factory trawlers - twelve in operation currently, mostly producing frozen-at-sea cod fillets) and shore based processors. Forecast their relative share of production for the following years.

	1983 (prelim.)	1990	2000
Floaters	65%		
Shore based	35%		
	100%	100%	100%

My expertise level for these two questions is: (Circle One) HIGH MEDIUM LOW

6. Do you believe that domestic groundfish production will generally displace imports in the next twenty years? YES NO DON'T KNOW

Briefly explain _____

_____

_____

7. Domestic processors generally have found it uneconomical to compete with Joint Ventures and foreign factory ships in world groundfish markets. Please review the following list of factors that affect the domestic processing industries' competitiveness in international markets. First, add any factors you feel may be important. Then, rank the five most important factors that cause domestic processors to be less competitive (1 = most important).

___ Jones Act - Requires U.S. Crews on U.S. built ships operating in U.S. waters.

___ Trade barriers - including tariffs and quality controls.

___ Government regulations.

___ Exchange rates

___ Taxes.

___ Total Allowable Level of Foreign Fishing (TALFF) too high.

___ Complacent attitude - traditionally production oriented industry.

___ Foreign capital (particularly Japanese holding companies) having a major financial stake in the domestic processing industry.

___ Foreign technology.

___ Foreign labor costs.

___ Foreign government subsidies.

___ Lack of knowledge about foreign markets.

___ Low quality of products.

___ _____

___ _____

8. Surimi products (particularly imitation crab legs made from minced pollock flavored with King crab) are the fastest growing U.S. seafood import - 30 million pounds in 1983 vs 16 million pounds in 1982. Since much of the pollock used to make the product is caught in Alaskan waters, why isn't the domestic processing industry in the forefront of the development of the U.S. market?

Briefly explain _____

_____

_____

_____

_____

_____

My expertise level for this questions is: (Circle One) HIGH MEDIUM LOW

_____

9. RANK the following six U.S. seafood market segments according to their growth potential in the next 20 years. (1 = greatest growth potential; 6 = least growth potential.) Add any comments you believe may be pertinent.

____ White tablecloth restaurants

____ Family restaurants

____ Fast food restaurants

____ Home prepared entrees (e.g., fresh whole, eviscerated, or filleted fish)

____ Convenience type foods (e.g., frozen fillets or fish sticks)

____ Institutional (e.g., large volume canned products or frozen blocks)

Comments:

10. A primary opportunity for developing Alaska's renewable natural resource base in the next 20 years, lies in fisheries products. More specifically in those species where the resource base has not yet been fully exploited. For all practical purposes halibut, herring, and shellfish are now being harvested at their maximum sustainable levels. Given our 20 year time horizon, the greatest opportunities for growth in seafood production appear to be in salmon, groundfish, and latent species such as mollusks.

Given this general background, what, in your opinion, are the three major impediments to the development of Alaska's fisheries potential?

1. _____

_____

_____

2. _____

_____

_____

3. _____

_____

_____

11. In 1982, approximately 50% of the salmon eggs taken in Alaska were handled by private, nonprofit hatcheries. At the present time private-for-profit hatcheries are not allowed in Alaska. Currently three types of hatcheries exist in the State: public hatcheries (funded by tax dollars) private nonprofit hatcheries (started by State loans and/or grants and funded by an aquaculture assessment on the ex-vessel value of the commercial catch landed in a particular region, e.g., 3% in Southeast; the sale of surplus salmon), and so called "Mom and Pop" operations (started with State money and funded by the sale of surplus fish). (Surplus fish are defined as fish which have passed through the common property fishery and returned to the terminal area over and above the numbers needed for cohort recruitment.) Currently all of these programs are coordinated by the Alaska Department of Fish and Game.

a. What type of institutional arrangement with respect to hatchery programs will be necessary to maintain Alaska's competitiveness in future world salmon markets? Why? Please give examples.

_____

_____

_____

_____

_____

_____

My expertise level for this questions is: (Circle One) HIGH MEDIUM LOW

_____

12. We would like to solicit your input on areas where further research is needed concerning North Pacific fisheries species, stocks, products, and trade. Many of the items on the following list were identified by participants at a salmon markets workshop held at the Northwest and Alaska Fisheries Center in Seattle during December 1983. First, add important areas of research that have not been included. Then, rank the research areas on the list in terms of High, Medium or Low priority.

___ Carrying capacity of the North Pacific for salmon.

___ Market forecasting - domestic.

___ Market forecasting - foreign.

___ Volume/Inventory/Price relationships for species and products.

___ Domestic market research.

___ Foreign market research.

___ Identification of trade barriers.

___ Relation between worldwide economic conditions, e.g., deficits, exchange rates - and fisheries exports.

___ Consumer product differentiation.

___ Future salmon stock forecasting.

___ Government subsidies and their market effects.

___ The role of quality in consumer preferences.

___ Foreign catch forecasts.

___ Stock assessments (all species).

___ Product development.

___ Others (specify) _____

___ _____

GENERAL COMMENTS

Please feel free to comment on any of the previous questions, or on the questionnaire in general:

DELPHI QUESTIONNAIRE #2

Department of Commerce and Economic Development

Office of Commercial Fisheries Development

Please return completed
questionnaire to:

Department of Commerce and
Economic Development
Pouch D
Juneau, Alaska 99811

Lynn Hutton, Project Director
(907) 465-2079

Jeannette Mitchell
Research Assistant
(907) 465-2079

November 1984

TABLE OF CONTENTS

	Page
Introduction	1
General Feedback from Round 1	2
General Instructions	3
Section I - Salmon Aquaculture	6
Section II - Hatchery Issues	22
Section III - Groundfish Resources	31
Section IV - Market Economics	41
Section V - Impediments to Development	50
Section VI - Most Important Issues Facing the Industry	57
Appendix: The Delphi Methodology	

INTRODUCTION

This is the second of three Delphi questionnaires you will receive on future developments in the North Pacific seafood industry. The overall purpose of this Delphi project is to obtain the best information about future developments in the industry. The method to accomplish this involves the collection of information from a group of industry experts (those who choose to participate in the study), feedback of the information to the panelists for their evaluation, and finally, organizing the remaining information into a coherent description of what the future might look like.

In the last questionnaire, we asked you to identify the most important issues facing the industry and to respond to a number of specific questions previously defined as important by a board of fishery consultants.

In this questionnaire, we have presented all of the unique answers that were given by the panelists in response to some of the original questions. The method used to analyze the data from the Round 1 questionnaire was content analysis. Each response given by a panelist was listed, then redundant response were eliminated, and similar responses were combined. We endeavored to retain the integrity of each response in lieu of the need to prevent the questionaire from getting too long. The questionnaire should take about the same amount of time to complete as the last one, i.e., one to three hours.

This questionnaire contains a lot of very interesting information. We believe you will agree.

Although the questionnaire may appear to contain too much information, it simply could not be made any shorter. The Delphi method requires that the information given by the panelists be fedback to the panelists for their evaluation. That is, in the first round, the panelist gives an answer to a question; in the second round, the panelist evaluates the answers given by all the other panelists to that question. The average number of content analyzed responses to a question is about 15, although one question contains 30 responses. The bulk of this questionnaire is composed of panelists' responses to round one questions.

A description of the Delphi method used in this study is provided for your information in the Appendix.

GENERAL FEEDBACK FROM ROUND 1

1. Response rate: 55.19%. Number of questionnaires sent: 183
   Number of questionnaires returned: 101

2. Self-reported expertise level of panelists' in the six seafood categories given in Round 1 questionnaire. (Maximum nonresponse = 7)

Percent	Supply	Demand	Trade	Marketing	Price	Policy
High	57	33	27	27	31	49
Medium	32	52	45	53	46	40
Low	11	15	29	20	23	11

3. Self Reported sector of the seafood industry that best describes the panelists' knowledge area. (N = 101, more than one response allowed.)

PERCENT

Government	University	Industry Harvester	Industry Processor	Industry Distribution
48%	30%	38%	44%	21%

4. The last page of the Round 1 questionnaire requested comments on previous questions or on the questionnaire in general. Forty-eight panelists gave comments. Most comments dealt with substantive issues, thus, they were added into other portions of the analysis. With a couple of unique exceptions, the remaining comments related to an evaluation of the overall effort.

Negative comments about the questionnaires effort:

Questionnaire was poorly worded, no benefit will be derived because of ambiguous interpretation of the questions.

Some questions were ambiguous; were not sufficiently qualified; lack of identification of specific species and country in some questions.

The ranking required by some questions is meaningless.

Cannot predict with any accuracy 20 years in the future.

The questionnaire is ambivalent about Alaska versus U.S. industry.

Just because everybody agrees on the future, doesn't make it any more likely.

You ignored the consumer.

We have seriously considered all of the critical comments in the construction of the second questionnaire.

In regard to ambiguity in the open ended questions, this is not perceived as a problem to be fixed, but as a stage in the process of gaining clarity about complex issue areas. The reiterative nature of the Delphi method will bring additional clarity.

The accuracy of predictions is of less importance in this effort than the collection of the best knowledge applied to questions about the future.

The consumers' perspective has not received attention in this study, nor has the East or Gulf Coast fisheries. We simply had to limit the scope of this study which required the exclusion of some portions of the industry.

Positive comments about the questionnaire effort.

Examples:

"This is a very good survey, at least the approach is good."
"This questionnaire and the objective of the Fisheries Mini-Cabinet is in the best interest of Alaska's development of its renewable resources. I think you have done an outstanding job."
"Excellent questionnaire - good, thoughtful questions."
"Congratulations!"
"Taken as a whole, I would rate this questionnaire as good and useful."
"Very well designed questionnaire!"

GENERAL INSTRUCTIONS

In this second questionnaire, you are requested to rate the relative VALIDITY and/or IMPORTANCE of your own and other panelists' responses. The purpose of this method is to reduce and refine the elements of the topic under consideration. That is, those responses (referred to as "assertions" or "items" in the questionnaire) that are rated "high" in validity and importance will be considered as the most significant data. Less highly rated responses will be considered as less significant information. Those assertions which receive a low rating will be considered marginally relevant to the issue. Once this exercise is completed in the Round 2 stage, Round 3 questionnaire will interrelate the assertions and further probe ambiguous assertions. The final product will be a thorough description of the future of the issue as defined by the evaluated responses.

- Enjoy this exercise. We believe you will find the panelists' responses interesting and thought provoking.
- Each of the five sections of the questionnaire contains a "tear out" copy of the scales you are to use for evaluating the panelists' responses. These pages are colored so that they may be easily referred to.
- Respond to ALL of the questions that you have sufficient knowledge about and interest in. Some of the questions are quite technical and probably can't be answered knowledgeably by all of the panelists.
- Complete the questionnaire in 2-3 sessions. It is interesting, but long. Pretesting demonstrated the need for 2-3 sessions, in order to prevent fatigue.
- Avoid the tendency to "skim and check." Give serious consideration to your fellow panelists' responses. Many panelists gave three hours of their valuable time toward this effort. They consider their responses valuable. So do we.
- Add assertions that you believe should be included. Use the extra blank pages in the back of the questionnaire.
- Some open-ended "probe" questions are given for you to respond to, in order to further probe an issue area.
- Some assertions may appear to duplicate others. We tried to eliminate duplication as much as possible, but some very similar assertions remain.
- The numbers in the text in parentheses are for coding purposes and should be ignored.
- Return the completed questionnaire within two weeks after you receive it. You may expect follow-up contact from us.

EXAMPLE QUESTION:

Original question is repeated here so that you may compare the assertions with the question to which they refer.

Report of panelists' self-rated level of expertise for this question

3.3

QUESTION FROM ROUND 1: Surimi (particularly imitation crab legs made from minced pollock flavored with King crab) are the fastest growing U.S. seafood import - 30 million pounds in 1983 vs 16 million pounds in 1982. Since most of the pollock used to make the product is caught in Alaskan waters, why isn't the domestic processing industry in the forefront of the development of the U.S. market?

GROUP EXPERTISE: High = 41% Medium = 42% Low = 17%

Validity Scale

1 Valid	4 Risky
2 Reliable	5 Unreliable
3 Not Determinable	6 Not Pertinent

Please rate the validity of the following assertions:

ASSERTION 1: The Japanese have had many years of catching and processing pollock behind them; surimi products and the technology to produce them were all developed in Japan, the markets are traditionally Japanese and Korean. (113) ____

You evaluate the assertions by putting a number (1-6) on the line to represent the relative validity of the assertion.

ASSERTION 2: Now that foreign fishing efforts are being phased out of the U.S. FCZ, there is great reluctance to allow U.S. penetration of these traditional markets. (114) ____

Response given by a panelist in the 1st questionnaire presented here for you to evaluate.

SECTION I - SALMON AQUACULTURE

This section contains two questions from Round 1 with a set of assertions for each. Following this are four probe questions.

INSTRUCTIONS

- Use the scale on the next page to evaluate the assertions.
- In making your judgment about the relative validity of an assertion, take into consideration the meaning of the original question and the definitions used in the validity scale.
- You may make comments either in the margins or at the end of the questionnaire. Extra pages are provided for comments at the end. Please remember to indicate the question and page numbers to which you refer.

VALIDITY SCALE

Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be tr
2	Reliable	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	Risky	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly VALID
6	Not Pertinent	- even is the assertion if VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

VALIDITY SCALE

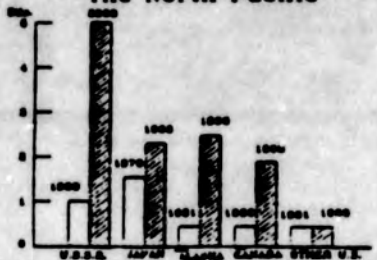
Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	Reliable	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	Risky	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly VALID
6	Not Pertinent	- even is the assertion if VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

1.1

QUESTION FROM ROUND 1:

Japan is the world's largest producer of hatchery salmon. It is estimated that between 70% and 80% of the salmon fry descending Japanese rivers are hatchery raised. The U.S., U.S.S.R. and Canada have also embarked on ambitious hatchery programs as shown in the accompanying graph. If all of the planned releases materialized (which is unlikely), there could potentially be 11 billion salmon fry released throughout the North Pacific by the year 2000.

Salmon Releases In The North Pacific



What are the biological, political and economic implications of these projected releases?

GROUP EXPERTISE: High = 27% Medium = 45% Low = 28%

Panelists responses are given below in three sections that correspond to the three parts of the question.

BIOLOGICAL IMPLICATIONS

Please rate the validity of the following assertions given by the panelists in response to the Round 1 question.

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 1: The management of Alaska salmon stocks should be directed toward preserving natural runs. _____ (1)

ASSERTION 2: Effect will be minimal. Natural stocks probably contribute up to 40 billion smolts in peak years with no obvious deleterious effects. Hatchery stocks would occupy only a small fraction of the ecosystem. _____ (2)

ASSERTION 3: Localized areas (e.g. estuaries, near shore feeding grounds) will be stressed before the carrying capacity of the open ocean is reached. _____ (3)

ASSERTION 4: Wild strains of salmon will be displaced by artificially produced runs. _____ (4)

ASSERTION 5: The gene pool will become more homogenous and thus more susceptible to disease and environmental changes. _____ (5)

ASSERTION 6: The variability in yield will increase as abundance increases. _____ (6)

ASSERTION 7: The overall size average will become smaller with larger returns. _____ (7)

ASSERTION 8: Salmon stocks will not increase proportionately to releases. _____ (8)

ASSERTION 9: The impact on natural stocks could be severe if harvest is not carefully segregated between wild and hatchery stocks (i.e., greater emphasis placed on "terminal" harvest of hatchery runs). _____ (9)

ASSERTION 10: The timing and species of hatchery releases need to be coordinated internationally to avoid overburdening the seasonal carrying capacity of feeding grounds. _____ (10)

ASSERTION 11: Juvenile rearing grounds have a finite holding capacity and will result in increased competitive pressure on other species (e.g. herring). _____ (11)

ASSERTION 12: There is insufficient factual data available in order to reliably predict the biological implications of the projected releases. In order to predict, the following information must be known: the carrying capacity of ocean forage grounds, nature of mortality processes, the interaction between natural and hatchery stocks, environmental factors, hatchery techniques, and species and timing of releases. _____ (12)

ASSERTION 13: There will be increased concentration on the most cheaply raised species (i.e., pinks and chums). _____ (13)

QUESTION: What are the POLITICAL implications of these hatchery plans in terms of future shares of ocean rearing grounds?

Please rate the validity of each assertion:

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 1: If disputes between nations do arise, they will first involve conflict over high seas and nonterminal interceptions. _____ (14)

ASSERTION 2: At the above release level (11 billion by the year 2000) there would be no political implications. _____ (15)

ASSERTION 3: No implications unless the Northern Pacific carrying capacity is reached. _____ (16)

ASSERTION 4: Well before the carrying capacity of the sub-Arctic Pacific is reached in regard to salmon, signs will be evident. For example, some international agreement would have to be reached like the Canadian/U.S. treaty negotiations where stocks are harvested based on the country of origin. Also, grandfather rights, where each nation could claim quotas based on their hatchery contribution, would be sought. _____ (17)

ASSERTION 5: Without a much stronger commitment to hatchery production now, Alaska could suffer. _____ (18)

ASSERTION 6: This question cannot be be adequately addressed until the overlap of rearing grounds between Asian and North American releases is known. _____ (19)

ASSERTION 7: Insignificant. Ocean feeding grounds for North American and Asian salmon are mostly separate. _____ (20)

ASSERTION 8: Probably none. Estimates won't be reached. As supply increases, the price will fall to a no profit point for aquaculture. _____ (21)

ASSERTION 9: Existing regimes would largely predominate within the 200 mile zone, but greater effort and cooperation will be necessary to manage resources outside the U.S. Fisheries Conservation Zone. _____ (22)

ASSERTION 10: Maintenance of the genetic strength of natural stocks is crucial. Ocean rearing grounds can be shared and effects monitored by following growth rates of natural stocks. If a drop in the growth rate occurs, hatchery production could be curtailed. _____ (23)

ASSERTION 11: There will be continued pressure by some countries to fish the high seas (Taiwan now, China next?). Other than high seas fishing, I can't see any serious implications. _____ (24)

ASSERTION 12: The danger is that certain elements in the industry will want hatchery production curtailed in order to boost the market price. We must be very careful of this. _____ (25)

QUESTION: What are the ECONOMIC implications of these projected releases?

Please rate the validity of the following assertions:

Validity Scale
1 Valid
? Reliable
3 Not Determinable
4 Risky
5 Unreliable
6 Not Pertinent

ASSERTION 1: There will be a long run increase in the supply of salmon, particularly chums and pinks. _____ (26)

ASSERTION 2: If the U.S.S.R. carries through with its projected releases (5 billion by 2000), the U.S., Canada, and Japan could lose some of their European market shares. _____ (27)

ASSERTION 3: None. There is sufficient need in the world for fish. An effective marketing effort, quality products, and good price can resolve the problem. _____ (28)

ASSERTION 4: The more efficient harvesting sectors in the U.S.S.R. and Japan will reduce the price of pinks and chums which will severely affect U.S. fishermen. _____ (29)

ASSERTION 5: This could be a tremendous marketing opportunity. There is a need for a lower ex-vessel price, lower processing costs, and lower consumer price. _____ (30)

ASSERTION 6: If biological and political problems could be solved, the supply of salmon should become more stable. We would see an increase in inexpensive salmon on the market. _____ (31)

ASSERTION 7: In the short run, displacement of domestic processors and harvesters that have to compete with foreign costs. _____ (32)

ASSERTION 8: Prices will decline as supply increases. As this happens, there will be a demand for curtailing the ocean rearing programs. _____ (33)

ASSERTION 9: There will be decline in price for Alaskan salmon if current strategies are followed. _____ (34)

ASSERTION 10: Export demand will decline. _____ (35)

ASSERTION 11: The need in Alaska is to enhance the earliest and latest runs so as to lengthen the harvest and processing seasons thus spreading fixed costs over more product. _____ (36)

ASSERTION 12: Price will decline as salmon returns to being a staple cheap protein commodity as pre-WWII. _____ (37)

ASSERTION 13: High volume production which could lead to increased profits at a lower price if accomplished effectively. _____ (38)

ASSERTION 14: A restructuring of the harvest and processing sections sectors would occur to salmon production entities (i.e., vertically integrated operations as opposed to individual operators). The fishermen/processor relationship would be completely altered. _____ (39)

ASSERTION 15: Economic implications depend on the regulatory regime. For example, an increase in fish stocks under an essentially open access regime will not increase the net productivity of the fishery. _____ (40)

ASSERTION 16: Most of the effect will be on the pink and chum markets since these are the cheapest species to raise. _____ (41)

ASSERTION 17: No effect on the red salmon market since these are difficult and costly to rear in hatcheries. They aren't native to Japan and the U.S.S.R. doesn't have the lakes to support more than a limited supply. _____ (42)

ASSERTION 18: Fishermen can increase their CPUE and thus make as much or more at a lower ex-vessel price. _____ (43)

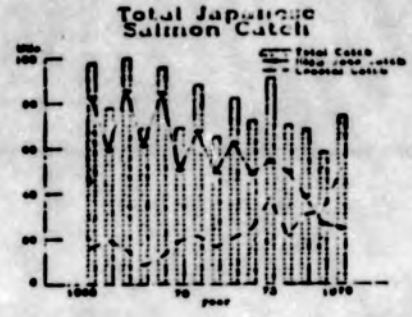
ASSERTION 19: Processors will have a more stable supply and therefore, a more efficient operation. _____ (44)

ASSERTION 20: The market price will be lower causing demand to increase. _____ (45)

ASSERTION 21: This question can only be answered by some sort of cost/benefit analysis of existing hatchery programs. _____ (46)

1.2

QUESTION FROM ROUND 1: The effectiveness of the Japanese hatchery programs can be seen from the graph below. The high seas salmon catch has decreased significantly since the early 1970's, due mainly to international agreements to restrict the high seas harvest (Japan accounted for 61% of all U.S. fishery exports in 1973). During the same period, the Japanese coastal catch (consisting mainly of hatchery raised adult chum salmon) has increased enough to equal the previous 15 year average.



What are the implications of this trend (i.e., increasing Japanese coastal catch) for the U.S. salmon industry in the next 20 years? Please identify species in your answer.

GROUP EXPERTISE: High = 29% Medium = 40% Low = 32%

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 not determinable 6 not pertinent

Please rate the validity of the following assertions:

ASSERTION 1: The Japanese coastal catch consists mainly of chums and pinks while the high seas catch concentrates on reds. Therefore, there would be negative effects on U.S. export markets for the low value species while the higher valued species would only be marginally effected, if at all. _____ (47)

ASSERTION 2: Chums and reds aren't good substitutes for one another in the Japanese market. _____ (48)

ASSERTION 3: The more significant trend for U.S. exports to Japan is the decreasing Japanese distant water catch. _____ (49)

ASSERTION 4: Japanese salmon imports are 70 - 75% reds. With a decreasing high seas catch, demand will increase, but the price of reds will be moderated by the price of domestic chums. _____ (50)

ASSERTION 5: Japan has just about reached their chum production potential and doesn't have the resources to get into other species. U.S. salmon exports to Japan should actually increase in total. _____ (51)

ASSERTION 6: The quality of Japanese coastal caught chums is relatively poor which may represent a market opportunity for the U.S. _____ (52)

ASSERTION 7: These trends will force U.S. producers to market fish elsewhere. European demand will be met by Norway and the U.S.S.R. The alternative will be the Third World which cannot absorb much at today's prices. The King and coho market will continue to be strong in the U.S. at reduced prices. Sockeye looks good in the frozen domestic market. Also, there will be increased domestic consumption at lower prices for pinks and chums. _____ (53)

ASSERTION 8: Japan will no longer import U.S. salmon (all species) within 10 years. _____ (54)

ASSERTION 9: The number one implication is to develop the U.S. salmon market. _____ (55)

ASSERTION 10: Another implication is to develop the overseas market (especially for canned products) in anticipation of a declining U.S. dollar. _____ (56)

ASSERTION 11: The overall Japanese salmon market has increased over the last 20 years and will continue to do so. _____ (57)

ASSERTION 12: Until Japan can successfully raise sockeye, the effect will be minimal. _____ (58)

ASSERTION 13: The greatest detrimental effect will be on sujiko (salmon roe) exports and not on the export of fish. _____ (59)

ASSERTION 14: Alternative markets for salmon roe must be found. _____ (60)

ASSERTION 15: Troll Kings and cohos will be forced out of markets due to pricing as Japanese chums and Norwegian Atlantics penetrate the European market. _____ (61)

ASSERTION 16: There will be a decline in the export markets for chums. _____ (62)

ASSERTION 17: There will be a decline in the export markets for pinks. _____ (63)

ASSERTION 18: There will be a decline in the export markets for black cod. _____ (64)

ASSERTION 19: These trends suggest a continuing shakeout of the U.S. industry with only those having a special market niche, financial strength, and sustained profits remaining. _____ (65)

ASSERTION 20: An assault on the U.S. market share for reds will be made by cultivated coho or imitation salmon. _____ (66)

ASSERTION 21: If we could completely stop the high seas catch of reds, especially by the Taiwanese, the market would dramatically increase. _____ (67)

ASSERTION 22: The Japanese per capita demand for all fish products will decline in the next 20 years due to changes in tastes and preferences among the younger generation. _____ (68)

ASSERTION 23: The overall Japanese salmon catch is declining which bodes well for U.S. producers. _____ (69)

ASSERTION 24: The Japanese success with hatchery production provides a model to predict economic success of hatchery production. _____ (70)

ASSERTION 25: This implies that we must solve institutional questions related to salmon ranching if the U.S. is to compete effectively with Japan. _____ (71)

1.3

PROBE QUESTION: Norway has been developing a successful salmon farm industry. Production of pen-reared salmon exceeded 40 million pounds in 1984 and is expected to at least double by 1986. Other European countries are also entering this industry. Alaska salmon could largely be displaced from European markets for frozen salmon by 1990, and completion for U.S. markets will intensify.

Given these developments, what role do you foresee for pen reared salmon in Alaska's future? Please be specific in terms of species and relative importance compared to natural and hatchery (ranched) production.

1.4

PROBE QUESTION: Salmon aquaculture will create a new interest group in Alaska salmon fisheries. This new group will possess a farming philosophy which can contribute to conflict with a traditional industry which is based on hunting. Legal and institutional structures for farming and hunting economics are quite different.

What are the political implications arising from farming versus hunting in Alaska salmon fisheries?

1.5

PROBE QUESTION: Can a salmon industry based on hunting survive in competition with one based on farming? Can the two be successfully integrated?

1.6

PROBE QUESTION: Experience shows that successful hatcheries can support major fisheries. Do you foresee changes in the geographic location of major fishing grounds in response to the distribution of hatchery fish?

YES _____ NO _____ Don't Know _____ (72)

COMMENTS: _____

_____

_____

_____

_____

SECTION II - HATCHERY ISSUES

This section contains one question and its set of assertions. There are three probe questions.

INSTRUCTIONS

- Use the scale on the next page to evaluate the assertions.
- In making your judgment about the relative validity of an assertion, take into consideration the meaning of the original question and the definitions used in the validity scale.
- You may make comments either in the margins or at the end of the questionnaire. Extra pages are provided for comments at the end. Please remember to indicate the question and page numbers to which you refer.

VALIDITY SCALE

Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	Reliable	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	Risky	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly VALID
6	Not Pertinent	- even is the assertion if VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

VALIDITY SCALE

Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	Reliable	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	Risky	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly VALID
6	Not Pertinent	- even is the assertion if VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

2.1

QUESTION FROM ROUND 1: In 1982, approximately 50% of the salmon eggs taken in Alaska were handled by private, nonprofit hatcheries. At the present time private-for-profit hatcheries are not allowed in Alaska. Currently three types of hatcheries exist in the State: public hatcheries (funded by tax dollars), private nonprofit hatcheries (started by State loans and/or grants and funded by an aquaculture assessment on the commercial catch within their region and the sale of surplus salmon), and so called "Mom and Pop" operations (started with State money and funded by the sale of surplus fish). (Surplus fish are defined as fish which have passed through the common property fishery and returned to the terminal area over and above the numbers needed for cohort recruitment.) Currently all of these programs are coordinated by the Alaska Department of Fish and Game.

What type of institutional arrangement with respect to hatchery programs will be necessary to maintain Alaska's competitiveness in future world salmon markets?

EXPERTISE LEVEL: High = 32% Medium = 29% Low = 39%

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

Please rate the validity of the following assertions:

ASSERTION 1: The role of Alaska's hatcheries in relation to natural runs has been greatly over-exaggerated. Hatcheries will play only a marginal role in the future and should be considered only for barren stream systems and the enhancement of sportfishing species such as chinook and cohos. _____ (73)

ASSERTION 2: Salmon stocks should be managed to protect natural runs. _____ (74)

ASSERTION 3: Large scale for-profit hatcheries could greatly add to the supply of salmon without imposing costs on the State. _____ (75)

ASSERTION 4: Private Non Profit (PNP) hatchery corporations, both local and regional, are stifled by over-regulation from the Alaska Department of Fish and Game (ADF&G). The primary cause is the Fisheries Research and Enhancement Division (F.R.E.D.) playing a dual role as competitor and regulator. _____ (76)

ASSERTION 5: F.R.E.D. should concentrate on upriver and personal use fish production. _____ (77)

ASSERTION 6: "Private nonprofits" should concentrate on commercial fish production and enhancement of early and late stocks to extend seasons. _____ (78)

ASSERTION 7: Transfer of stocks, providing they are disease free, should be allowed between regions. _____ (79)

ASSERTION 8: Quality production and terminal fisheries are incompatible, hence any hatchery operation should be funded through assessment on harvest in open fisheries. _____ (80)

ASSERTION 9: Pen culture which should be encouraged and can be controlled in its entirety. _____ (81)

ASSERTION 10: The primary role of ADF&G should be research and development and disease control. _____ (82)

ASSERTION 11: Costs should be carefully evaluated to assure they contribute more than they remove from the fishery economy. We should consider whether dollars spent on hatcheries might be better spent on research, stock assessment, and enhancement. _____ (83)

ASSERTION 12: Private For Profit hatcheries are the way to go. If money can be made, capital will flow in. If subsidized, industry will become inefficient and non-competitive. _____ (84)

ASSERTION 13: Exclusive area rights with no restriction on how the catch is taken. Should be in the form of fishermen/processor cooperatives. Offshore interceptions should be kept at a minimum through individual quota licensing arrangements. _____ (85)

ASSERTION 14: The present institutional arrangement is remarkably successful. _____ (86)

ASSERTION 15: The Non Profit concept was instituted to protect the existing industry from too rapid change. It doesn't promote efficiency and innovation that the profit motive generates. Alaska should introduce profit at a deliberate pace or State interests will fall behind more efficient foreign competition. _____ (87)

ASSERTION 16: The Private Nonprofit approach should be emphasized further to include net pen culture. _____ (88)

ASSERTION 17: Private For Profit hatcheries that can make some level of profit and still contribute to the common property fishery should be encouraged. _____ (89)

ASSERTION 18: The current program should be left intact and adequately funded. _____ (90)

ASSERTION 19: For profit hatcheries should be limited to areas where runs do not presently exist without restrictions on harvest methods. _____ (91)

ASSERTION 20: The State should allow a network of size, scope, and marketing operations similar to Norway. _____ (92)

ASSERTION 21: The State should fund a small operation for the purpose of getting the network started and maintaining a genetically strong strain. _____ (93)

ASSERTION 22: The present institutional arrangement is practical in terms of political support and is functional. _____ (94)

ASSERTION 23: ADF&G should concentrate on research and sportfish hatcheries with "regionals" and "mom and pops" producing commercial fish. _____ (95)

ASSERTION 24: ADF&G should manage hatchery runs and perform their regulatory role. _____ (96)

ASSERTION 25: An advocacy agency is required to assure hatchery development as ADF&G is currently not fulfilling this role. _____ (97)

ASSERTION 26: A State Fisheries Authority with an industry board of directors which all hatcheries reported to would provide an atmosphere for rewarding production and provide capital construction funds for development. This coordinating type agency could also see to it that the processing and marketing segment is appraised of hatchery production to take advantage of the supply as it is developed. _____ (98)

2.2

PROBE QUESTION: While there appears to be a wide range in the types of panelists' answers to the question of what institutional form hatchery production should take, there is a fair agreement that salmon stocks should be managed to protect natural returns, and that a profit incentive should be introduced slowly to the private nonprofit hatcheries.

Aside from the current aquaculture assessment, do you believe fishermen and processors should share in the costs and/or profits of privately held hatcheries?

YES _____ NO _____ DON'T KNOW _____ (99)

Briefly explain: _____

_____

_____

_____

2.3

PROBE QUESTION: Private nonprofit hatcheries are allowed to sell surplus adults as a means to generate funds for operations and debt repayment. Should the State (ADF&G) manage common property fisheries to allow sufficient escapement for total cost recovery? Partial cost recovery? No cost recovery?

_____

_____

_____

_____

2.4

PROBE QUESTION: If there is partial or no cost recovery from returning adults, what means should be used to finance nonprofit, private, hatcheries?

_____

_____

_____

SECTION III - GROUNDFISH RESOURCES

This section contains two questions from the first questionnaire with a set of assertions for each question. Three probe questions follow them.

INSTRUCTIONS

- Use the scale on the next page to evaluate the assertions.
- In making your judgment about the relative validity of an assertion, take into consideration the meaning of the original question and the definitions used in the validity scale.
- You may make comments either in the margins or at the end of the questionnaire. Extra pages are provided for comments at the end. Please remember to indicate the question and page numbers to which you refer.

VALIDITY SCALE

Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	Reliable	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	Risky	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly VALID
6	Not Pertinent	- even is the assertion if VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

VALIDITY SCALE

Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	Reliable	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	Risky	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly VALID
6	Not Pertinent	- even is the assertion if VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

3.1

QUESTION FROM ROUND 1: Do you believe domestic groundfish production will generally displace imports in the next 20 years?

GROUP RESPONSE: Yes = 48% No = 41% Don't Know = 11%

Please rate the validity of the following assertions:	Validity Scale 1 Valid 4 Risky 2 Reliable 5 Unreliable 3 Not Determinable 6 Not Pertinent	
ASSERTION 1: Once we achieve domestic utilization of the TALFF, the U.S. market will increase if the price and quality are good.	_____	(101)
ASSERTION 2: Yes, if identity standards are enforced which would keep foreign sources from using nonfish additives.	_____	(102)
ASSERTION 3: New marketing companies are entering the business to take advantage of new supplies of raw product.	_____	(103)
ASSERTION 4: Very slowly. Development would be assisted by the development of table ready or easy to prepare items.	_____	(104)
ASSERTION 5: Yes, but there will be more losers than winners in groundfish production due to low margins.	_____	(105)
ASSERTION 6: Not unless cheap foreign processing hulls can be bought outright rather than borrowed through joint ventures.	_____	(106)
ASSERTION 7: Not completely unless tariffs or subsidies are employed.	_____	(107)
ASSERTION 8: Our groundfish consumption will require imports. We can find some foreign markets, but price will be the main problem for U.S. producers.	_____	(108)

ASSERTION 9: I don't believe the U.S. Government will make the cuts in foreign catch to allow domestic production to displace imports. _____ (109)

ASSERTION 10: This question is too difficult to answer without an analysis of the direction of change in the key variables affecting domestic and foreign demand: exchange ratios, relative prices, import trade barriers, subsidies, etc. _____ (110)

ASSERTION 11: Not unless there is more of a movement toward development of a fleet of factory trawlers. _____ (111)

3.2

Now that you have reviewed and evaluated the responses to the above question, do you believe domestic groundfish production will generally displace imports in the next 20 years?

YES _____ NO _____ Don't Know _____ (112)

COMMENTS _____

_____

_____

3.3

QUESTION FROM ROUND 1: Surimi (particularly imitation crab legs made from minced pollock flavored with King crab) are the fastest growing U.S. seafood import - 30 million pounds in 1983 vs 16 million pounds in 1982. Since most of the pollock used to make the product is caught in Alaskan waters, why isn't the domestic processing industry in the forefront of the development of the U.S. market?

GROUP EXPERTISE: High = 41% Medium = 42% Low = 17%

Please rate the validity of the following assertions:

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 1: The Japanese have had many years of catching and processing pollock behind them; surimi products and the technology to produce them were all developed in Japan, the markets are traditionally Japanese and Korean. _____ (113)

ASSERTION 2: Now that foreign fishing efforts are being phased out of the U.S. FCZ, there is great reluctance to allow U.S. penetration of these traditional Japanese and Korean markets. _____ (114)

ASSERTION 3: Domestic processors find it extremely difficult to raise enough capital (in an extremely capital intensive business) to produce surimi for an as yet unproven U.S. market. _____ (115)

ASSERTION 4: Domestic producers were surprised at the U.S. market's acceptance of analog products. _____ (116)

ASSERTION 5: Domestic processors are tradition bound by existing products and markets. They don't show the imagination and aggressive marketing abilities of their foreign competitors. _____ (117)

ASSERTION 6: Labor costs demand floating processors. Americans are not interested in spending six months at sea at a time in a factory ship. _____ (118)

ASSERTION 7: Domestic processors lack technical competence and quality control. These products are particularly susceptible to poor quality. Any rush of U.S. firms into the business could damage market potential. _____ (119)

ASSERTION 8: It is virtually economically impossible for the U.S. industry to invest the necessary capital to acquire surimi processing equipment, process pollock into surimi either on land or at sea, and acquire analog equipment to manufacture products to sell in competition with foreign products at today's interest rates. Domestic entry into the market requires all new equipment to compete with largely amortized and often subsidized foreign competition. _____ (120)

ASSERTION 9: There is distrust among investors about returns in "imitation" products. _____ (121)

ASSERTION 10: It takes more than a spirit of challenge. It takes time and a skilled and dedicated labor force. It takes a dedicated interest rather than a venture capital interest. It takes painstaking hard work. _____ (122)

ASSERTION 11: One problem with surimi products is that people tire of them quickly. _____ (123)

ASSERTION 12: The large domestic processing firm's parent companies are getting out of Alaska seafoods (e.g. Castle and Cook, Amfac, R.J. Reynolds, Con Agra). The remainder are small and underfinanced for the long-term investment needed to produce Kamobko-type (fish cake) products. _____ (124)

ASSERTION 13: Surimi production is relatively high tech compared to traditional processing methods of canning, freezing, etc. It requires an entrepreneur rather than an operator to push into a new production area. _____ (125)

ASSERTION 14: Many companies have a high degree of foreign ownership as a means of securing a supply of raw product. A foreign company is unlikely to encourage the development of surimi production that could hurt it in other areas. _____ (126)

ASSERTION 15: Shoreside processed surimi sells for half the price (in Japan) as processed at sea products. The substandard shoreside products could be manufactured into ham, salami, etc., all good products, but very low priced and difficult to make pay. _____ (127)

ASSERTION 16: The job will have to be done by joint ventures or by a U.S. major capable of financing a fully integrated operation. Technical expertise can be purchased. One domestic company turning a profit would do wonders for the industry. _____ (128)

3.4

PROBE QUESTION: The twelve Seattle-based American flag factory trawlers currently operating within the Alaskan FCZ add little to Alaska's economy. Over-the-side sale type joint ventures provide income for some local fishermen, but all of the value added from processing the harvested fish into its final product form escapes overseas. Processed-at-sea surimi sells for twice as much as the shore processed product in export markets. Given these facts, what can Alaska do to encourage the development of a "value added" industry around its abundant groundfish resources? Please be specific in terms of species, products, and locations.

_____

_____

_____

_____

3.5

PROBE QUESTION: Several factors inhibit the development of shore-based processing of pollock and yellowfin sole, the most abundant commercial groundfish resources in Alaska's FCZ. Chief among these are the rapid deterioration of pollock after it is caught and the relatively small average size of yellowfin sole which makes fillets unattractive to the domestic consumer. How can these limitations be overcome?

_____

_____

_____

_____

3.6

PROBE QUESTION: One option that would help capture some "value added" from groundfish production is a fleet of locally-based vessels, of smaller size than the factory trawlers, which could harvest and process their catch at sea and ship their "frozen" finished product from Alaskan ports in freezer containers. Do you think this is a viable option?

YES _____ NO _____ DON'T KNOW _____ (129)

COMMENTS: _____

_____

_____

_____

SECTION IV - MARKET ECONOMICS

This section contains one question and set of assertions from the Round 1 questionnaire. Then five probe questions are given.

INSTRUCTIONS

This section contains two questions from Round 1 with a set of assertions for each. Following this are four probe questions.

- Use the scale on the next page to evaluate the assertions.
- In making your judgment about the relative validity of an assertion, take into consideration the meaning of the original question and the definitions used in the validity scale.
- You may make comments either in the margins or at the end of the questionnaire. Extra pages are provided for comments at the end. Please remember to indicate the question and page numbers to which you refer.

VALIDITY SCALE

Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	Reliable	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	Risky	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly VALID
6	Not Pertinent	- even is the assertion if VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

VALIDITY SCALE

Numeric Scale		
1	Valid	- low risk of being wrong - decision based upon this will not be wro because of this "fact" - most inferences drawn from this will be
2	Reliable	- some risk of being wrong - willingness to make a decision based upo this - assuming this to be true but recognizing some chance of er or - some incorrect inferences can be drawn
3	Not Determinable	- the information or knowledge to evaluate validity of this assertion is not avai able to anyone - expert or decisionmak
4	Risky	- substantial risk of being wrong - not willing to make a decision based upo this alone - many incorrect inferences can be drawn - the converse, if it exists, is possibly RELIABLE
5	Unreliable	- great risk of being wrong - worthless as a decision basis - the converse, if it exists, is possibly
6	Not Pertinent	- even is the assertion if VALID or UNRELI it has no significance for the basic i - it cannot affect the variable under ques or observable amount
Blank	No Judgment	- no knowledge to judge this item

4.1

QUESTION FROM ROUND 1: Assuming that the planned fivefold increase in Alaskan hatchery releases of salmon fry (by 1990) materializes into a long-term increase in salmon stocks, will U.S. salmon fishermen's net profit increase, decrease, or stay about the same (assume a constant level of effort and constant dollars)?

GROUP RESPONSE: Increase 49% Decrease 22% Stay about the same 29%

Several panelists couched their responses in terms of the price elasticity of demand at the ex-vessel and wholesale levels. For our purposes, demand can be said to be price elastic if the long-term increase in the supply of salmon (assumed above) resulted in a reduced price, increased quantity demanded, and increased total gross revenues. Demand is price inelastic if the reduced price in turn, reduced total gross revenues. Panelists responses follow.

Please rate the validity of the following assertions:	Validity Scale 1 Valid 4 Risky 2 Reliable 5 Unreliable 3 Not Determinable 6 Not Pertinent	
ASSERTION 1: Price will decrease, but the overall increase in harvest volume will increase fishermen's net return.	_____	(130)
ASSERTION 2: If properly managed, releases can stabilize the annual harvest, bringing stable prices and enhanced marketability.	_____	(131)
ASSERTION 3: The same level of effort with larger stocks will increase profits if we assume there is profit at current levels.	_____	(132)
ASSERTION 4: More fish will increase unit efficiency so long as limited entry is in place.	_____	(133)
ASSERTION 5: Current profitability is recession oriented and will strengthen.	_____	(134)
ASSERTION 6: Several countries are increasing production at once. Penetration may begin in the in-elastic portion of demand with only small gains in cost efficiency by producers.	_____	(135)

ASSERTION 7: Profits will decline in the long run because short-term profits will be dissipated by reinvestment in the fleet and prices will decline. _____ (136)

ASSERTION 8: Without corresponding increases in demand, current demand will be met by more efficient foreign operations including structured/fabricated products. _____ (137)

ASSERTION 9: Net profit will increase initially since demand is price elastic. _____ (138)

ASSERTION 10: Net profit will decrease later as demand becomes more price inelastic. _____ (139)

ASSERTION 11: Common property tends to erode average profitability. _____ (140)

ASSERTION 12: An increase in the catch volume will lead to greater profits for only 5 - 10% of the fleet. _____ (141)

ASSERTION 13: Profitability will vary widely from fishery to fishery, but will increase for those that catch predominately sockeye (i.e., Bristol Bay). _____ (142)

ASSERTION 14: Profitability will decline in areas where pinks and chums are the dominant species due to foreign competition. _____ (143)

4.2

Now that you have reviewed and evaluated the responses to the preceeding question, we ask that you answer the original question again.

Assuming that the planned five-fold increase in Alaskan hatchery releases of salmon fry (by 1990) will result in a long-term increase in the supply of salmon stocks; how will net profits be affected? (Assume a constant level of effort and constant dollars.) Check one of the three options.

Will U.S. salmon fishermen's net profit:

____ - Increase
____ - Decrease
____ - Stay about the same? (144)

COMMENTS: _____

_____

_____

4.3

PROBE QUESTION: Assuming that the planned five-fold increase in Alaskan hatchery releases of salmon fry (by 1990) will result in a long-term increase of 21 to 28 million salmon in the catch; how will net profit be affected? Assume a constant level of effort and constant dollars. Check one of the three options.

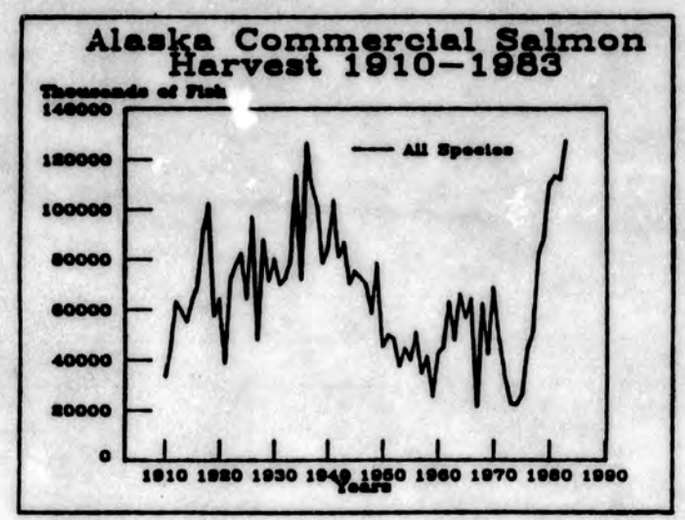
Will U.S. salmon fishermen's net profit:

____ - Increase
____ - Decrease
____ - Stay about the same? (145)

COMMENTS: _____

_____

_____



4.4

PROBE QUESTION: One of the important issues facing Alaska's fisheries economists and decisionmakers is: What benchmark or range of average salmon harvest projections do we use for the next 20 years to make judgments about further investments in salmon production and management? This issue is of importance when it comes to evaluating the costs and benefits of hatcheries, limited entry programs, and management. As you can see from the graph above, Alaska's commercial salmon harvest has fluctuated widely over the past 75 years. With this in mind, and given your perception of the future output of hatchery programs, give your best guess as to what the average

total Alaska commercial salmon harvest will be for the next 20 years. Also, give the range around the average you would use for a confidence interval. State your answers in thousands of fish.

High _____ Average _____ Low _____ (146)

COMMENTS: _____

_____

_____

_____

_____

4.5

PROBE QUESTION: Empirical research has tentatively shown that the price inelastic (ex-vessel) portions of the demand curves for Alaska pink and chum salmon occur when the harvest levels near 120-150 thousand mt. for pinks and 30-40 thousand mt. for chums. Assume these numbers are correct and total gross revenues for fishermen begin to decline when these harvest levels are reached (all other factors remaining static). Assume further that hatchery production can maintain these harvest levels.

Given the current levels of Alaskan fishing effort in those fisheries where pinks and chums are the predominant species harvested, do you believe that world salmon markets can absorb these supply levels at prices which will provide an adequate return on investment for fishermen?

YES _____ NO _____ DON'T KNOW _____ (147)

Please explain: _____

_____

_____

_____

4.6

PROBE QUESTION: In the European white tablecloth restaurant market (particularly the British portion), wild Atlantic salmon (as opposed to pen reared) enjoys a premium position. Customers apparently have some basis for this product differentiation. What do you think it is?

_____

_____

_____

4.7

PROBE QUESTION: Over time, would "wild Pacific salmon" maintain a preferred U.S. market position over pen reared Alaska or Atlantic salmon without special advertising? Assume equal prices and consistency of supply.

YES _____ NO _____ Don't Know _____ (148)

COMMENTS: _____

_____

_____

SECTION V - IMPEDIMENTS TO DEVELOPMENT

This section contains one question and set of assertions from Round 1. There are no probe questions.

INSTRUCTIONS

- Use the IMPORTANCE scale provided on the next page to evaluate the assertions.
- Some assertions in this section are very general or broad in scope, which may make them difficult to evaluate. Do the best you can, while recognizing that less useful data may come from this question.

IMPORTANCE SCALE

Score Value	Importance (Priority or Relevance)	
1	Very Important	- a most relevant point - first-order priority - has direct bearing on major issues - must be resolved, dealt with, or treated
2	Important	- is relevant to the issue - second-order priority - significant impact but not until other items are treated - does not have to be fully resolved
3	Of Minor Importance	- insignificantly relevant - third-order priority - has little importance - not a determining factor to major issue
4	Unimportant	- no priority - no relevance - no measurable effect - should be dropped as an item to consider

IMPORTANCE SCALE

Score Value	Importance (Priority or Relevance)	
1	Very Important	- a most relevant point - first-order priority - has direct bearing on major issues - must be resolved, dealt with, or treated
2	Important	- is relevant to the issue - second-order priority - significant impact but not until other items are treated - does not have to be fully resolved
3	Of Minor Importance	- insignificantly relevant - third-order priority - has little importance - not a determining factor to major issue
4	Unimportant	- no priority - no relevance - no measurable effect - should be dropped as an item to consider

5.1

QUESTION FROM ROUND 1: A primary opportunity for developing Alaska's renewable natural resource base in the next 20 years, lies in fisheries products. More specifically in those species where the resource base has not yet been fully exploited. For all practical purposes halibut, herring, and shellfish are now being harvested at their maximum sustainable levels. Given our 20 year time horizon, the greatest opportunities for growth in seafood production appear to be in salmon, groundfish, and latent species such as mollusks.

Given this general background, what, in your opinion, are the three major impediments to the development of Alaska's fisheries potential?

Panelists responses to this question are given below. Please use the scale at the right to assign a number to each assertion.

Very Important	= 1
Important	= 2
Of Minor Importance	= 3
Unimportant	= 4

Importance

Rate the importance of each impediment according to how important you perceive it to be in relation to the development of Alaska's fishery potential.

ASSERTION 1: High cost of domestic processing. _____ (149)

ASSERTION 2: An increase in joint ventures. _____ (150)

ASSERTION 3: Inadequate domestic and foreign market development. _____ (151)

ASSERTION 4: Lack of support services and infrastructure in Alaska. _____ (152)

ASSERTION 5: The Jones Act produces grossly overpriced fishing hulls. _____ (153)

ASSERTION 6: Inadequate regulatory regime. If harvest rates and/or fishing areas are privately assigned, development will occur. _____ (154)

ASSERTION 7: High transportation cost. _____ (155)

ASSERTION 8: Low level of quality control. _____ (156)

ASSERTION 9: Finances: most processors are in financial trouble and don't have cash available to finance new ventures. _____ (157)

ASSERTION 10: Lack of commitment from the executive branch to develop fisheries. _____ (158)

ASSERTION 11: Parochialism in the industry. An "us" versus "them" attitude. Insensitivity to Alaskan development needs by the "Seattle mafia." _____ (159)

ASSERTION 12: Unwillingness of Alaska industry groups to overcome differences and think of the good of the industry as a whole. _____ (160)

ASSERTION 13: Sense of values. Continuing greed to exploit high ticket items and give low priority to mollusks and groundfish. _____ (161)

ASSERTION 14: Technology of catching, processing, and storage needs to be upgraded to be competitive with the world market. _____ (162)

ASSERTION 15: Lack of integration between market identification and promotion and production (harvesting and processing). Need to work backward from outlets, not forward from production. _____ (163)

ASSERTION 16: Fierce competition from foreign groundfish products in the domestic market. _____ (164)

ASSERTION 17: Lack of U.S. government response to infant industry status even though for foreign firms are clearly subsidized. _____ (165)

ASSERTION 18: Attempt to structure industry to perceived social demands rather than sound economic strategies. _____ (166)

ASSERTION 19: Lack of development of effective licensing regimes which would discourage excess investment in harvesting and encourage productive investment in stock enhancement. _____ (167)

ASSERTION 20: Lack of product standards, grading, and pricing by quality grade and final product inspection. _____ (168)

ASSERTION 21: Political process. Each new governor or legislator wants to leave his mark on the industry without adequate information. _____ (169)

ASSERTION 22: Lack of State investment in research and development. _____ (170)

ASSERTION 23: Lack of a system acceptable to the industry that allows some property rights to be acquired so that fishing can become a viable long-term investment opportunity. _____ (171)

ASSERTION 24: Lack of a far-sighted State role that avoids direct subsidies and capitalization and hence the chaos of fisheries in British Columbia, Washington, and Oregon. _____ (172)

ASSERTION 25: High dollar entry and conversion costs to enter the groundfish industry. _____ (173)

ASSERTION 26: Control by Seattle-based, Japanese-owned companies who approach the resource base with a colonial type attitude. _____ (174)

ASSERTION 27: Limited awareness and skills to use fish and seafood products in home cooking. Cooking of seafood is more precise, less flexible, bland taste often requires sauces - more work. _____ (175)

ASSERTION 28: Lack of marketing expertise. _____ (176)

ASSERTION 29: Lack of sufficiently precise stock assessment. _____ (177)

ASSERTION 30: A stagnant industry structure which has not changed over time (i.e., fishermen vs. processors). _____ (178)

ASSERTION 31: Paralytic shellfish poisoning. _____ (179)

SECTION VI - MOST IMPORTANT ISSUES OR QUESTIONS FACING THE INDUSTRY

This last section contains one question and set of items from the first questionnaire. The items have been organized into 10 categories.

Each item represents an issue that one or more panelists considered as most important to the development of the North Pacific seafood industry.

INSTRUCTIONS:

- We now request that you rate the importance of each issue according to your judgment about which important issues will become dominant in the industry in the next 20 years.
- Use the IMPORTANCE scale provided on the next page to evaluate the relative importance of each item.
- Some of the items (responses) are given in the form of a question, i.e., "will shore based processing become cost-effective?" "To what degree will foreign countries be permitted to catch in U.S. waters?" Evaluate these items no differently from the others. They refer to an issue area and should be rated according to how important you believe the issue to be in regard to its importance to the industry in the next 20 years.

IMPORTANCE SCALE

Score Value	Importance (Priority or Relevance)	
1	Very Important	- a most relevant point - first-order priority - has direct bearing on major issues - must be resolved, dealt with, or treated
2	Important	- is relevant to the issue - second-order priority - significant impact but not until other items are treated - does not have to be fully resolved
3	Of Minor Importance	- insignificantly relevant - third-order priority - has little importance - not a determining factor to major issue
4	Unimportant	- no priority - no relevance - no measurable effect - should be dropped as an item to consider

IMPORTANCE SCALE

Score Value	Importance (Priority or Relevance)	
1	Very Important	- a most relevant point - first-order priority - has direct bearing on major issues - must be resolved, dealt with, or treated
2	Important	- is relevant to the issue - second-order priority - significant impact but not until other items are treated - does not have to be fully resolved
3	Of Minor Importance	- insignificantly relevant - third-order priority - has little importance - not a determining factor to major issue
4	Unimportant	- no priority - no relevance - no measurable effect - should be dropped as an item to consider

QUESTION FROM ROUND 1: What are the three most important questions or issues relevant to the development of the North Pacific seafood industry in the next 20 years?

Please rate the importance of the following issue items.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

A. Management Issues

Importance

Item #1 _____ (180)

Management needs to insure that stock exploitation confers economic benefits to society at large.

Item #2 _____ (181)

Poor management, due to politics at the State and federal levels negatively impact fishery development.

Item #3 _____ (182)

It is imperative that multi-species management models be developed.

Item #4 _____ (183)

We need to establish of a set of objective criteria to settle allocation disputes among various users of fishery resources.

Item #5 _____ (184)

Management of fishery resources with combined elements of biology and economics. The relationship of biological management and economic utilization of fishery resources must be brought into accord in policy making.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

B. Property Rights Issues

Importance

Item #1 _____ (185)

Fleet management. Without developing and implementing some form of property rights system in the fishing industry, economic profits will continue to be dissipated in capital investments. Fleet management strategies can also be used to improve the marketability of fish.

Item #2 _____ (186)

Develop an aquaculture program which is controlled by a large number of individuals.

Item #3 _____ (187)

Fishing tenure with property rights should be granted to all commercial fishermen participating in a particular fishery.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

C. Harvesting and Processing Sector Efficiency

Importance

Item #1 _____ (188)

In an attempt to maintain the unique life-style apparent in Alaska, are we imposing a societal cost which will eventually exhibit itself in the form of a market share loss? Is adoption of new production/harvesting/processing technology slower to occur in Alaska than in other states/nations like Japan or Norway because of this?

Item #2 _____ (189)

We need to establish positive incentives to the processing industry to improve technology allowing market expansion and innovation.

Item #3 _____ (190)

How can products from shore-based processions be cost competitive on the world market?

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

D. Economics

Importance

Item #1 _____ (191)

Can U.S. harvesters/processors be cost competitive with foreign producers and hold their own vis-a-vis expanded markets in the U.S. and foreign products in export markets?

Item #2 _____ (192)

Long-term financing available at an interest rate that that would allow the U.S. fishing industry to compete with imports.

Item #3 _____ (193)

The exchange rate of the dollar must be dealt with.

Item #4 _____ (194)

Supply stabilization. EEC countries have a built-in system of minimum prices and stocking subsidies.

Item #5 _____ (195)

Tax benefits and low cost loans for the development of quality oriented high yield fishing and production.

Item #6 _____ (196)

Alaskan fishermen and processors aren't getting adequate prices for their products.

Item #7 _____ (197)

We need to establish of a futures market type of approach. We need to avoid boom and bust production cycles.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

E. Quality

Importance

Item #1 _____ (198)

The quality of fish delivered to the final consumer should be improved, both in the average and best practiced technologies.

Item #2 _____ (199)

The Alaskan salmon market is being challenged by the Norwegian Atlantic salmon and this will increase. Also, the public view of fish is still low. The best method of addressing these problems is to increase the quality of our products which will make marketing easier.

Item #3 _____ (200)

In spite efforts in the private and public sectors to improve product quality, the overwhelming attitude in the industry is that what we are doing now is good enough.

Item #4 _____ (201)

Quality, product development, marketing, and advertising should be encouraged in concert with each other.

Item #5 _____ (202)

Quality standards similar to the meat industry should be adopted. Product should be graded and the grading should be enforced both on fish delivery and finished product to develop a reliably high standard for U.S. products.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

F. International Issues

Importance

Item #1 _____ (203)

How can underdeveloped and foreign caught stocks be shifted to domestic fishermen without placing greater stress on already fully utilized stocks such as Pacific halibut?

Item #2 _____ (204)

To what degree will foreign countries be permitted to catch in U.S. waters? Will the U.S. Government use foreign quotas as a bargaining tool in U.S.-foreign relations?

Item #3 _____ (205)

Real joint ventures (as opposed to over the side operations) need to be encouraged to develop and prosper.

Item #4 _____ (206)

The development of U.S. processors and the elimination of joint ventures.

Item #5 _____ (207)

There should be some sort of tariff or fish tax on foreign processed fish to put the U.S. industry on an equal footing with foreigners.

Item #6 _____ (208)

Agreement between fishing nations on the sharing of trans-boundary stocks and effective enforcement of such agreements.

Item #7 _____ (209)

The U.S. industry will not develop in a manner that we wish unless it is under the control of domestic interests. Foreign equity interests and other forms of ownership control much of the U.S. processing companies. This is not without substantial benefit to the industry. Without foreign financing, the processing industry would not have been able to grow at the rate it has. The resulting industry structure is not one which is best to further the development of the U.S. bottomfish industry.

Item #8 _____ (210)

Alaskan processors are prohibited from collectively bargaining with suppliers (fishermen) and export customers (Japanese). We suffer significantly on both fronts due to our compromised position.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

G. Salmon Aquaculture

Importance

Item #1 _____ (211)

We should promote salmon ranching efforts. We must lengthen salmon harvest seasons through development of existing early and late runs and genetic selection. The domestic market is shifting away from canned product forms to fresh, well handled products.

Item #2 _____ (212)

What will be the impact of worldwide salmon farming and ranching on the Alaskan salmon industry.

Item #3 _____ (213)

We should give serious thought to profit oriented ranching and farming in Alaska.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

H. Marketing

Importance

Item #1 _____ (214)

Will Alaska with the major share of salmon, groundfish, and shellfish production habitat, i.e., supply, take its equitable market share on the world seafood markets?

Item #2 _____ (215)

An aggressive, fully funded marketing and promotion program for Alaska seafood products must be adopted for the next ten years.

Item #3 _____ (216)

Will U.S. producers exhibit adequate entrepreneurship and foresight to develop products and marketing strategies which will lead to expanded sales? Growth is essential to ensure full exploitation of our resources by U.S. firms.

Item #4 _____ (217)

Access to foreign markets other than price competition. We need to use a trade policy to negotiate removal of tariffs and other trade barriers to our exports of semi-processed and processed products.

Item #5 _____ (218)

Development of marketing oriented rather than production oriented attitudes by domestic seafood companies.

Item #6 _____ (219)

U.S. Companies must further develop U.S. and world wide marketing staffs or they will remain a relatively unimportant and captive part of the industry.

Item #7 _____ (220)

"Fishing to the market." We need to recognize that fishing is a competitive business which requires a broad managerial outlook. Define and develop the demand potential for seafoods, understand the seafood consumer, and long-term trends in consumption. Develop appropriate strategies.

Item #8 _____ (221)

To raise the per capita consumption of fish by influencing children and adults on the merits of eating seafood. Develop seafood eating habits.

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

I. Research Areas/Stock Assessments/Education

Importance

Item #1 _____ (222)

Through research, identify the relationship between price and volume for Pacific salmon produced in Alaska.

Item #2 _____ (223)

We especially need reliable information on the effect of the present moratorium on marine mammals on the ecosystem as a whole and on the natural mortality rate, etc., of our commercially important fish. (We know for example, that Beluga whales are heavy predators of young salmon as they emerge from the fresh water streams.)

Item #3 _____ (224)

How much development stands in jeopardy to changes in the physical environment? Especially how much credit for recent high salmon landings is due to a series of favorable (in terms of climate) years?

Item #4 _____ (225)

Continuing failure to fund fishery research needs (i.e., stock assessments, population dynamics, etc.) so that fishery management becomes capricious and/or inaccurate in fishery planning.

Item #5 _____ (226)

Effective monitoring of domestic catcher/processors by on-board observers paid for by the catcher/processor. Until this is accomplished, cheating such as processing undersized and female King crab will have an adverse impact on North Pacific stocks.

Item #6 _____ (227)

Supporting and maintaining university and federal educational and research facilities and staffs.

Item #7 _____ (228)

There is an increasing need for adequate information systems (particularly as international trade increases) so that entrepreneurial abilities can exploit market opportunities.

Item #8 _____ (229)

Will shellfish stocks (particularly King crab) remain depressed so that the crabber-trawler fleet will remain available for year-round production of groundfish?

Very Important = 1
Important = 2
Of Minor Importance = 3
Unimportant = 4

K. Remaining Issues

Importance

Item #1 _____ (230)

Develop transportation/storage/labor infrastructure to reduce the cost of U.S. processing and access to U.S. market.

Item #2 _____ (231)

Work at long-term planning rather than quick fixes.

Item #3 _____ (232)

Inertial inflexibility hinders creative innovation and ability to adjust to foreseeable industry changes as a matter of course. Technological advantages are not necessarily adopted.

Item #4 _____ (233)

To make an industry out of a highly segmented and scattered number of operating companies which need integration and rationalization.

Item #5 _____ (234)

Upgrading of major seafood ports to provide adequate ice and cold storage facilities; fish waste handling, shipping, and air freight facilities; and boat repair and dock facilities.

Item #6 _____ (235)

Better and more general solutions to the common property problem particularly in groundfish and shellfish operations.

Item #7 _____ (236)

Education and training in fisheries technology.

Item #8 _____ (237)

Education of a new generation of managers for groundfish operations.

GENERAL COMMENTS

Please feel free to comment on the questionnaire in general. For comments that refer to specific questions, please give the question number and page number to which the comment refers.

GENERAL COMMENTS

Please feel free to comment on the questionnaire in general. For comments that refer to specific questions, please give the question number and page number to which the comment refers.

GENERAL COMMENTS

Please feel free to comment on the questionnaire in general. For comments that refer to specific questions, please give the question number and page number to which the comment refers.

GENERAL COMMENTS

Please feel free to comment on the questionnaire in general. For comments that refer to specific questions, please give the question number and page number to which the comment refers.

APPENDIX

THE DELPHI METHODOLOGY

The Delphi method (named for the oracle at Delphi in ancient Greece) was first developed by the Rand Corporation in the 1950s as a method of systematically combining expert opinions in a procedure free from some of the serious limitations of face-to-face meetings. For example, the delphi process allows experts adequate time for examining and responding to the issues without the wasted travel time and inefficiencies of large meetings.

The basic Delphi method is a technique for systematically combining individual expert opinions elicited from members of a carefully selected panel. The method utilizes a series of structured questionnaires mailed to panelists, combined with feedback of interim results to panel members. Panelists are thus made aware of emerging panel positions, including areas of significant consensus or polarity.

The process is administered by a research team, whose members are responsible for translating the problem(s) that the sponsor of the study wants investigated into an initial set of questions, identifying and inviting experts to serve on the panel, developing the first and the follow-up questionnaires, distributing and collecting the questionnaires, interpreting the interim results in summarizing these results for feedback, and preparing the final report. The research team for this investigation are research staff members of the Division of Finance and Economics, Alaska State Department of Commerce and Economic Development.

Delphi panelists do not meet face-to-face and normally are not aware of the complete membership of the panel; panelists respond to questionnaires sent to their own individual offices. Anonymity of specific responses is preserved, and neither other panelists nor the sponsor are able to identify the specific source of an opinion. Thus, panelists are influenced by the opinion and its reasoning, and not by its source.

A typical Delphi research project consists of three to five questionnaire rounds, which are usually conducted by mail. Because of the time required to analyze previous round results and to design the next round questionnaire, lengthy panel member response times (panel expert typically have busy work schedules), and the inherent slowness of the mails, each of these Delphi rounds usually takes over two months to complete.

Once the research team and the sponsor are convinced that the significant issues and questions have been identified, successive rounds tend to focus on the clarification and refinement of the panelists' opinions. The inclusion of feedback from previous rounds in the questionnaire for the following rounds allows individual panel members to be aware of emerging panel positions and to evaluate their own position in relation to the views

of the complete panel. The feedback is usually limited to panel positions as a whole, but it may include the individual panelist's previous responses. In any case, panelists reconsider their position, provide new predictions or estimates, and explain the basis of major differences between their opinion and those of the complete panel.

Typically, this produces some degree of consensus, with narrower ranges for the estimated quantities, although several distinct positions may emerge. Consensus is not automatic, however; the panel may be split on a specific issue or prediction, and two or more clearly distinct positions may be revealed by further Delphi rounds.

When compared to other forecasting methods and, in particular, to those utilizing expert opinion, Delphi seems to have the following advantages:

- It can make effective use of expert opinions in a group process.
- Large panels are possible and relatively inexpensive.
- Logistic and cost problems associated with the panelists' travel are eliminated.
- Follow-up questions can be designed with great care.
- Anonymity eliminates status and ego problems on the part of the panelists which could bias predictions.
- Because informed opinion rather than mathematical modeling is the basis for prediction, Delphi can deal with breakthroughs and discontinuities.

Delphi is not without limitations, however:

- The process tends to be slow and thus influenced by changing events and trends.
- High degrees of quantitative precision generally cannot be expected.
- Problems can arise in maintaining panel membership, as panel attrition rates can be quite high.
- A consensus could be manipulated by the research team, or their biases may affect the results.
- Finally, simply having a consensus does not in itself make the prediction more accurate.

Despite these limitations, Delphi has gained widespread acceptance as a long-range forecasting method. More recently, a variation known as Policy Delphi has emerged; in Policy Delphi, the emphasis is on panel evaluation

of the desirability of alternatives and the importance of issues, and not just on prediction of events.

There is a temptation to consider Delphi as another survey technique, and to evaluate it and its results according to standard survey method criteria. However, Delphi is really a group communication process and not statistical sampling; the panel is chosen for expertise and is in no sense a random sample. In a leading book on Delphi, Linstone and Turoff describe Delphi as follows:

> "Delphi may be characterized as a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem."

LH/wfs0754Wh11584

DELPHI QUESTIONNAIRE #3

Department of Commerce and Economic Development

Office of Commercial Fisheries Development

Please return completed questionnaire to:

Department of Commerce and
Economic Development
Pouch D
Juneau, Alaska 99811

Lynn Hutton, Project Director
(907) 465-2079

Geoff Whistler
Research Assistant
(907) 465-2079

March 1985

1590W

TABLE OF CONTENTS

	Page
Introduction	2
Section I - Reassessment	3
Section II - Evaluation	17
General Feedback from Previous Questionnaires	Under Separate Cover

INTRODUCTION

This is the third and last Delphi questionnaire you will receive on future developments in the North Pacific seafood industry.

The response rate to the second questionnaire is 77%. That is, out of the 101 questionnaires that were returned from the first round, 78 were returned from the second round.

In the last questionnaire we asked you to evaluate the validity of the assertions provided by panel members and to respond to some open-ended probe questions. In this questionnaire, we request that you again evaluate the validity of the assertions provided by the panel members.

The questionnaire is organized into two broad sections which correspond to whether the set of assertions receive a one-time assessment, or a second reassessment. The first section deals with the latter, i.e., reassessment of previously evaluated assertions. Three questions with a total of 64 assertions are reported along with the frequency distribution of the panel's responses for each assertion.

Of the 64 assertions included here, 23 (36%) are reported for your feedback information only. That is, the "feedback" assertions are not to be reevaluated. These assertions were selected for no additional assessment because a large majority of the panel agreed on the validity of the assertions. Specifically, at least 66% of the panel indicated that these assertions were either "valid" or "reliable."

The remaining assertions in this section are presented for your reassessment. The selection of these assertions is based on the criteria of having received at least 40% support by the panel. Specifically, from 65% to 40% of the panel indicated that these assertions were either "valid" or "reliable."

Assertions which received less than 40% support by the panel have not been included in this questionnaire.

The second section of the questionnaire contains panelist's responses to some of the open-ended probe questions contained in the previous questionnaire. Since these responses (referred to as "assertions" here) have not been evaluated by the complete panel, we ask that you do so in this second section.

MAY WE INCLUDE YOUR NAME IN THE ACKNOWLEDGEMENT SECTION OF THE FINAL REPORT?

YES _____ NO _____

SECTION I - REASSESSMENT

This section contains three questions from the previous two rounds with a set of assertions related to each question. You performed an initial assessment of these assertions in Round 2.

You are requested to reassess the validity of each assertion in the reevaluation sections. The rationale for this seemingly redundant exercise is to gain greater group consensus or polarity on each assertion. By evaluating an assertion twice, the validity and reliability of the product will be enhanced.

INSTRUCTIONS

- This section requires that you give your response in the form of a check mark (✓). Put one check mark in the row of six empty cells found directly beneath the row of group frequency responses.
- Use the Validity Scale (on colored pages) to reevaluate the assertions.
- In making your judgment about the relative validity of an assertion, take into consideration the meaning of the original question and the definitions used in the validity scale.
- You may make comments either in the margins or at the end of the questionnaire. Extra space is provided for comments at the end. Please remember to indicate the question and page numbers to which you refer.
- The numbers in parentheses are for coding purposes and should be ignored.
- For your information, the data in Section I is based on an average number of 66 respondants. The average number of missing cases for the set of accertions is 12. The range is from a minimum of 4 missing cases to a maximum of 26 missing cases.

EXAMPLE QUESTION:

Original question is repeated here so that you may compare the assertions with the question to which they refer.

1.1 Japan is the world's largest producer of hatchery salmon. It is estimated that between 70% and 80% of the salmon fry descending Japanese rivers are hatchery raised. The U.S., U.S.S.R. and Canada have also embarked on ambitious hatchery programs. If all of the planned releases materialized (which is unlikely), there could potentially be 11 billion salmon fry released throughout the North Pacific by the year 2000. What are the biological, political and economic implications of these projected releases?

A. BIOLOGICAL IMPLICATIONS

Report of group response where combined categories of Valid and Reliable are greater than or equal to 66%. No response requested.

FEEDBACK ONLY

ASSERTION 1: There is insufficient factual data available in order to reliably predict the biological implications of the projected releases. In order to predict, the following information must be known: the carrying capacity of ocean forage grounds, nature of mortality processes, the interaction between natural and hatchery stocks, environmental factors, hatchery techniques, and species and timing of releases.

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
46.7	37.1	5.7	5.7	2.9	2.9

•
•
•

Report of group response where combined categories of Valid and Reliable are greater than or equal to 40%, and less than 66%. Your reassessment is requested.

REEVALUATION

ASSERTION 4: Effect will be minimal. Hatchery stocks would occupy only a small fraction of the ecosystem compared to natural stocks. (240)

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
10.8	36.9	21.5	23.1	6.2	1.5

PUT A CHECK MARK IN THE CELL YOU CHOOSE

VALIDITY SCALE

Numeric Scale		
1	VALID	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	RELIABLE	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	NOT DETERMINABLE	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	RISKY	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn
5	UNRELIABLE	- great risk of being wrong - worthless as a decision basis
6	NOT PERTINENT	- even if the assertion is VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

1.1

Japan is the world's largest producer of hatchery salmon. It is estimated that between 70% and 80% of the salmon fry descending Japanese rivers are hatchery raised. The U.S., U.S.S.R. and Canada have also embarked on ambitious hatchery programs. If all of the planned releases materialized (which is unlikely), there could potentially be 11 billion salmon fry released throughout the North Pacific by the year 2000. What are the biological, political and economic implications of these projected releases?

A. BIOLOGICAL IMPLICATIONS

FEEDBACK ONLY

ASSERTION 1: There is insufficient factual data available in order to reliably predict the biological implications of the projected releases. In order to predict, the following information must be known: the carrying capacity of ocean forage grounds, nature of mortality processes, the interaction between natural and hatchery stocks, environmental factors, hatchery techniques, and species and timing of releases.

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
45.7	37.1	5.7	5.7	2.9	2.9

ASSERTION 2: Localized areas (e.g. estuaries, near shore feeding grounds) will be stressed before the carrying capacity of the open ocean is reached.

26.2	41.0	19.7	9.8	1.6	1.6

ASSERTION 3: The impact on natural stocks could be severe if harvest is not carefully segregated between wild and hatchery stocks (i.e., greater emphasis placed on "terminal" harvest of hatchery runs).

34.3	37.5	14.1	12.5	1.6	0

REEVALUATION - Your response is requested for this subsection.

ASSERTION 4: Effect will be minimal. Hatchery stocks would occupy only a small fraction of the ecosystem compared to natural stocks. (240)

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
10.8	36.9	21.5	23.1	6.2	1.5

PUT A CHECK MARK IN THE CELL YOU CHOOSE. →

ASSERTION 5: Salmon stocks will not increase proportionately to projected releases. (241)

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
22.7	39.4	7.6	13.7	15.1	1.5

ASSERTION 6: Juvenile rearing grounds have a finite holding capacity and will result in increased competitive pressure on other species (e.g. herring). (242)

12.1	48.5	24.2	9.1	6.1	0

ASSERTION 7: The gene pool will become more homogenous and thus more susceptible to disease and environmental changes. (243)

7.7	32.3	27.7	20.0	12.3	0

ASSERTION 8: The overall size average will become smaller with larger returns. (244)

17.5	30.2	28.6	14.3	9.5	0

ASSERTION 9: The timing and species of hatchery releases need to be coordinated internationally to avoid overburdening the seasonal carrying capacity of feeding grounds. (245)

12.1	31.8	25.8	9.1	15.2	6.1

ASSERTION 10: There will be increased concentration on the most cheaply raised species (i.e., pinks and chums). (246)

12.1	33.3	18.2	21.2	7.6	7.6

B. POLITICAL IMPLICATIONS

FEEDBACK ONLY

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
27.6	63.0	3.1	3.1	3.1	3.1

ASSERTION 1: Existing regimes would largely predominate within the 200 mile zone, but greater effort and cooperation will be necessary to manage resources outside the U.S. Fisheries Conservation Zone.

51.4	30.6	6.9	8.3	1.4	1.4

ASSERTION 2: If disputes between nations do arise, they will first involve conflict over high seas and nonterminal interceptions.

26.0	53.6	4.4	11.6	1.4	2.9

ASSERTION 3: Well before the carrying capacity of the sub-Arctic Pacific is reached in regard to salmon, signs will be evident. Some international agreement would have to be reached like the Canadian/U.S. treaty negotiations where stocks are harvested based on the country of origin. Also, grandfather rights, where each nation could claim quotas based on its hatchery contribution, would be sought.

REEVALUATION - Your response is requested for this subsection.

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
15.1	37.9	18.2	9.1	12.1	7.6

ASSERTION 4: Ocean rearing grounds can be shared and effects monitored by following growth rates of natural stocks. If a drop in the growth rate occurs, hatchery production could be curtailed. (247)

PUT A CHECK MARK IN THE CELL YOU CHOOSE.

17.9	31.5	12.3	15.1	9.6	13.7

ASSERTION 5: The danger is that certain elements in the industry will want hatchery production curtailed in order to boost the market price. (248)

12.3	30.8	10.8	35.4	9.2	1.5

ASSERTION 6: There will be continued pressure by some countries to fish the high seas (Taiwan now, China next?). Other than high seas fishing, I can't see any serious implications. (249)

C. ECONOMIC IMPLICATIONS

FEEDBACK ONLY

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
39.2	47.3	6.8	5.4	1.3	0

ASSERTION 1: There will be a long term increase in the supply of salmon, particularly chums and pinks.

19.1	48.5	2.9	16.2	5.9	7.4

ASSERTION 2: This could be a tremendous marketing opportunity. There is a need for a lower ex-vessel price, lower processing costs, and lower consumer price.

20.5	56.2	6.8	5.8	5.5	4.1

ASSERTION 3: If biological and political problems could be solved, the supply of salmon should become more stable. We would see an increase in inexpensive salmon on the market causing consumer demand to increase.

22.5	43.7	9.9	9.9	5.6	8.4

ASSERTION 4: The need in Alaska is to enhance the earliest and latest runs so as to lengthen the harvest and processing seasons thus spreading fixed costs over more product.

REEVALUATION - Your response is requested for this subsection.

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
21.6	43.2	17.6	12.2	5.4	0

ASSERTION 5: If the U.S.S.R. carries through with its projected releases (5 billion by 2000), the U.S., Canada, and Japan would lose some of their European market shares. (250)

PUT A CHECK MARK IN THE CELL YOU CHOOSE.

21.9	43.8	13.7	16.4	1.4	2.7

ASSERTION 6: High volume production which could lead to increased profits at a lower price if accomplished effectively. (251)

ASSERTION 7: No effect on the red salmon market since these are difficult and costly to rear in hatcheries. They aren't native to Japan, and the U.S.S.R. doesn't have the lakes to support more than a limited supply. (252)

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
16.7	38.3	9.1	27.3	16.2	1.5

ASSERTION 8: The more efficient harvesting sectors in the U.S.S.R. and Japan will reduce the price of pinks and chums which will severely affect U.S. fishermen. (253)

6.8	36.6	16.4	30.1	9.2	2.7

ASSERTION 9: Prices will decline as supply increases. As this happens, there will be a demand for curtailing the ocean rearing programs. (254)

9.7	30.6	18.1	27.8	13.8	0

ASSERTION 10: There will be decline in price for Alaskan salmon if current marketing strategies are followed. (255)

18.1	38.9	19.4	19.4	4.2	0

ASSERTION 11: Export demand will decline. (256)

16.2	29.7	17.6	28.7	8.1	2.7

ASSERTION 12: Price will decline as salmon returns to being a staple cheap protein commodity as pre-WWII. (257)

5.6	37.5	18.1	26.4	11.1	1.4

ASSERTION 13: Economic implications depend on the regulatory regime. For example, an increase in fish stocks under an essentially open access regime will not increase the net productivity of the fishery. (258)

32.3	29.4	13.2	20.6	2.9	1.5

ASSERTION 14: Most of the effect will be on the pink and chum markets since these are the cheapest species to raise. (259)

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
23.2	36.2	14.5	17.4	8.7	0

ASSERTION 15: Fishermen can increase their CPUE (catch per unit of effort) and thus make as much or more at a lower ex-vessel price. (260)

7.4	41.2	14.7	29.4	7.4	0

ASSERTION 16: Processors will have a more stable supply and therefore, a more efficient operation. (261)

19.2	35.6	13.7	30.1	0	1.4

ASSERTION 17: The market price will be lower causing demand to increase. (262)

22.9	44.3	12.9	12.9	7.1	0

1.2

The high seas salmon catch has decreased significantly since the early 1970's, due mainly to international agreements to restrict the high seas harvest (Japan accounted for 61% of all U.S. fishery exports in 1983). During the same period, the Japanese coastal catch (consisting mainly of hatchery raised adult chum salmon) has increased enough to equal the previous 15 year average. What are the implications of this trend (i.e., increasing Japanese coastal catch) for the U.S. salmon industry in the next 20 years?

FEEDBACK ONLY

ASSERTION 1: The Japanese coastal catch consists mainly of chums and pinks while the high seas catch concentrates on reds. Therefore, there would be negative effects on U.S. export markets for the low value species while the higher valued species would only be marginally affected, if at all.

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
20.9	52.2	4.5	19.4	1.5	1.5

ASSERTION 2: The more significant trend for U.S. exports to Japan is the decreasing Japanese distant water catch.

32.3	50.0	0	13.8	3.1	0

ASSERTION 3: Chums and reds aren't good substitutes for one another in the Japanese market.

VALID	RELIABLE	NOT DETERMINABLE	RISKY	UNRELIABLE	NOT PERTINENT
29.0	53.2	4.8	0.1	1.6	3.2

ASSERTION 4: Japanese salmon imports are 70 - 75% reds. With a decreasing high seas catch, demand for reds will increase.

26.8	63.4	4.2	5.6	0	0

ASSERTION 5: These trends will force U.S. producers to market fish elsewhere. European demand will be met by Norway and the U.S.S.R. One alternative will be the Third World which cannot absorb much at today's prices. The king and coho market will continue to be strong in the U.S. at reduced prices. Sockeye looks good in the frozen domestic market. Also, there will be increased domestic consumption at lower prices for pinks and chums.

14.9	56.7	11.9	11.9	4.5	0

ASSERTION 6: The number one implication is to develop the U.S. salmon market.

38.4	38.4	6.8	11.0	2.7	2.7

ASSERTION 7: Alternative markets for salmon roe must be found.

25.8	43.5	6.4	4.8	11.3	8.1

ASSERTION 8: There will be a decline in export markets for chums.

14.9	52.2	14.9	13.4	4.5	0

REEVALUATION - Your response is requested for this subsection.

ASSERTION 9: The overall Japanese salmon market has increased over the last 20 years and will continue to do so. (263)

VALID	RELIABLE	NOT DETERMINABLE	RISKY	UNRELIABLE	NOT PERTINENT
9.7	49.1	19.4	11.2	4.8	0

PUT YOUR CHECK MARK IN THE CELL YOU CHOOSE.

ASSERTION 10: The greatest detrimental effect will be on sujiko (salmon roe) exports and not on the export of fish. (264)

VALID	RELIABLE	NOT DETERMINABLE	RISKY	UNRELIABLE	NOT PERTINENT
6.7	45.0	31.7	31.7	3.3	1.7

ASSERTION 11: These trends suggest a continuing shakeout of the U.S. industry with only those having a special market niche, financial strength, and sustained profits remaining. (265)

14.7	45.6	14.7	17.6	4.4	2.9

ASSERTION 12: The Japanese per capita demand for all fish products will decline in the next 20 years due to changes in tastes and preferences among the younger generation. (266)

15.5	42.2	11.3	19.7	11.3	0

ASSERTION 13: The Japanese success with hatchery production provides a model to predict economic success of hatchery production. (267)

5.7	47.1	12.9	20.0	11.4	2.9

ASSERTION 14: Another implication is to develop the overseas market (especially for canned products) in anticipation of a declining U.S. dollar. (268)

10.4	41.8	14.9	19.4	7.5	6.0

ASSERTION 15: There will be a decline in the export markets for pinks. (269)

8.9	38.8	17.9	28.4	6.0	0

ASSERTION 16: This implies that we must solve institutional questions related to salmon ranching if the U.S. is to compete effectively with Japan. (270)

21.9	42.2	10.9	9.4	9.4	6.2

1.3

In 1982, approximately 50% of the salmon eggs taken in Alaska were handled by private, nonprofit hatcheries. At the present time private-for-profit hatcheries are not allowed in Alaska. Currently three types of hatcheries exist in the State: public hatcheries (funded by tax dollars), private nonprofit hatcheries (started by State loans and/or grants and funded by an aquaculture assessment on the commercial catch within their region and the sale of surplus salmon), and so called "Mom and Pop" operations (started with State money and funded by the sale of surplus fish). (Surplus fish are defined as fish which have passed through the common property fishery and returned to the terminal area over and above the numbers needed for cohort recruitment.) Currently all of these programs are coordinated by the Alaska Department of Fish and Game.

FEEDBACK ONLY

ASSERTION 1: Salmon stocks should be managed to protect natural runs.

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
41.5	41.5	6.2	6.2	1.6	3.1

ASSERTION 2: Pen culture which should be encouraged and can be controlled in its entirety.

17.6	49.1	10.5	10.5	12.3	0

ASSERTION 3: Costs should be carefully evaluated to assure they contribute more than they remove from the fishery economy. We should consider whether dollars spent on hatcheries might be better spent on research, stock assessment, and enhancement.

40.0	46.2	6.2	6.2	0	1.6

ASSERTION 4: Private For Profit hatcheries that can make some level of profit and still contribute to the common property fishery should be encouraged.

22.2	49.2	6.4	12.7	9.5	0

ASSERTION 5: ADF&G should continue to manage hatchery runs and perform their regulatory role.

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
27.1	52.5	6.8	8.5	5.1	0

REEVALUATION - Your response is requested for this subsection.

ASSERTION 6: "Private nonprofits" should concentrate on commercial fish production and enhancement of early and late stocks to extend seasons. (271)

VALID	RE-LIABLE	NOT DETER-MINABLE	RISKY	UNRE-LIABLE	NOT PER-TINENT
10.7	44.6	10.7	21.4	7.1	5.4

PUT A CHECK MARK IN THE CELL YOU CHOOSE.

ASSERTION 7: The nonprofit concept doesn't promote efficiency and innovation that the profit motive generates. Alaska should introduce profit at a deliberate pace or State interests will fall behind more efficient foreign competition. (272)

15.9	42.9	3.2	23.8	11.1	3.2

ASSERTION 8: Private Non Profit (PNP) hatchery corporations, both local and regional, are stifled by overregulation from the Alaska Department of Fish and Game (ADF&G). The primary cause is the Fisheries Research and Enhancement Division (F.R.E.D.) playing a dual role as competitor and regulator. (273)

15.1	32.1	13.2	28.3	7.6	3.8

ASSERTION 9: Transfer of stocks, providing they are disease free, should be allowed between regions. (274)

14.0	31.6	8.8	24.6	17.5	3.5

ASSERTION 10: The primary role of ADF&G should be research and development and disease control. (275)

15.5	29.3	8.6	24.1	19.0	3.4

ASSERTION 11: Exclusive area rights with no restriction on how the catch is taken. Should be in the form of fisherman/processor cooperatives. Offshore interceptions should be kept at a minimum through individual quota licensing arrangements. (276)

VALID	RE-LIABLE	NOT DETER-MINABLE	DIRECT	UNRE-LIABLE	NOT PER-TINENT
16.3	28.6	10.7	28.6	17.9	0

ASSERTION 12: The State should allow a pen farming network of size, scope and marketing operations similar to Norway. (277)

12.7	41.8	16.4	12.7	14.5	1.8

ASSERTION 13: The State should fund a smolt operation for the purpose of getting the farming network started and maintaining a genetically strong strain. (278)

16.4	28.2	14.5	28.0	7.3	3.6

ASSERTION 14: The present institutional arrangement is practical in terms of political support and is functional. (279)

5.8	30.5	11.6	42.3	1.9	0

SECTION II - EVALUATION

This section contains seven questions from the second questionnaire with a set of assertions related to each question. These assertions were obtained from the responses that individual panelists submitted in the previous questionnaire.

INSTRUCTIONS

- You are requested to evaluate the assertions by writing a number from 1 to 6 on the lines provided at the right of each assertion.
- Use the Validity Scale (on the colored pages) to evaluate the assertions.
- In making your judgment about the relative validity of an assertion, take into consideration the meaning of the original question and the definitions used in the validity scale.
- You may make comments either in the margins or at the end of the questionnaire. Extra space is provided for comments at the end. Please remember to indicate the question and page numbers to which you refer.
- The numbers in parentheses are for coding purposes and should be ignored.

EXAMPLE QUESTION:

Original question is repeated here so that you may compare the assertions with the question to which they refer.

2.5

If there is partial or no cost recovery from returning adults, what means should be used to finance nonprofit, private, hatcheries?

Validity Scale

1 Valid	4 Risky
2 Reliable	5 Unreliable
3 Not Determinable	6 Not Pertinent

Please rate the validity of the following assertions:

ASSERTION 1 Tax those who benefit, fishermen or processors. In any case, the cost will be passed on to the final consumer, tacked onto the price paid for the fish. ——— (341)

ASSERTION 2 The present system is fine. PMP's must learn to live within what is provided by assessments. ——— (342)

Response given by a panelist in the second questionnaire presented here for you to evaluate.

You evaluate the assertions by putting a number (1-6) on the line to represent the relative validity of the question.

VALIDITY SCALE

Numeric Scale		
1	VALID	- low risk of being wrong - decision based upon this will not be wrong because of this "fact" - most inferences drawn from this will be true
2	RELIABLE	- some risk of being wrong - willingness to make a decision based upon this - assuming this to be true but recognizing some chance of error - some incorrect inferences can be drawn
3	NOT DETERMINABLE	- the information or knowledge to evaluate the validity of this assertion is not available to anyone - expert or decisionmaker
4	RISKY	- substantial risk of being wrong - not willing to make a decision based upon this alone - many incorrect inferences can be drawn
5	UNRELIABLE	- great risk of being wrong - worthless as a decision basis
6	NOT PERTINENT	- even if the assertion is VALID or UNRELIABLE it has no significance for the basic issue - it cannot affect the variable under question or observable amount
Blank	No Judgment	- no knowledge to judge this item

2.1

Norway has been developing a successful salmon farm industry. Production of pen-reared salmon exceeded 40 million pounds in 1984 and is expected to at least double by 1986. Other European countries are also entering this industry. Alaska salmon could largely be displaced from European markets for fresh and fresh frozen salmon by 1990, and competition for U.S. markets will intensify.

Given these developments, what role do you foresee for pen-reared salmon in Alaska's future? Please be specific in terms of species and relative importance compared to natural and hatchery (ranched) production.

Validity Scale
1 Valid — 4 Risky
2 Reliable — 5 Unreliable
3 Not Determinable — 6 Not Pertinent

Please rate the validity of the following assertions:

ASSERTION 1: The development of pen reared salmon farming in Alaska is biologically feasible, but its economic feasibility is doubtful. High production and transportation costs will limit potential. _____ (300)

ASSERTION 2: There are very few places in Alaska where the temperature conditions would be warm enough year round to compete with the growing conditions in Norway. _____ (301)

ASSERTION 3: Alaska needs salmon farming to open up year round markets for high quality fresh fish. Farmed fish may actually increase the demand for high quality fresh and fresh frozen kings and cohos by assuring a steady supply. _____ (302)

ASSERTION 4: Pen rearing would open up markets for fish wastes and by-products. _____ (303)

Validity Scale
1 Valid — 4 Risky
2 Reliable — 5 Unreliable
3 Not Determinable — 6 Not Pertinent

ASSERTION 5: Alaska should get into pen rearing. It has the great advantage of site availability at least in Southeast and Southcentral. _____ (304)

ASSERTION 6: For the near future (10-20 years), Alaska should stick to what she does best: harvesting salmon in her waters, not pen raising them. _____ (305)

ASSERTION 7: No, I don't think Alaska should divert public funds into pen raising and I don't think private industry will find it profitable either. _____ (306)

ASSERTION 8: Assuming that pen rearing in Alaska is technically and economically feasible, the market effect of competition between farmed and troll caught kings and cohos needs to be better understood. _____ (307)

ASSERTION 9: I see pen rearing by cooperatives of small producers as an adjunct to total market development by industry and fishermen. Pen rearing of Alaskan chinook could potentially exceed or replace troll production. _____ (308)

ASSERTION 10: Pen rearing in Alaska will be of very little importance compared to natural and hatchery production. _____ (309)

ASSERTION 11: Coho, chinook and steelhead are the only species which should be considered for pen rearing. _____ (310)

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 12: One problem is high production costs for desired species, i.e., chinook and coho. Seasonability of production plus brood stock problems also limit present potential. Atlantic salmon may be Alaska's best bet for pen rearing at present. _____ (311)

ASSERTION 13: Depends on government stance concerning leases, culture of Atlantic salmon, and financing of support facilities (i.e., brood stock and disease control). _____ (312)

ASSERTION 14: The State should offer experimental permits to fishermen to conduct a pilot program and develop a system of individually owned small farms such as Norway has. _____ (313)

ASSERTION 15: There is absolutely no comparative advantage in North American pen rearing for European markets. _____ (314)

ASSERTION 16: Southeast Alaska enjoys a comparative advantage in shipping costs to the Lower 48 ($.22/lb from Southeast vs. $1.10/lb from Norway). Therefore, we should concentrate on pen rearing salmon for the domestic market. _____ (315)

ASSERTION 17: Pen rearing should be developed along the lines of the "mom and pop" hatcheries in rural areas. _____ (316)

2.2

Salmon aquaculture will create a new interest group in Alaska salmon fisheries. This new group will possess a farming philosophy which can contribute to conflict with a traditional industry which is based on hunting. Legal and institutional structures for farming and hunting economics are quite different. What are the political implications arising from farming versus hunting in Alaska salmon fisheries?

Can a salmon industry based on hunting survive in competition with one based on farming? Can the two be successfully integrated?

Responses to these three questions have been combined into one set of assertions.

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 1: There is no reason why hunting and farming cannot be integrated into a single industry. Salmon farming will dominate the high priced fresh market particularly in the off season while hunting and ranching interests will hold the lower priced, high volume end of the market. _____ (317)

ASSERTION 2: The interests may not necessarily be different. This has not been the case in Norway. Limit the farm size and limit farming to individuals by amending the limited entry permit to allow farming by a permit holder. _____ (318)

ASSERTION 3: We would not see any basic conflict for years, as Alaska's largest political group is made up of its fishermen. The big problem of DomSea in Puget Sound came from real estate, anti-pollution forces, and other directions -- little opposition from fishermen. _____ (319)

ASSERTION 4: Salmon pen rearing must be profit motivated to attract investors. Fishermen view pen-reared salmon as competition and resist aquaculture for profit. This strong fishing lobby will keep political pressure on the Legislature to prevent private for profit pen rearing. _____ (320)

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 5: Only some type of fishermen's cooperative approach, where fishermen could fish during part of the year and farm during the remainder (as in Japan), would be politically acceptable. _____ (321)

ASSERTION 6: You must be able to demonstrate some definite advantages to the "hunters" and to the State's economy as a whole. I think you can argue that the two products aren't all that competitive - they serve different market niches so far as pen reared versus wild/ranched fish are concerned. _____ (322)

ASSERTION 7: Only large corporations such as Weyerhaeuser or possibly Native corporations can afford the capital costs of pen rearing. _____ (323)

ASSERTION 8: A salmon industry based on hunting can survive with one based on ocean ranching because the benefits of increased adult production are being realized by fishermen. Strict pen rearing will be incompatible unless it can somehow be integrated into the existing institutional structure possibly via fishermen's cooperatives or by allowing private nonprofit aquaculture associations to participate. _____ (324)

ASSERTION 9: An integration of the processing and farming sectors seems inevitable. Fishermen must be included to make this politically viable. _____ (325)

2.3

While there appears to be a wide range in the types of panelists' answers to the question of what institutional form hatchery production should take, there is a fair agreement that salmon stocks should be managed to protect natural returns, and that a profit incentive should be introduced slowly to the private nonprofit hatcheries.

Aside from the current aquaculture assessment, do you believe fishermen and processors should share in the costs and/or profits of privately held hatcheries?

Yes 47.6% No 36.1% Don't Know 14.3%

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 1: The current assessment is a good means for providing capital and operating costs on a user pays basis. The profit side should be covered by the availability of more fish to benefit the greatest number of people. _____ (326)

ASSERTION 2: Private for profit hatcheries should carry their own costs and/or profits. _____ (327)

ASSERTION 3: There should be no private for profit hatcheries. The only private for profit operations that should be allowed are pen rearing salmon farms. These should buy their smolts from ADF&G controlled hatcheries. _____ (328)

ASSERTION 4: The public is precluded from commercial fishing by the limited entry system. Therefore, all of the costs and benefits of private hatcheries should be borne by those who are directly involved - fishermen, processors, and hatchery owners. _____ (329)

ASSERTION 5: In localized areas where fishermen can derive determinable benefits in increased catch, and where the major return is to hatcheries, fishermen should be assessed to fish. _____ (330)

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 6: The answer depends on identification of increases on production due to such hatcheries. The simplest mechanism is to allow an adequate escapement to hatcheries and assess no costs. If catch (interception) rates are set high, a cost-sharing arrangement may be in order. _____ (331)

ASSERTION 7: Yes. Vertical integration and a better definition of property rights are necessary for Alaska to maintain its competitiveness. _____ (332)

ASSERTION 8: I believe the ideal arrangement would be a joint stock company or limited partnership arrangement with fishermen as stockholders. The hatcheries should be private for profit complete with a manager and a board of directors. _____ (333)

2.4

Private nonprofit hatcheries are allowed to sell surplus adults as a means to generate funds for operations and debt repayment. Should the State (ADF&G) manage common property fisheries to allow sufficient escapement for total cost recovery, partial cost recovery, no cost recovery?

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 1: Partial recovery should be allowed. Terminal fisheries necessary for total recovery equal poor quality and are therefore economically inefficient. _____ (334)

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 2: No cost recovery. Surplus fish at the hatchery are of poor quality and should be used only for breeding stock. _____ (335)

ASSERTION 3: Management costs should not be tied or limited to the actual year-by-year production of a fishery that is periodically depressed. _____ (336)

ASSERTION 4: Since salmon are most often fished in mixed stock fisheries and predicting run strength is an art even for hatchery fish, great care should be exercised not to close down valuable mixed stock fisheries in order to generate more hatchery returns. In other words, the expected costs and benefits of alternative methods of managing fisheries which intercept hatchery fish should be weighed. _____ (337)

ASSERTION 5: Partial cost recovery should be used to cover development costs. Assistance should be phased out eventually to convert nonprofits to profit status. _____ (338)

ASSERTION 6: Total cost recovery should be required of all hatcheries including State operated hatcheries. _____ (339)

ASSERTION 7: The present system for private nonprofit partial cost recovery is working well. _____ (340)

2.5

If there is partial or no cost recovery from returning adults, what means should be used to finance nonprofit, private, hatcheries?

Validity Scale
1 Valid — 4 Risky
2 Reliable — 5 Unreliable
3 Not Determinable — 6 Not Pertinent

Please rate the validity of the following assertions:

ASSERTION 1 Tax those who benefit, fishermen or processors. In any case, the cost will be passed on to the final consumer, tacked onto the price paid for the fish. _____ (341)

ASSERTION 2 The present system is fine. PNP's must learn to live within what is provided by assessments. _____ (342)

ASSERTION 3: A balance between an enhancement assessment and partial cost recovery from fish sales is a good financial arrangement. _____ (343)

ASSERTION 4: There should be no private for profit hatcheries. The only private for profit operations that should be allowed are pen rearing salmon farms. These should buy their smolts from ADF&G controlled hatcheries. _____ (344)

ASSERTION 5: The simplest mechanism is to allow an adequate escapement to hatcheries and assess no costs. _____ (345)

ASSERTION 6: Private for profit hatcheries should probably remain independent - to make their own profit or suffer loss, and they have to be assured of sufficient profit to encourage investment. _____ (346)

2.6

The twelve Seattle-based American flag factory trawlers currently operating within the Alaskan FCZ add little to Alaska's economy. Over-the-side sale type joint ventures provide income for some local fishermen, but all of the value added from processing the harvested fish into its final product form escapes overseas. Processed-at-sea surimi sells for twice as much as the shore processed product in export markets.

Given these facts, what can Alaska do to encourage the development of a "value added" industry around its abundant groundfish resources? Please be specific in terms of species, products, and locations.

Validity Scale
1 Valid — 4 Risky
2 Reliable — 5 Unreliable
3 Not Determinable — 6 Not Pertinent

ASSERTION 1: I'm not sure it would be wise to pursue any development policy other than providing a stable regulatory environment - using State funds to develop a fishery merely transfers wealth from the State as a whole to the relatively few individuals who would benefit. _____ (347)

ASSERTION 2: To be competitive, the U.S. industry must develop around factory trawlers. Alaska can benefit by providing support facilities and support services. _____ (348)

ASSERTION 3: Shore based processors have to process pollock into surimi for the domestic market. The domestic market doesn't recognize the quality difference between at sea or shore based processing. Subsidies and/or proof of profitability will stimulate processors into the bottomfish industry. _____ (349)

ASSERTION 4: Encourage steady improvement in infrastructure. Stay away from subsidies. _____ (350)

ASSERTION 5: Restructure the raw fish tax; graduate it from tax credit to actual tax determined on the extent to which a product is locally processed. _____ (351)

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 6: Employ tax incentive schemes to generate modernization of plants and vessels. _____ (352)

ASSERTION 7: Surimi is the bottleneck at the present time and the reasons are pretty well outlined here. Under present restrictions, surimi processing is hard to put together economically. I would suggest that we forget surimi and turn to production of surimi products to take advantage of the growing U.S. market now. _____ (353)

ASSERTION 8: Allow the landing of Japanese produced product, restricted to U.S.-Japan joint operation produced product if necessary, directly into Alaska ports. _____ (354)

ASSERTION 9: Concentrate efforts on higher value species, i.e., rock fish, flounder, cod. Pollock can follow at a much later date. Provide information on direct marketing of higher value species. _____ (355)

ASSERTION 10: Alaska should take a hard look at "in State waters" joint ventures and take advantage of them for a while. _____ (356)

ASSERTION 11: Provide long-term, low interest loans for infrastructure development in Alaskan coastal communities and most important, low cost electrical energy and tax incentives. _____ (357)

2.7
One option that would help capture some "value added" from groundfish production is a fleet of locally-based vessels of smaller size than the factory trawlers which could harvest and process their catch at sea and ship their fresh "frozen" finished product from Alaskan ports in freezer containers. Do you think this is a viable option?

Validity Scale
1 Valid 4 Risky
2 Reliable 5 Unreliable
3 Not Determinable 6 Not Pertinent

ASSERTION 1: We see some of it already, especially in higher value fish, sablefish, cod, turbot, but must have storage and shipping facilities greatly improved. _____ (358)

ASSERTION 2: Shipping costs are too great and the dollars going into Alaska's economy would be negligible. _____ (359)

ASSERTION 3: Absolutely not. Pollock and yellowfin sole are caught in such tremendous quantities and are of so low value that it dictates a large boat, large volume fishery. _____ (360)

ASSERTION 4: The fact that there is little movement in this direction indicates that it is probably not "viable," i.e., profitable. _____ (361)

ASSERTION 5: The focus of smaller sized vessels must be on higher valued species and high quality markets. _____ (362)

ASSERTION 6: Because of Alaska's transportation cost advantage to the Orient, offloading in Alaskan ports for trans-shipment should be encouraged. _____ (363)

ASSERTION 7: Locally based vessels would tend to contribute more to the local economies. However, if high wages are required for Alaskan crews and smaller boats are inherently less efficient, such boats may be marginal operations at best. _____ (364)

Validity Scale

1 Valid	4 Risky
2 Reliable	5 Unreliable
3 Not Determinable	6 Not Pertinent

ASSERTION 8: Shore based processing companies simply must get out of the mind-set that they are adversaries to floating processors or else they will die on the vine. I dare say that had there been some innovative thinkers among the shore based processors, the new larger class of factory trawlers would never have been built in the U.S. Someone still has to do the groundwork for vessels once they land their catch. Why not break into this? _____ (365)

ASSERTION 9: Lower priced imports from Korea, Canada and other countries seeking hard currencies will probably make it difficult. Specialized market niches, especially with high quality/value products are a viable option, however. _____ (366)

ASSERTION 10: Some studies I have seen indicate that the most efficient processors are of medium size and the size of boat has to be carefully matched with efficiency of production. I don't know at the moment what the optimum size is. Otherwise, a viable option I think. _____ (367)

ASSERTION 11: If government leadership is provided for R & D, grants for production equipment and extension and marketing help, this could be accomplished. _____ (368)

GENERAL COMMENTS

Please feel free to comment on the questionnaire in general. For comments that refer to specific questions, please give the question number and page number to which the comment refers.

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-619 (REV 8/78)

SCOMM

#48:8

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M January 26, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: 1/30 Teleconference

A teleconference has been scheduled for 2:00-3:00 p.m. Wednesday, January 30, 1985 with the Southeast Regional Fish and Game Advisory Council. This teleconference has been scheduled to give you the opportunity to become familiar with the advisory committee and regional council system.

The Southeast regional advisory council is one of the most active in the state and provides an excellent example of how local residents can gain more influence over activities affecting fish and wildlife. The Alaska National Interest Lands Conservation Act (ANILCA) granted the regional advisory councils a major role in resource management.

The regional council is meeting in Sitka concerning a number of issues coming before the Alaska Board of Fisheries and North Pacific Fishery Management Council. The regional council also will be discussing the management of Tongass National Forest.

Representatives of the Alaska Department of Fish and Game and the U.S. Forest Service will attend the teleconference at the Juneau site to respond to concerns raised by the Fisheries Committee and Regional Advisory Council.

I apologize for any inconvenience that may result from scheduling this teleconference at a time when the committee does not normally meet. The meeting time was set to accommodate the regional council agenda. It should be extremely informative and I hope you will be able to attend.

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          01/30/85  TIME: 15:37                   *
* FROM:          LIOSIT                                  *
* SUBJECT:       FINAL STATS                             *
* PRINT DATE:    01/30/85  TIME: 15:37                   *
*                                                        *
**********************************************************
```

*** FINAL T/C STATS ***

DATE: JANUARY 30, 1985
SITE: SITKA
SPONSOR: SPEC. COMM ON FISHERIES/REP GOLL
SUBJECT: S.E. COUNCIL, [illegible]G ADVISORY BOARD
LOCAL MODERATOR: SUNDE & BIGGS

****
TESTIFIED:

1. RICHARD CARLTON, BOX 873, PORT ALEXANDER
2. D.W. DEAN, 2662 DOUGLAS HIGHWAY, JUNEAU
3. DOROTHY FOSSMAN, BOX 237, HAINES
4. BRUCE EAGLE, BOX 641, WRANGELL
5. ERIC JORDON, 609 BIORKA, SITKA
6. GRETCHEN GOLDSTEIN, BOX 14 (COMMUNITY?) 489-8001
7. GORDON WILLIAMS, BOX 7, ANGOON
8. DONALD A. THOMAS, BOX 66, KLAWOCK
9. GORDON PEDERSON, BOX 384, HOONAH

summer straits advisory committee
Pt. Baker

OBSERVING:

1. CHARLES JONES, CRAIG
2. ART DEMMERT, ANB GRAND CAMP, KL AWOCK
3. PAUL GUGGENBICKLER, BOX 63, PELICAN
4. DONALD SEE, BOX 542, TEN AKEE
5. TOM JACOBSON, BOX 18, POINT BAKER
6. T.P. THOMAS, BOX 1692, JU NEAU
7. RON TSCHAKERT, HYDER
8. LOREN CROXTON, BOX 1410, PETERSBURG
9. JOHN PECKHAM, BOX 8394, KETCHIKAN
10. MICHAEL TAVOLIERO, BOX 360, HOONA H
11. JIM WILD, ELFIN COVE
12. BOB ANDERSON, YAKUTAT
13. VIKKI BENNER, A DF&G, BOX 3-2000, JUNEAU
14. DAVE MILLS, ADF&G, BOX 20, DOUGLAS
15. NORM HOWSE, USFS, BOX 1628, JUNEAU
16. VICTOR BURGESS, BOX 363, HYDABURG

TO TALS: 9 TESTIFIED 16 OBSERVED
TOTAL: 25

********** E O M **********

DELIM ;

Alaska State Legislature

House of Representatives

Special Committee on Fisheries

~~Community & Regional Affairs~~

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: January 30, 1985 Teleconference w/ Southeast Regional Fish + Game Adv. Council

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Leo A Land	Box 122 Haines	myself	X	766-2466
ginny fay	po box 1504 juneau 99802	mellon foundation 7066 review	no	586-2465
Dean George		OMB	no	
Konrad B. [illegible]nke	Box 1628 Juneau AK 99802	U.S. Forest Service	NO	586-7282
Mil Zahn	3090 Nowell Ave	Self	NO	6-2018
Beth Stewart	Box 3-2000 Jnu 99802	ADF&G / Div. Boards	NO	465-4110
✓ Dave Heerwagen	POB 1628 Juneau 99802	US Forest Service	Yes	586-7484
Howard Wayne	Juneau	John Sundt (Distrib)	NO	465-4919
Geneva Davenport	P.O. Box 211283 Auke Bay	Coll > Self (HT)	NO	364-3647
Walt Sheridan	POB 1628 JNU 99802	US Forest Service	NO	586-7155
Rob Bosworth	Box 3-2000 Jno 99802	ADFG - Subsistence Div.	No	465-4147
Robert W. Loescher	1 Sealaska Plaza	Sealaska Corporation	?	586-1512
Jon Newstrom	Pouch V	Rep. Grussendorf	NO	3720

TENTATIVE AGENDA

SOUTHEAST REGIONAL FISH AND GAME COUNCIL MEETING
Sheffield Hotel, Sitka
January 30-31, 1985

JANUARY 30

1:00 p.m. - Roll call
Approval of minutes - November meeting
Introduction of new members/guests
Additions/changes to agenda
Individual committee concerns

2:00 p.m. - Teleconference with Peter Goll and House Fisheries Committee

3:00 - 5:00 p.m. - Report of USFS/Timber subcommittee
General regional council business

JANUARY 31

9:00 a.m. - Status of subsistence/commercial fishing in Glacier Bay National Monument

10:00 a.m. - Discussion of methods of involving local advisory committees in USFS and pulp mill planning processes

1:00 p.m. - Discussion of North Pacific Fishery Management Council actions and plans

2:00 - 5:00 p.m. - Discussion of Board of Fisheries proposals

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

January 29, 1985

SPECIAL COMMITTEE ON FISHERIES Behrends Building 209

Tuesday, January 29, 1985
8:30 - 10:00 a.m.

* HB 58 "An Act relating to the fisheries business tax."

Confirmation hearings:

1. Bruce Twomley, Commercial Fisheries Entry Commission
2. Ernest Carter, Alaska Board of Fisheries

Discussion on fisheries priorities

Wednesday, January 30, 1985
2:00 - 3:00 p.m.

Teleconference with the Southeast Regional Fish and Game Advisory Committee

1. Role of regional fish and game advisory committee
2. Federal timber management

* denotes first public hearing

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 1/30/85, 2:00pm

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1248 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:9

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF FISH AND GAME

DIVISION OF BOARDS

BOX 3-2000
JUNEAU, ALASKA 99802
PHONE: (907) 465-4110

February 13, 1986

The Honorable Peter Goll
Chairman
House Special Committee
on Fisheries
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

At the 1985 Southeast finfish meeting, the Hoonah Advisory Committee's Proposal #338 requested that the Alaska Board of Fisheries ask the Legislature to identify charter vessel operations as a separate user group for which separate regulations could be written. The board agreed, and so I am writing to you as the Chairman of the House Special Committee on Fisheries and Hoonah's representative. The board also asked the Southeast Regional Council members to make their views known to their legislators.

For the past several years we have received a number of proposals which address charter boat fishing. It is apparent that most people view charter operations as a discrete classification. However since AS 16.05.251, which outlines the board's authority, does not refer to charter operations, the Department of Law has told us that we are on very shaky legal ground when we adopt regulations like the six line limit for charter vessels in Southeast.

This regulation was strongly supported by the Southeast charter vessel operators, who continue to be concerned that this regulation could be overturned in court. As this industry grows, I believe that more and more fishermen will want the board to address it separately. In order to avoid at least some confusion, it would be helpful if the board's authority to do so were clear.

If the board can provide any further clarification, please do not hesitate to contact us.

Sincerely,

Ron Jolin

Ron Jolin
Chairman
Alaska Board of Fisheries

cc: The Honorable Richard Shultz
Co-Chair, House Resources Committee
The Honorable Adelheid Herrmann
Co-Chair, House Resources Committee
The Honorable Arliss Sturgulewski
Chair, Senate Resources Committee
Southeast Advisory Committees

NOTICE OF PROPOSED CHANGE IN THE REGULATIONS OF THE ALASKA BOARD OF FISHERIES

Pursuant to the Administrative Procedure Act, Alaska Statutes 44.62, notice is hereby given that the Commissioner of the Alask Department of Fish and Game, under authority vested by AS 16.05.251, as authorized by delegation of the Board of Fisheries under AS 16.05.270, proposes to adopt, amend, or repeal regulations contained in Title 5 of the Alaska Administrative Code which implement, interpret, or make specific the provisions of Title 16, Alaska Statutes.

Regulations to be the subject of this proposed action concern marking requirements for sport fishing charter vessels.

The department may adopt, amend, repeal, or take no action on the subject matter of the proposed regulatory change in the following informative summary.

Amend 5 AAC 39.119 so that charter vessels in all areas of the state except the Southeastern Alaska and Yakutat areas, not otherwise used for commercial fishing, are exempt from the requirement that each vessel's ADF&G number be displayed in one-foot high, one-inch wide numerals.

This action is not expected to require an increased appropriation.

Notice is also given that anyone interested may present written statements or arguments relevant to the actions proposed in this notice. Written comments should be received by the Alaska Department of Fish and Game, Division of Boards, Box 3-2000, Juneau, Alaska 99802, by 4:30 p.m. on May 23, 1986.

Anyone interested in or affected by charter vessel fishing regulations is hereby informed that, by publishing this legal notice, the department may consider all of the subjects covered by the proposed changes contained in this notice. THE DEPARTMENT IS NOT LIMITED BY THE SPECIFIC LANGUAGE OR CONFINES OF THE ACTUAL PROPOSAL. The department's actions are limited to the subject matter given in this legal notice, but pursuant to AS 44.62.200(3), the department may review the full range of activities appropriate to any of the subjects listed. On its own motion, after public hearing, the department may adopt, amend, reject, supplement, or take no action on these matters.

In addition, the department may adopt other regulations necessary to implement, administer, or enforce the regulations adopted. Anyone interested in or affected by the subject matter contained in this legal notice should make written comments if they wish to have their view considered by the department.

Date: 4·17·86

Don W. Collinsworth
Commissioner
Alaska Department of Fish
and Game

CHAPTER 39
GENERAL PROVISIONS

5 AAC 39.107 (b),(c), and (e) are amended to read:

5 AAC 39.107. OPERATION OF GEAR.

(b) Throughout the period of operation of mobile net gear, a person who holds a valid CFEC permit for that gear must be physically present on-board the vessel from which the net gear is operated.

(c) A CFEC permit holder shall personally operate or assist in the operation of mobile net gear. "Personally operate or assist in the operation" means assisting or supervising some portion of the immediate operation.

(e) A person who holds a CFEC permit for the operation of stationary net gear or fishwheels must be within a reasonable distance of his gear when at a point of sale or at the location of other stationary gear of that permit holder. A "reasonable distance" means a distance that ensures that the CFEC permit holder retains competent supervision of his gear. (In effect before 1983; am 4/16/83, Register 86; am 5/31/85, Register 94; am __/__/86, Register __)

Authority: AS 16.05.251
AS 16.05.253

5 AAC 39.110 (c) and (e) are amended to read:

5 AAC 39.110. CREW MEMBER FISHING LICENSE REQUIREMENTS.

(c) A crew member licensee who does not hold a valid CFEC permit card may crew in any fishery if the holder of a valid CFEC permit card for that fishery is in compliance with 5 AAC 39.107(b) and (c), or with (e).

(e) In this section, "crew" means the activities of a commercial fisherman as defined in AS 16.05.940(4), who is actively engaged in the operation of fishing gear that is operated in compliance with 5 AAC 39.107(b) and (c), or with (e). (In effect before 1982; am 4/14/82, Register 82; am __/__/86, Register __)

Authority: AS 16.05.251

5 AAC 39.119 is added to Article 1 to read:

5 AAC 39.119. VESSEL IDENTIFICATION. (a) Unless otherwise specified, commercial fishing vessel required to be licensed under AS 16.05.490 must display its permanent vessel license plate number

(1) in permanent symbols at least 12 inches in height and with lines at least one inch in width that contrast with the background;

(2) on both sides of the hull, cabin, or mast;

(3) in a manner such as to be plainly visible and unobscured; and

(4) at all times when registered to fish.

(b) In addition to the requirements of (a) of this section, each registered salmon hand troll vessel must display the letters HT in permanent block letters. Each letter must be painted on both sides of the vessel hull or cabin in a color contrasting with the background, at least eight inches in height, at least one half inch in width, plainly visible and unobscured at all times. The letters must be displayed at all times until the end of the calendar year.

(c) The following vessels are exempt from the requirements of this section:

(1) those exempt from licensing under AS 16.05.495;

(2) seine skiffs operating with a seine vessel;

(3) charter vessels used exclusively for sport fishing in freshwater. (Eff.__/__/86, Register __)

Authority: AS 16.05.251

5 AAC 39.165(1) is amended to read:

5 AAC 39.165. TRAWL GEAR UNLAWFUL. It is unlawful to use any type of trawl gear for any commercial fishing purposes in the following locations:

(1) waters of Prince William Sound enclosed by lines from Point Whitshed to Point Bentinck, from Cape Hinchinbrook to Seal Rocks (60°10'N.lat., 146°50'W.long.) to Zaikof Point, and from Montague Point to Knowles Head, except that trawls may be used to take herring during the open commercial herring food and bait season (September 1 through January 31); (In effect before 1985; am 7/14/85, Register 95; am__/__/85, Register __)

Authority: AS 16.05.251

April 23, 1986

VTITLEV VFIRSTV VLASTV
VADDRESS_LN_1V
VCITYV, VSTATEV VZIPV

Dear VTITLEV VLASTV:

The House Special Committee on Fisheries will be sponsoring a teleconference hearing concerning sport fishing charter operations Thursday, May 1, from 8:30-10:00 a.m.

The teleconference has been scheduled at the request of several legislators interested in discussing two issues: (1) Board of Fisheries regulations requiring 12-inch identification numbers to be displayed on sport fishing charter vessels; and (2) a request by the Board of Fisheries for statutory authority to manage sport fishing charter operations as a separate gear group.

There is no legislation on the issue pending before the committee, and the deadline for special committees to introduce bills has long passed. This hearing will be strictly to provide a forum for discussion of the issues.

I look forward to the opportunity for an airing of the issues involved. I hope you are able to participate.

Sincerely,

Representative Peter Goll
Chairman

```
*                                                              *
*                                                              *
* ORIGINAL                                                     *
* SENT:          05/05/86  TIME: 08:19                         *
* FROM:          LIOSOL                                        *
* SUBJECT:       FINAL STATS                                   *
* PRINT DATE:    05/05/86  TIME: 08:19                         *
*                                                              *
****************************************************************
```

* * * FINAL STATS * * *

DATE: 5/1/86
SITE: SOLDOTNA
SPONSOR: HOUSE SPECIAL FISHERIES COMMITTEE
SUBJECT: SPORTSFISHING CHARTER VESSELS

TESTIFIED:
1.JIN JOHNSON 44526 STERLING HWY,SOLDOTNA,99669 262-5357
2.GREG DAVIS 10819 SPUR HWY#139,KENAI,99611 262-7360
3.RANDY BERG BOX 4177,SOLDOTNA,99669 262-5727
OBSERVED:
1.TIM BERG BOX 4177,SOLDOTNA,99669 262-5727
2.RON LATSCHAND BOX 668,SOLDOTNA,99669
3.DAN RING BOX 2037,SOLDOTNA,99669
4.JOE RAY SKRHA BOX 1991,SOLDOTNA,99669 2624747
5.RON WEILBACKER BOX 1918,SOLDOTNA,99669 262-9600
6.ROD BERG 266 REDWOOD CT.,SOLDOTNA,99669 262-6064
7.DAN ECK
8.TRACY JEWETT

TOTAL TESTIFIED: 3
TOTAL OBSERVED: 8 TOTAL: 11

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          05/01/86  TIME: 17:02                   *
* FROM:          LIOVAL                                  *
* SUBJECT:       SPORTSFISHING TC                        *
* PRINT DATE:    05/01/86  TIME: 17:02                   *
*                                                        *
**********************************************************
```



*** FINAL T/C STATS ***

DATE: _____MAY 1, 1986_____
SITE: _____VALDEZ_____
SPONSOR: _____HSE SPEC CMTE ON FISH_____
SUBJECT: _____SPORTSFISHING CHARTER VESSELS_____
LOCAL MODERATOR: _____PAT VON BARGEN_____

****

TESTIFIED: 0

NAME/REPRESENTING	ADDRESS	PHONE

****

OBSERVED: 1

NAME/REPRESENTING	ADDRESS	PHONE
1. MARK E. BUCHNER, COHO CHARTERS	BOX 1103 VALDEZ,AK 99686	835-4435

****

TESTIFIED_____0_____
OBSERVED_____1_____
TOTAL_____1____

ON LINE - TIME START:___8:35 A.M.
TIME END:____10:15 A.M.*

*OFF LINE; PARTICIPANT HAD TO LEAVE.

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          05/02/86  TIME: 08:26                   *
* FROM:          TCGLN                                   *
* SUBJECT:       MESSAGE                                 *
* PRINT DATE:    05/02/86  TIME: 08:26                   *
*                                                        *
**********************************************************

TO:         TC CREW

FROM:       REBA-GLENNALLEN

RE:         MESSAGE FOR H SPEC. COMM. ON FISHERIES

PLEASE SEND A COPY OF  THE MINUTES FOR THE T-C  ON SPORTSFISHING,
HELD 5-1-86 AT 8:30 AM TO:
            ROBERT HOLMES
            BOX 78
            COPPER CENTER, AK  99573

THANKS
```

```
*                                                              *
*                                                              *
* ORIGINAL                                                     *
* SENT:          05/05/86  TIME: 08:19                         *
* FROM:          LIOSOL                                        *
* SUBJECT:       FINAL STATS                                   *
* PRINT DATE:    05/05/86  TIME: 08:19                         *
*                                                              *
****************************************************************
```

* * * FINAL STATS * * *

DATE: 5/1/86
SITE: SOLDOTNA
SPONSOR: HOUSE SPECIAL FISHERIES COMMITTEE
SUBJECT: SPORTSFISHING CHARTER VESSELS

TESTIFIED:
1.JIN JOHNSON 44526 STERLING HWY,SOLDOTNA,99669 262-5357
2.GREG DAVIS 10819 SPUR HWY#139,KENAI,99611 262-7360
3.RANDY BERG BOX 4177,SOLDOTNA,99669 262-5727
OBSERVED:
1.TIM BERG BOX 4177,SOLDOTNA,99669 262-5727
2.RON LATSCHAND BOX 668,SOLDOTNA,99669
3.DAN RING BOX 2037,SOLDOTNA,99669
4.JOE RAY SKRHA BOX 1991,SOLDOTNA,99669 2624747
5.RON WEILBACKER BOX 1918,SOLDOTNA,99669 262-9600
6.ROD BERG 266 REDWOOD CT.,SOLDOTNA,99669 262-6064
7.DAN ECK
8.TRACY JEWETT

TOTAL TESTIFIED: 3
TOTAL OBSERVED: 8 TOTAL: 11

****
* DELIVER TO: LTCJ *
* ORIGINAL *
* SENT: 05/01/86 TIME: 12:45 *
* FROM: TCHOM *
* SUBJECT: PARTICIPANTS NAMES *
* PRINT DATE: 05/01/86 TIME: 12:45 *
****

TO: TCJNU
LTCJ LISA
FROM: CHARLENE IN HOMER
TC 5-1-86,SPORTFISHING CHARTER VESSELS

PARTICIPANT LIST TO TESTIFY:
1. F. H. INGRAM OF LANDS END MARINE CHARTER, BOX 1594, HOMER, AK. PHONE 235-7809
2. D. A. MARIANO OF K-BAY CHARTERS, BOX 3223, HOMER, AK. PHONE 235-8119
3. DONNA HINKLE, BOX 402, HOMER, AK. PHONE 235-8792

PARTICIPANT LIST TO OBSERVE:
1. DANNY PARKS OF CENTRAL CHARTERS, BOX 2708, HOMER, AK. PHONE 235-8796
2. RICHARD FROST OF CENTRAL CHARTERS, BOX 254, HOMER, AK. PHONE 235-7518
3. ROBERT BUCK, BOX 254, HOMER, AK. PHONE 235-7518
4. MYRON MICKEY, BOX 120, HOMER, AK. PHONE 235-7962
5. JIM VAN DER SANDEN OF SEA KATCH, 628 RANGEVIEW, HOMER, AK. PHONE 235-7229
6. JIM THOMPSON, 44224 STERLING HWY., SOLDOTNA, AK. PHONE 262-9071
7. RICHARD PONDREY OF ANCHOR MARINE CAPTS. CHARTERS, BOX 317, ANCHOR POINT, AK. PHONE 235-7409
8. WYMAN KEEN OF IRISH MIST, CAPTS. CHARTERS, BOX 3847, KENAI, AK. PHONE 283-4785

ORIGINAL
SENT: 05/01/86 TIME: 13:19
FROM: JUNE GALLEY
SUBJECT: KTN. T/C SPORTFISHING 5/1
PRINT DATE: 05/01/86 TIME: 13:19

*** FINAL T/C STATS ***

DATE: MAY 1, 1986
SITE: KETCHIKAN
SPONSOR: HOUSE SPEC. COMM. ON FISH
SUBJECT: SPORTSFISHING CHARTER VESSELS
LOCAL MODERATOR: JUNE GALLEY

TESTIFIED:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	WILLI HERFF, WATERFALL RESORT,	P. O. BOX 6440, KTN., AK. 99901	225-9461
2.	JIM GREEN, SEABREEZE CHARTERS,	1033 MILLAR ST., KTN., AK. 99901	225- 5317
3.	TOM RAMISKEY, CHINOOK CHARTERS,	428 TOWER, KETCHIKAN, ALASKA 99901	
4.	MARK BURGOYNE, AK. SALMON CHARTER,	BOX 5186, KTN., AK. 99901	247-2306

OBSERVED:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	DON WRIGHT, WRIGHT'S MARINE CHARTERS,	P.O. BOX 5953, KTN., AK.	225-9277
2.	THAD LANE, ALASKA SALMON CHARTERS,	P.O. BOX 7195, KTN., AK. 99901	225-1506
3.	NORMA GREEN, SEABREEZE CHARTERS,	1033 MILLAR ST., KTN., AK. 99901	225-5317
4.	JIM DAHL, BOX 8080, KETCHIKAN, AK. 99901		

TESTIFIED: 4

OBSERVED: 4

TOTAL: 8

TIME START: 8:30AM

TIME END: 10:30AM

****

*

* DELIVER TO: TCJNU

*

*

* ORIGINAL

* SENT: 05/01/86 TIME: 16:16

* FROM: TCGLN

* SUBJECT: FINAL STATS-SPORTSFISHING

* PRINT DATE: 05/01/86 TIME: 16:16

*

****

LEGISLATIVE TELECONFERENCE NETWORK

F I N A L S T A T S

****

DATE: 05-01-86

SITE:MODERATOR: GLENNALLEN-REBA

SPONSOR: H S C ON FISH

SUBJECT: SPORTSFISHING

1 TESTIFIED

0 OBSERVED

1 TOTAL

TC BEGAN: 8:35 AM

TC ENDED: 10:55 AM

MODERATOR AIIN LISA

****

NAME-REPRESENTING ADDRESS-PHONE

****

TESTIFIED:

1. JON BREIVOGEL- RIVERS UNLIMITED COPPER CENTER 99573 822-3535

****
*
* DELIVER TO: TCJNU
*
*
* ORIGINAL
* SENT: 05/01/86 TIME: 15:14
* FROM: ELAINE SUNDE
* SUBJECT: FINAL STATS HOONAH,HAINES,TBAY
* PRINT DATE: 05/01/86 TIME: 15:14
*
****

TO JUNEAU T.C.
FR ELAINE, SITKA

FINAL STATS 5/1/86 SEQBI FISHING & CHARTER VESSELS

***HOONAH:

1. GORDON PEDERSON, BOX 384, HOONAH - TESTIFIED ON BEHALF OF HOONAH F&G ADVISORY COMMITTEE

***HAINES:

1. MR. CARMEN DE FRANCO, BOX 765, HAINES 766-2255 - TESTIFIED AS A CHARTER OPERATOR

2. DON CRAKE, BOX 74, HAINES 766-2303 - OBSERVED ONLY

***THORNE BAY:

1. KEN CLINE - DO NOT HAVE ADDRESS FOR HIM.

****

*

* DELIVER TO: TCJNU

*

*

* ORIGINAL

* SENT: 05/01/86 TIME: 10:53

* FROM: LIOKOD

* SUBJECT: KODIAK FINAL STATS

* PRINT DATE: 05/01/86 TIME: 10:53

*

****

*** FINAL T/C STATS ***

DATE: ___MAY 1, 1986_____

SITE: ___KODIAK LEGISLATIVE INFORMATION OFFICE_____

SPONSOR: ___SPECIAL COMMITTEE ON FISHERIES_____

SUBJECT: ___SPORTFISHING CHARTER VESSELS_____

LOCAL MODERATOR: ___MARY JO SIMMONS_____

****

TESTIFIED:

NAME/REPRESENTING ADDRESS PHONE

1. TED NELSON/PRES. KODIAK ISLAND CHARTER BOAT ASSOCIATION
   ISLAND MARINE CHARTER SERVICE
   PO BOX 814 KODIAK 99615, 486-3672
2. BOB LOCHMAN/KOD. ISLAND CHARTER
   PO BOX 2023 KODIAK 99615, 487-2546
3. JIM BAGLIEN/KOD. SEA CHARTER
   PO BOX 2156 KODIAK 99615, 487-2683
4. ERIC STIRRUP/KOD. SEA CHARTER
   PO BX 1694 KODIAK 99615, 486-5079

****

OBSERVED:

NAME/REPRESENTING ADDRESS PHONE

1. ED SAUNDERS/AK. EXPERIENCE INC., PO BX 1271 KODIAK 99615, 486-3929
2. KEN LESTER/AK. EXPERIENCE INC., PO BX 373 KODIAK 99615, 486-3376

****

TESTIFIED: ___4_____ TIME START: 8:30AM

OBSERVED: ___2_____ TIME END: 10:53AM

TOTAL: ___6_____

****

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          05/01/86  TIME: 14:29                   *
* FROM:          LIODLG                                  *
* SUBJECT:       FINAL STATS 5\01\86 CHARTER             *
* PRINT DATE:    05/01/86  TIME: 14:29                   *
*                                                        *
**********************************************************

DATE: MAY 01, 1986 - THURSDAY
SITE: DILLINGHAM, ANNA MAY
SPONSOR\SUBJECT: HOUSE SPECIAL COMMITTEE ON FISHERIES

T\C STARTED 8:30 A.M.      T\C ENDED- WENT OFF LINE AT 10:50 A.M.

DILLINGHAM HAD NO PARTICIPANTS BUT WE DID RECORD PART OF  T\C FOR
LARRY MURPHY OF ALEKNAGIK.

EOM
```

```
*                                                                  *
* DELIVER TO: TCJNU                                                *
*                                                                  *
*                                                                  *
* ORIGINAL                                                         *
* SENT:          05/01/86  TIME: 11:34                             *
* FROM:          LIOPSG                                            *
* SUBJECT:       SP.COMM.ON FISH/SPORTS/CHARTER                    *
* PRINT DATE:    05/01/86  TIME: 11:34                             *
*                                                                  *
*******************************************************************
```

these stats are really for sport fishing T/C Dorothy called 5/1/86 & notify us. [illegible]

*** FINAL T/C STATS ***

DATE: MAY 1, 1986
SITE: PETERSBURG
SPONSOR: ~~SEN. STEVENS~~
SUBJECT: PRESS CONFERENCE
LOCAL MODERATOR: DOROTHY PENTTILA

****

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
1. JAMES R. SCHRAMEK	BOX 745	772-3337
2. MARILYN GEORGE	BOX 1031	772-4515
3. ROBERT T. ROGERS	BOX 3297	772-3297

****

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
1. ENID MAGILL	BOX 444	772- 4476
2. SU RAPPLEYE KFSK	BOX 149	772-3808
3. LOREN CROXTON	BOX 1410	772-3622
4. HARRY ROGERS	BOX 189	772-4271

****

TESTIFIED: 3 TIME START: 8:30
OBSERVED: 4 TIME END: 11:00
TOTAL: 7

EOM

****

```
*                                                              *
* DELIVER TO: TCJNU                                            *
*                                                              *
*                                                              *
* ORIGINAL                                                     *
* SENT:          05/01/86  TIME: 11:18                         *
* FROM:          LIOSIT                                        *
* SUBJECT:       FINAL STATS 5/1                               *
* PRINT DATE:    05/01/86  TIME: 11:18                         *
*                                                              *
****************************************************************
```

TO JUNEAU T.C.
FR ELAINE, SITKA

FINAL STATS 5/1 SPORT FISHING/CHARTER

TESTIFIED:

1. BILL FROUST, ALASKA TROLLERS BOARD, 3009 HPR, SITKA 747-8170

2. JAY B. MYER, J & J CHARTER, 104 SUNSET DRIVE, SITKA 747-3624

3. CHUCK JOHNSTONE, SITKA CHARTER ASSOC., 1408 SMC, SITKA 747-3931

4. ANN L. LOWE, TROLL-PAC, 415 ARROWHEAD, SITKA 747-8023

OBSERVED:

1. JESS ROCKWELL, BOX 2481, SITKA - NO PHONE

TOTALS: 4 WITNESSES, 1 OBSERVER = 5 PARTICIPANTS

****

****
*
* DELIVER TO: TCJNU
*
*
* ORIGINAL
* SENT: 05/01/86 TIME: 13:36
* FROM: JUNE GALLEY
* SUBJECT: T/C WRG.--SPORTSFISHING
* PRINT DATE: 05/01/86 TIME: 13:36
*
****

*** FINAL T/C STATS ***

DATE: MAY 1, 1986
SITE: WRANGELL
SPONSOR: HOUSE SPEC. COMM. ON FISH
SUBJECT: SPORTSFISHING CHARTER VESSELS
LOCAL MODERATOR: MABEL FENNIMORE

****
TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

1. DOUG SMITH, BOX 1201, WRANGELL, AK. 99929. 874-3447
2. JIM GOVE , BOX 307, WRANGELL, AK. 99929. 874-2381

****
OBSERVED:0
****

TESTIFIED: 2
OBSERVED: 0
TOTAL: 2

TIME START: 8:30AM
TIME END: 10:30AM

****

* DELIVER TO: TCJNU *
*
*
* ORIGINAL *
* SENT: 05/01/86 TIME: 13:49 *
* FROM: HARRY MANDREGAN *
* SUBJECT: FINAL STATS T/C 05/01/86 *
* PRINT DATE: 05/01/86 TIME: 13:49 *
*

****

*** FINAL T/C STATS ***

DATE: __MAY 1ST, 1986_____
SITE: __ANCHORAGE, ALASKA_____
SPONSOR: __HOUSE SPECIAL COMMITTEE ON FISHERIES_____
SUBJECT: __SPORTFISHING CHARTER VESSELS_____
LOCAL MODERATOR: __DAVID J./HARRY T.M./JEAN M._____

****

TESTIFY:
NAME/REPRESENTING ADDRESS PHONE



****

OBSERVE: NAME/REPRESENTING ADDRESS PHONE
1. KAREN BRANDT 267-2315

****

TESTIFIED: ___0_____
OBSERVED: ___1_____
TOTAL: ___1_____

TIME START: __8:30 AM___
TIME END: 11:00 AM___

Testimony To The Fisheries Special Subcommittee

Alaska Trollers Association

Our Association contends that guided sportsmen, especially in Southeast Alaska, must be defined as a separate user group since there is an alarming growth in both charter and guided lodge fishing operations which threaten to upset the delicate allocation balance for species such as king and coho salmon.

It is important to explain that there is a finite number of fish available. King and coho salmon are a fully utilized resource in Southeast Alaska. Chinook are the most highly-regulated salmon under the U.S./Canada Treaty. They are also the most highly sought after by the sports fishing interests. The abundance of king salmon under the treaty rebuilding quota is such that commercial fishermen must: (1) curtail directed fishery to limit harvest of king salmon to times when they can coincidentally catch other species or target directly on hatchery kings and, (2) they must face lost opportunity in harvesting other species of salmon by trying to minimize their king salmon harvest. This minimizing of king salmon harvest is done to reduce any type of mortalities caused by a by-catch of kings which could occur once the quota number of king salmon is caught. This available abundance during rebuilding is attractive to unregulated fisheries. The U.S./Canada Treaty clearly states that we cannot institute new fisheries, nor should we increase effort on these king salmon. Our Association is greatly concerned that future increases in charter boat and/or guided trips will increase fishing effort, thus

causing a ripple effect in all commercial and sport fishing in Southeast Alaska. Such increased efforts by guided sportsmen would certainly lead to quotas being met early in the season which would result in increased "non-retention-type fisheries". Studies done by Fish and Game have shown, for example, that guided fishermen on the Kenai River are really "super fishermen" (that is, they are not just sportsmen, but are super sportsmen). They show that only 20% of the sportsman on the Keni are guided, yet they capture half of the sports catch.

Unregulated fisheries have potential for massive growth. Note that handtrollers went from 250 boats in 1972 to 3,000 in 1978. Charter boats in Southeast Alaska have increased from 97 boats in 1984 to 172 in 1985. Since much of the charter increase is occurring in high mixed stocks, these charter operations are working on fixed-number, or fixed-allocated fish. As shown elsewhere, the charter boat fishery is a large growth fishery, and growth under the U.S./Canada Treaty of any effort, cannot occur.

The increased efficiency of guided sportsmen would result in increased catches of king salmon. Unless the number of fish available increase, then their take must come from other users. By taking fish from commercial fishermen, you are not creating a new industry with new fish and new dollars, but are transferring fish and dollars from the commercial industry. If you are taking dollars from commercial industry, especially an industry like trolling which is 87% resident, then you are talking about lost revenues, and lost taxes (both Local and State). The commercially caught fish yield a raw fish tax which goes both to State and

Local governments. Also, since the fishermen are mostly resident, the ripple effect on property tax, and employment factor can certainly be demonstrated. The reduced number of fish going through processing plants could effect processor and other forms of local employment. The ripple continues in effecting the values of limited entry permits in a commercial fishery.

Certainly the first to be effected by increased charter catches would be the sportsfishermen; next would be trollers. Because of how our regulations are presently made, professional guides are hiding under the guise of "sportsfishermen". As guides increase catch, mostly to non-residents, it effects sportsfishermen's allocation. This problem ocurred on the Kenai River. Allocation numbers for sportsfishermen would not remain openended with any increase in growth.

It is certainly important to understand that regulations cut both ways - it can both protect existing charter fishermen from overgrowth from outside, in other words non-residents, as we're seeing at present, but it also can cause regulation/allocation. Presently, most of our charter fishermen and guides are small operations, and the 6-line limit that exists is important for them to stave off the influx of large out-of-State charter boats. While actually defining charter guides so that they can be regulated by the Board of Fish, existing resident charter and guide fisheries would receive well-needed protection under the Law.

In summary:

1) There is a limited number of fish legally available during rebuilding under the U.S./Canada treaty.

2) Commercial users are strictly controlled.

3) All users must remain within the allocation balance during Treaty rebuilding.

4) Sport fishing with a guide is a different method of fishing because of increased efficiency.

5) Our Association feels it is extremely important that guided lodge fishing operations and charter boats must be definable outside the realm of the general term "sportsfishermen" so that both commercial and existing charter fishing operations can be protected.

UFA —

Would like to support apparent desire of Charter Boats to be recognized as a commercial industry but not necessarily a commercial fisheries group.

Would like to support Charter Boats' desire to be a seperate sports fisheries.

Would invite Charter Boats to provide inputs of thoughts to UFA so that UFA might be able to support whenever appropriate.

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: May 1, 1986 Sport Fish Charter Operations

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
LT. Conrad Seibel	Dept. Public Safety - Juneau		Yes	789-2161
Beth Stewart	AK Dept. of Fish & Game Juneau		No	465-4110
Dick Logan	AK Dept of Fish & Game Jun		No	465 4180
Paul Troeh	AK Div of Ins -	Div of Ins & (self-charter)	Yes	465-2515
Jeri Museth	Elfin Cove	ADF&G Bd of Fisheries	yes	465-4110
Earl Krygier	130 Seward #213	Alaska Trollers Assoc	Yes	586-9400
Don Kubly	Box 210207 AKBay	Club Pacific	YES	789-5457
Larri Spengler	Box K Juneau	AG Office	yes	465-3600
Jack Cadigan	Senate Bldg Juneau	UFA	Yes	586-2820

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:10

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

DATE: March 20, 1985

TO: Members of the Press Corps

FROM: Peter Goll
Chairman
Special Committee on Fisheries

SUBJECT: Subsistence Briefing on Thursday, March 21

THE HOUSE SPECIAL COMMITTEE ON FISHERIES WILL CONDUCT A MAJOR BRIEFING SESSION ON SUBSISTENCE, THE MADISON DECISION AND ITS IMPACT ON ALASKAN SPORT AND COMMERCIAL FISHERMAN ON THURSDAY, MARCH 21, AT 8:30 AM, IN THE GOVERNOR'S CONFERENCE ROOM.

THE BRIEFING WILL FEATURE PRESENTATIONS BY THE VARIOUS DIVISIONS OF THE DEPARTMENT OF FISH AND GAME, THE DEPARTMENT OF LAW, AND THE BOARDS OF FISHERIES AND GAME.

THE OVERVIEW WILL PROVIDE MEMBERS OF THE LEGISLATURE AND THE PUBLIC WITH THE INFORMATION NECESSARY TO FOLLOW THE UPCOMING RESOURCES COMMITTEE HEARINGS ON THE GOVERNOR'S BILL.

"RESOLUTION OF THE ISSUE THIS SESSION IS VITAL TO ENSURING CONTINUITY IN FISHERIES MANAGEMENT," SAID FISHERIES COMMITTEE CHAIRMAN PETER GOLL (D-HAINES). "SPORT FISHERMEN, GUIDES, COMMERCIAL FISHERMEN AND SUBSISTENCE USERS ALIKE DEPEND UPON A BALANCED APPROACH TO RESOURCE MANAGEMENT.THE MADISON DECISION HAS EXPOSED THE GAPS IN OUR CURRENT ALLOCATION SYSTEM. THOUGHTFUL YET PROMPT ACTION BY THE LEGISLATURE IS REQUIRED TO RETURN BALANCE TO OUR FISH AND GAME MANAGEMENT."

"OUR ENTIRE STATE ENJOYS THE COMBINATION OF COMMERCIAL, SUBSISTENCE, SPORT AND PERSONAL USES OF OUR RESOURCES. IT IS MOST IMPORTANT THAT ALL USES BE RESPONSIBLY PROTECTED UNDER THE LAW."

SUBSISTENCE ISSUES PACKET

Table of Contents

1. HB 288 (Governor's Bill on Subsistence) and Transmittal Letter

2. Memos from Dept. of Fish and Game and Attorney General

   a. Memo from Fish and Game, 3/14
   b. A.G.'s Memo re Madison, 3/11
   c. A.G.'s Memo re Subsistence Priority, 3/8
   d. A.G.'s Briefing Memo, 3/6
   e. A.G.'s Memo re Statutory Problems, 2/25
   f. A.G.'s Memo re Madison, 2/22

3. Madison v. Ak. Dept. of Fish & Game Supreme Court Opinion

4. Statutes and Regulations

   a. Board's regulatory authority
   b. Statutory definitions
   c. 8 criteria
   d. 10 criteria
   e. Prince William Sound regulations
   f. Cook Inlet management plan
   g. ANILCA

5. Legislative Comments

   a. Comments for Press by Rep. Jack Fuller
   b. Comments for Press by House Speaker Ben Grussendorf
   c. Comments by Rep. Peter Goll - House floor speech

6. Comments by Alaska Fish and Wildlife Federation and Outdoor Council and Alaska Fish and Wildlife Conservation Fund

7. Newspaper Clippings

Rep. John G. (Jack) Fuller
Bush Caucus Chairman

March 15, 1985

Introduced: 3/13/85
Referred: Resources and
Judiciary

IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

HOUSE BILL NO. 288

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the taking of fish and game for subsistence and persona' use; and providing for an effective date."

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

* Section 1. FINDINGS. The legislature finds that

(1) the taking of fish stocks and game populations for personal and family consumption and related uses is essential to the health, safety, and general welfare of Alaskans domiciled in rural communities or rural areas in which the taking of fish and game for such uses is a significant part of the economy of the community or area; and

(2) the taking of fish stocks and game populations for personal, sport, and commercial uses is also of economic and recreational importance to Alaskans who reside anywhere in the state.

* Sec. 2. AS 16.05.251(a) is amended to read:

(a) The Board of Fisheries may adopt regulations it considers advisable in accordance with the Administrative Procedure Act (AS 44.-62) for

(1) setting apart fish reserve areas, refuges and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;

(2) establishing open and closed seasons and areas for the taking of fish;

(3) setting quotas, bag limits, harvest levels, and sex and

size limitations on the taking of fish;

(4) establishing the means and methods employed in the pursuit, capture and transport of fish;

(5) establishing marking and identification requirements for means used in pursuit, capture and transport of fish;

(6) classifying as commercial fish, sport fish, personal use fish, or predators or other categories essential for regulatory purposes;

(7) watershed and habitat improvement, and management, conservation, protection, use, disposal, propagation and stocking of fish;

(8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(9) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;

(10) establishing seasons, areas, quotas and methods of harvest for aquatic plants;

(11) establishing the times and dates during which the issuance of fishing licenses, permits and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43;

(12) personal use fishing.

* Sec. 3. AS 16.05.940(23) is amended to read:

(23) "subsistence uses" means the customary and traditional uses by rural [IN] Alaska residents of wild, renewable resources for direct personal or family consumption as food, shelter, fuel,

clothing, tools, or transportation, for the making and selling of handicraft articles out of nonedible by-products of fish and wildlife resources taken for personal or family consumption, and for the customary trade, barter, or sharing for personal or family consumption; for the purposes of this paragraph, "family" means all persons related by blood, marriage, or adoption, and any person living within the household on a permanent basis;

* Sec. 4. AS 16.05.940 is amended by adding a new paragraph to read:

(28) "personal use fishing" means the taking, fishing for, or possession of finfish, shellfish, or other fishery resources, by Alaska residents for personal use and not for sale or barter, with gill or dip net, seine, fish wheel, long line, or other similar means defined by the Board of Fisheries.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.-10.070(c).

HB 288

HOUSE BILL NO. 288 by the Rules Committee by request of the Governor, entitled:

> "An Act relating to the taking of fish and game for subsistence and personal use; and providing for an effective date."

was read the first time and referred to the Resources and Judiciary Committees.

A zero fiscal note was attached.

The Governor's transmittal letter dated March 13, 1985, appears as follows:

"Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill regarding the taking of fish and game for subsistence and personal uses. "The purpose of this bill is to amend AS 16 to delegate to the Alaska Board of Fisheries and Alaska Board of Game the same authority to regulate the taking of fish stocks and game popu)ations that the boards exercised before the recent decision of the Alaska Supreme Court in Madison v. Alaska Department of Fish and Game, Supreme Court Opin. No. 2911 (February 22, 1985).

The bill does so in two ways. First, the bill would amend AS 16.05.940(23) to limit the identification of "subsistence uses" of fish stocks and game populations to hunting and fishing for personal and family consumption and related uses by residents of rural communities or rural areas, where the taking of fish and game for such uses is a significant part of the economy of the community or area. This change recognizes that in rural Alaska the taking of fish and wildlife is essential to the health, safety, and general welfare of Alaskans domiciled in many of the rural communities and rural areas of our state and to the economy of the community or area in which they reside. As the Alaska Department of Fish and Game has determined from its research on this subject:

> Alaska is characterized by a diversity of socioeconomic systems and patterns of resource use. ... It seems clear that the economic and social stability of many communities depend upon access to and utilization of renewable fish and wildlife resources. Disruptions of the relationships between the community and the resource base may affect the viability of these ways of life.

Alaska Department of Fish and Game, Division of Subsistence, Resource Use and Socioeconomic Systems: Case Studies of Fishing and Hunting in Alaskan Communities, technical paper No. 61, 274 (1983).

HB 288

Second, the bill would establish a statutory definition of the term "personal use fishing" (proposed AS 16.05.940(28)). The Alaska Board of Fisheries has already established this category by regulation. This category of harvest, though not subsistence fishing, is important to Alaska residents. After the board has identified the "subsistence uses," if any, of particular fish stocks, AS 16.05.940(28) and the amendment to AS 16.05.251(a)(6) and addition of AS 16.05.251(a)(13), in sec. 2 of the bill, would authorize the board to adopt regulations allocating access to those stocks for the purposes of personal use, sport, and commercial fishing in a fair and reasonable manner consistent with its constitutional responsibility to adopt regulations to use, develop, and conserve fish stocks for the maximum benefit of all Alaskans.

As previously mentioned, this legislation is intended only to provide the boards the same regulatory authority which they exercised before Madison v. Alaska Department of Fish and Game. Consequently, I urge your expeditious consideration of this bill, since its enactment is essential to provide the boards sufficient regulatory flexibility to ensure that Alaskans are provided fair and reasonable access to our fish stocks and game populations. Enactment will also ensure that the State of Alaska remains in compliance with the provisions of Title VIII of the Alaska National Interest Lands Conservation Act and, consequently, retains full authority to regulate the taking of fish and game on all land and in all water of the state.

Sincerely,

/s/

Bill Sheffield
Governor"

MEMORANDUM

State of Alaska

TO: Ron Jolin, Chairman
Joint Boards of Fish and Game

DATE: March 15, 1985

FILE NO:

TELEPHONE NO: 465-4100

FROM: Don W. Collinsworth
Commissioner
Department of Fish and Game

SUBJECT: Management Issues Arising From the Madison Decision

INITIAL ASSESSMENT

As you requested, my staff has completed an initial assessment of the Madison decision's implications for fish and wildlife management. This memorandum uses the Cook Inlet, Naknek River, and Copper River fisheries as examples, but Madison also affects existing Board of Fisheries regulations for Angoon and Lake Iliamna-Lake Clark and existing Game Board regulations for permit hunts.

Although the Game Board has not applied the eight criteria in the same way the Board of Fisheries has, Department of Law has said that the Game Board may be unable to continue providing permit hunts restricted to particular communities unless guided hunting and hunting by non-residents have already been eliminated. Further the legal analysis concludes that Madison may require the Game Board to discontinue non-state-resident and guided hunting for all permit hunts.

Department of Law and the management divisions are continuing to analyze Madison impacts and more information will be developed. However, this memorandum is intended to alert you to some of the anticipated area impacts.

COOK INLET/KENAI RIVER/SUSITNA RIVER SALMON

Testimony and data presented to the Board of Fisheries indicate that within the last 20-30 years, almost every part of Cook Inlet, including Knik Arm and Turnagain Arm, has been open to subsistence set-net fishing for salmon (Braund, 1980). The open season for fishing varied from location to location, as well as through time, but included the period May through September. Until 1978, 50 fathoms of net could be used in many areas. Species harvested in these set-net fisheries included primarily kings, sockeye, and coho.

As Anchorage and the Kenai Peninsula grew, subsistence salmon seasons were gradually restricted until only small areas remained open for very short periods with limited gear. Since 1980, subsistence fisheries have been authorized in very limited areas for residents of Tyonek, English Bay, and Port Graham only.

The impacts of the Madison decision on existing Cook Inlet fisheries depend on how many people decide to participate, and where and when they

fish, which makes it difficult for us to precisely assess immediate or long term effects. At a minimum, however, we would expect to see an increase in the gill net harvest of west side and Susitna River king salmon, since any Alaskan will be able to participate in the Tyonek district subsistence king fishery. This fishery begins in May, and has limits of 70 kings per household. Presently, this fishery is restricted to persons domiciled in Tyonek, and on average, 2,000 kings have been harvested annually.

It is impossible to predict how much new effort would occur, but any significant increase in this fishery will require compensating reductions in the expanding sport fishery of the Susitna drainage. This, of course, would mean reductions in seasons, bag limits, or even closures of certain areas to fishing if the subsistence harvest grows substantially.

In addition, the Kenai Peninsula subsistence net fisheries which existed in the late 1970s, and which have been closed since 1980, may have to be reopened to all Alaskans. This would include set net fisheries on king, sockeye, and coho stocks which enter all of the Kenai Peninsula drainages. King and coho stocks, which are already the focus of major allocation conflicts between sport and commercial users, will now have to be shared with another user group, which will have a priority. Additional harvest restrictions on sport and commercial fisheries in Cook Inlet may have to be imposed either before the fishing season or in-season as we determine whether escapements are being achieved.

Because of recent regulatory constraints, past harvests are a poor indicator of the potential demand for subsistence fishing in Cook Inlet. Further, recorded harvests probably underestimate the actual historical subsistence harvest due to inadequate catch reporting systems. If accessible beach areas are opened to net fishing, we would expect a substantial interest, similar to that in the Copper River dip net fishery. One indicator of this demand is the fact that participation in the Cook Inlet subsistence fishery increased from less than 100 people to more than 1,300 between 1977 and 1980, before the Board adopted the regulations restricting subsistence use. An additional indicator of demand are the requests the Fisheries Board has received from people wanting to fish with nets in Knik Arm and other parts of Cook Inlet.

In an extreme scenario, the Board could be required by a court to authorize subsistence fishing wherever it has occurred in Cook Inlet, Turnagain Arm, and Knik Arm, throughout the summer, by any Alaskan. The Madison decision clearly states that sport and commercial uses must be eliminated before subsistence uses can be restricted. Therefore, it seems unlikely that the Board or department could impose subsistence harvest limits or quotas to ensure that commercial and sport uses could continue.

In summary, we see major demands being imposed upon the department for in-season monitoring and management of all harvests to ensure adequate escapements in Cook Inlet. We also see the potential for confusion and controversy over Cook Inlet salmon management escalating and making it more complex.

NAKNEK RIVER SALMON

The Naknek River is currently open to subsistence fishing only by residents of the Naknek and Kvichak river drainages. This regulation was adopted in 1981 because of concern about growth in the Naknek subsistence salmon fishery by other Alaskans. From 1976 to 1980, participation and king harvests in the Naknek subsistence fishery doubled as more people learned about the fishery and came to the Naknek-King Salmon area to take part in it.

The Board, local residents, and sport fishermen all became concerned that this growing harvest was beginning to affect the allocation of the Naknek River's limited king salmon stocks. By restricting the fishery to local residents, the Board of Fisheries was able to allow continued development of the Naknek sport fishery on kings, which has become increasingly significant to guides and transportation services. By creating a personal use sockeye fishery on the Naknek, the Board was able to accommodate non-local fishing demand and shift it to more abundant species.

The Madison decision appears to open the Naknek net subsistence fishery again to all residents of the state. If significant effort occurs, it seems quite likely that restrictions will have to be imposed on the sport fishery in order to ensure king salmon escapement.

COPPER RIVER/PRINCE WILLIAM SOUND SALMON

Historically, Copper River sockeye have been harvested by commercial fishermen in Prince William Sound, residents of the Copper Basin and other interior communities, as well as Fairbanks and Anchorage residents. With population growth and increased publicity, the Chitina dip net fishery grew dramatically; harvests more than tripled from 1980 to 1983. Additionally, many urban dip net fishermen preferred to fish the early portion of the Copper River run, which posed potentially severe management problems for early run sockeye. About 50 percent of the Copper River run passes through the commercial fishery district in the first two to three weeks of the season, which means any management decisions to restrict the fishery must be made on very short notice.

As subsistence harvests increased in the 1970s, the board began restricting fishwheel and dip net harvests in the Copper River. In 1984, the board examined subsistence dip net and fishwheel fisheries in the Copper River. It authorized subsistence fishing for Copper Basin residents. Harvest by the subsistence fishery was predicted to be approximately 20,000 salmon and individual bag limits could go as high as 500. The board then established a personal use fishery for people who did not reside in the communities identified as having subsistence uses. The personal use fishery had bag limits of 15 salmon for individuals and 30 for households. The total catch was limited to 60,000 sockeye plus twenty-five percent of any excess escapement. The in-river sport fishery was predicted to harvest approximately 5,000 sockeye and the Prince William Sound commercial drift gill net fishery was managed to provide for these known harvest and escapement levels.

Under Madison, the Fisheries Board may have difficulty in predicting harvest levels for the Copper River fishwheel and dip net fishery, due to uncertainty about how many people will participate and how many fish they will take. Additional management problems are posed by the timing of the sockeye run and the heavy dip net harvest, which occurs on the early part of the run. These considerations seem to require more conservative management of the Prince William Sound commercial fishery.

In summary, we see a number of complex management issues arising from the Madison decision. Regulation specialists for Commercial Fisheries and Game Divisions are presently identifying the specific regulatory options which the Boards could address for the upcoming season.

MEMORANDUM State of Alaska

TO: Ron Jolin, Chairman
Joint Boards of Fisheries and Game

DATE: March 11, 1985

FILE NO: 366-375-85

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Subsistence

The State subsistence law must be implemented by the Boards of Fisheries and Game in a new and problematic way under Madison v. Alaska Department of Fish and Game, No. 7410, a decision issued by the Alaska Supreme Court on February 22, 1985. The precise holdings of the court could be interpreted by extrapolation to affect the entire state and regulation of game as well as fish.

The state statutes require:

-- That subsistence hunting and fishing be allowed, unless the resource would be harmed.

-- That subsistence be given a priority, if restrictions are necessary.

Before Madison:

-- These special protections applied to fishing and hunting by rural Alaskans.

-- Because subsistence consisted only of those rural harvests, the boards were able to accomodate non-state resident and guided hunting, personal use net fishing by non-rural Alaskans, sport fishing, and commercial fishing.

-- The state was in compliance with ANILCA.

After Madison:

-- All Alaskans may engage in subsistence fishing or hunting.

-- Subsistence fishing or hunting on a resource by all Alaskans cannot be restricted unless all non-subsistence uses are first eliminated.

- Example: The Prince William Sound commercial fishery may need to be restricted or even closed if necessary to accommodate the dip net fishery in the Copper River.

- Example: The Kenai River and Susitna drainage sport fisheries may need to be restricted or even closed if "subsistence fishing" by gill net must be allowed in large areas of Cook Inlet closed in recent years.

- Example: All Alaskans could subsistence fish near Tyonek for kings, near Angoon for cohos, in the Naknek River for kings, sockeye, and coho, and in the Iliamna-Lake Clark drainage for sockeye, unless any associated sport or commercial fishery were closed.

- Example: For any permit hunt, non-state resident and guided hunting may need to be eliminated.

-- If the boards cannot protect fishing and hunting by <u>rural</u> Alaska residents under the state statutes, non-compliance with ANILCA could mandate some federal action.

- It is unclear precisely what federal management would entail, but it has been argued that besides all federal land, all navigable waters would be affected, and that possibly some state lands would be affected if migratory species were involved.

NCG/LIS:rn

MEMORANDUM State of Alaska

TO: Don Collinsworth, Commissioner
Department of Fish and Game

DATE: March 8, 1983

FILE NO: 166-423-83

TELEPHONE NO:

FROM: Norman C. Gorsuch
Attorney General
LIS
By: Larri I. Spengler
Assistant Attorney General
Natural Resources-Anchorage

SUBJECT: Relative resource shortage activating the priority in the subsistence law

During the meeting of the Joint Boards of Fisheries and Game which began in Anchorage on November 30, 1982, several board members requested clarification regarding how and when a priority applies under the subsistence law. Under AS 16.05.251(b) and .255(b), the priority becomes active only when a relative resource shortage occurs, caused, for example, by increase in competition or decrease in harvestable surplus. The following diagram might aid in applying the subsistence law.

Relative abundance of resource	Board action	Priority status
1. No shortage*	Regulations allowable (for example, setting areas and seasons)	Subsistence uses must be allowed, but priority inactive; other uses may be allowed
2. Shortage*	Restrictions necessary	Subsistence uses must be allowed, with a priority over other uses which are allowed
3. Greater Shortage*	Further restrictions necessary	Only subsistence uses are allowed, with priority distinguishing among subsistence users.

4. Critical Shortage*	Total closure necessary	No uses may be allowed

---

* Shortage means relative resource shortage, when restrictions on non-subsistence uses must be imposed because harvest competition among user groups or decline in numbers of fish or game would jeopardize sustained yield of the resource or subsistence uses of the resource.

The diagram is based upon the first sentence of AS 16.05.251(b) and 255(b):

> The Board . . . shall adopt regulations . . . permitting . . . subsistence uses unless . . . such regulations will jeopardize . . . the . . . sustained yield. . . .

Part 1 of the diagram reflects that when there is no relative shortage of fish or game, the boards are required by these statutes to allow opportunities for subsistence uses and may under AS 16.05.251(a) and .255(a) allow opportunities for non-subsistence uses. Subsistence uses are identified by the eight criteria which the boards established in 5 AAC 99.010(b). In a non-shortage situation the priority is not active under state law, nor under the federal Alaska National Interest Lands Conservation Act, Title VIII (ANILCA). The ANILCA provision, which parallels AS 16.05.251(b) and 255(b) is §804. Regarding that provision, the Senate committee report states:

> If a particular fish or wildlife population . . . in a particular area is sufficient to sustain a harvest by all persons engaged in subsistence and other uses, the implementation of restrictions on taking set forth in this section need not be imposed by the state rulemaking authority.

S.Rep.No. 413, 96th Cong., 1st Sess. 269 (1979).

As with other uses, regulation of subsistence uses even when there is no relative shortage is authorized. Regulations should be structured to provide opportunities for customary and traditional uses (for example, through the setting of areas and seasons); unconstrained harvests were not contemplated by the legislature. Indeed, regulation of subsistence uses on a case by case basis has been and is part of sound resource management, and was expected by the legislature. For example, the introduction

to Alaska's subsistence law, SLA 1978, Chapter 151, Section 1, states that beneficial use of Alaska's fish and game resources by all state residents "should be carefully monitored and regulated . . . ." The Board of Fisheries has adopted regulations called "subsistence fishing regulations." The Board of Game has generally regulated subsistence uses without designating the regulations as "subsistence regulations." The fact that subsistence uses are to be allowed by the boards does not amount to a guarantee that each participant will achieve a particular harvest. Rather, it is the opportunity to engage in customary and traditional uses which is assured, as long as sustained yield of the resource is not thereby jeopardized. 5 AAC 99.010(c).

Part 2 of the diagram is based upon the second sentence of AS 16.05.251(b) and 255(b):

> Whenever it is necessary to restrict the taking . . . to assure the . . . sustained yield . . . or . . . the continuation of subsistence uses of such resources, subsistence use shall be the priority use.

If increase in competition or decrease in harvestable surplus result in a relative resource shortage, restriction of some harvest opportunities may be necessary, and, if so, the priority for subsistence uses comes into play. The boards can use any of the many management options available to them in imposing the needed restrictions on non-subsistence uses and in continuing to regulate subsistence uses in a way that protects the opportunity for subsistence harvests. For example, seasons could be altered, or the use of aircraft prohibited. Of course, in extreme cases the option of precluding non-subsistence harvests remains available.

Part 3 of the diagram is based upon the third sentence of AS 16.05.251(b) and 255(b):

> If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:
>
> (1) customary and direct dependence upon the resource as the mainstay or one's livelihood;
>
> (2) local residency; and
>
> (3) availability of alternative resources.

A more serious resource shortage resulting from greater increase in competition or decrease in harvestable surplus may require still further restriction of harvest opportunities. If so, subsistence uses will be the last to be precluded. At the point that only subsistence uses remain, the criteria listed in the statute would form a basis for distributing the allowable harvest among subsistence users. This is the only point at which the boards may make distinctions among users based upon their individual characteristics, rather than distinguishing among uses by examining the characteristics of those uses.

Part 4 of the diagram reflects the underlying constitutional and statutory mandate that sustained yield is always the paramount concern. Alaska Constitution, Article VIII, Section 4; AS 16.05.251(b) and .255(b). If the status of a fish or game resource is such that maintenance of sustained yield requires that all harvest cease, no use (including subsistence) may be allowed.

We hope this diagram and explanation clarify that under the subsistence law, the priority becomes active only in times of relative resource shortage.

LIS/jmo

MEMORANDUM State of Alaska

TO: Honorable Bill Sheffield
Governor

DATE: March 6, 1985

FILE NO: 366-375-85

Thru: John Shively
Chief of Staff

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Briefing memorandum: subsistence

I. Suggested Attendees

A. Governor Sheffield and appropriate staff

B. Department of Fish and Game

1. Don W. Collinsworth, Commissioner
2. Dennis D. Kelso, Deputy Commissioner
3. Steven R. Behnke, Director, Division of Subsistence

C. Department of Law

1. Norman Gorsuch, Attorney General
2. Larri Irene Spengler, Assistant Attorney General

II. Issue Summary

-- For several years, the Boards of Fisheries and Game have implemented the state subsistence law in a way which protected fishing and hunting by rural Alaskans.

-- At the same time, the boards provided reasonably for other uses, such as personal use net fishing by non-rural Alaskans, sport fishing, and commercial fishing.

-- This exercise of regulatory authority had been certified as complying with the federal subsistence law, ANILCA.

-- On February 22, 1985, the Alaska Supreme Court declared that the boards lacked statutory authority for the regulatory approach used in implementing the subsistence law. Madison v. Alaska Department of Fish and Game, No. 7410.

-- Madison means that all Alaskans may participate in subsistence uses, and that those uses cannot be restricted until sport and commercial fishing, and non-resident hunting and big game guiding are eliminated.

- Example: The Prince William Sound commercial fishery may need to be restricted or even closed if necessary to accommodate the dip net fishery in the Copper River.

- Example: The Kenai River and Susitna drainage sport fisheries may need to be restricted or even closed if "subsistence fishing" by gill net must be allowed in large areas of Cook Inlet closed in recent years.

-- If the boards cannot protect fishing and hunting by rural Alaska residents under the state statutes, noncompliance with ANILCA could mandate some federal action.

III. Necessity for Governor's Briefing

A decision is required from the Governor on whether the state should proceed under the statutes as interpreted by the court in Madison, or whether an amendment to the state statutes should be sought to return the regulatory authority the boards exercised before this court decision.

IV. Background

A. Pre-Madison: The state's position on the Alaska statutory and regulatory framework before this court decision was:

1. The legislature in 1978 intended to protect fishing and hunting by individuals who reside in rural areas and communities in which the taking of fish stocks and game populations for personal and family consumption is a significant part of the local economy.

2. The eight criteria developed by the joint boards correctly identified subsistence uses in rural areas and communities.

3. Fishing by net for personal use by people from other areas of the state could be accommodated through the personal use fishing category established by the Board of Fisheries in regulation.

4. Personal use fishing did not have a priority over sport fishing and commercial fishing.

B. Madison: The court held with regard to the statutory and regulatory framework in Alaska:

1. The legislature in 1978 did not intend that subsistence uses were to be limited to hunting and fishing by rural Alaska residents.

2. The legislature in 1978 did not intend subsistence uses to be identified in terms of the uses of an area or community.

3. Conversely, the legislature in 1978 did not intend a "grandfather" rights, limited entry-type system to control eligibility for subsistence.

4. The legislature in 1978 intended that subsistence uses could be restricted only if it is necessary for sustained yield purposes and if non-subsistence uses -- sport and commercial fishing, and by analogy, non-state-resident and trophy hunting, and big game guiding -- have already been eliminated.

5. If a situation requires restriction of subsistence uses, distinctions among subsistence users will be based on the three criteria contained in the statute: customary and direct dependence on the resource, local residency, and availability of alternative resources.

V. Relevant Laws

A. State law: Because the court ruled on statutory construction and legislative intent alone, without reaching any constitutional issues, the legislature may act on this issue.

B. Federal law:

1. The Alaska National Interest Lands Conservation Act allows the state to continue exercising its traditional management prerogatives on all land and water in Alaska if the state in a law of general applicability provides, among other things, the definition of subsistence uses contained in ANILCA.

a. ANILCA defines subsistence uses as uses of fish and game by rural Alaska residents.

b. It is unclear precisely what federal management would entail, but it has been argued that all navigable waters would be included, and that possibly some state lands would be included if migratory species were involved.

2. The Marine Mammal Protection Act also requires that if the state is to resume management, state law must define subsistence uses as uses of fish and game by rural Alaska residents.

VI. Alternatives

A. Implement the current statutes as interpreted by the court. Consequences:

1. All hunting and all net fishing for personal use by all Alaskans is now defined as "subsistence uses," which must be authorized unless the resource will be harmed, and which must be given a priority over sport and commercial uses.

2. As participation increases in a subsistence fishery, sport and commercial fishing must be closed before subsistence fishing can be restricted. (For example, theoretically the Prince William Sound commercial fishery could be closed because of an increase in "subsistence fishing" in the Copper River.)

3. Similarly, all commercial big game guiding and all non-state-resident and trophy hunting would have to be eliminated before subsistence hunting by Alaska residents could be restricted.

4. Subsistence fishing would probably have to be authorized any place in the state where it had been authorized in the past, unless the resource would be harmed. (For example, Madison could require areas in Cook Inlet closed to subsistence fishing for years to reopen, possibly affecting the Kenai River and Susitna drainage sport fisheries.)

5. Assuming non-compliance with ANILCA, the following could result:

   a. Federal management of some kind on all federal lands and possibly all navigable waters of the state could be asserted by the Department of Interior, or sought through judicial action.

   b. One million dollars in matching federal funds authorized by ANILCA would be lost to the state.

6. It would not be possible for the state to resume marine mammal management.

B. Amend the current statutes to return the regulatory authority that the boards exercised before Madison. Consequences:

1. By inserting the words "rural Alaska residents" into the definition of subsistence uses, the scope of uses qualifying for the protection and priority of the subsistence law would be narrowed.

2. By inserting the words "rural Alaska residents" into the definition of subsistence uses, compliance with ANILCA could be assured.

3. By establishing the personal use fishing category in statute, harvest opportunities for people who do not qualify for subsistence uses could be protected, without giving those uses a priority over sport and commercial fishing.

MEMORANDUM

State of Alaska

TO: Hon. Bill Sheffield
Governor

DATE: February 25, 1983

FILE NO: 166-448-83

TELEPHONE NO:

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Subsistence law: real and perceived problems

I recently asked the attorneys on my staff who work in the fish and game area to prepare an overview of the current status of the state subsistence law, with relevant background information for your review. The material which follows is the result of that effort. I have reviewed it personally and concur fully with its content.

OVERVIEW

The framework for the implementation of the subsistence law is now in place. The approach codified in regulation by the Joint Boards of Fisheries and Game is fairly straightforward, and with one notable exception, the definition of "rural," it is likely to be upheld by Alaska courts. See Madison v. ADF&G, 3KN 81-542, CIV; Giosund v. ADF&G, 3HO 80-92, 77-22104 Homer. This memorandum will explain the state statutory and regulatory framework and its relationship to federal law. It also will discuss three actual problems and twelve perceived "problems" in the current situation and identify specific issues that require attention.

STATE LAW

The Alaska Boards of Fisheries and Game are authorized by the legislature to allocate Alaska's fish and game resources among various uses, so long as sustained yield will not be jeopardized. Since statehood, the boards and their predecessor, the Board of Fish and Game, have had the discretion to decide which non-subsistence uses (for example, sports, commercial) should be allowed in each area of the state, and to what extent. Under AS 16.05.251(b) and 255(b), the boards are required to adopt regulations allowing subsistence uses, unless sustained yield will be jeopardized. Attachment A.

Although contained in the same statute, the requirement to allow subsistence uses is separate from the priority for subsistence uses over non-subsistence uses, which is triggered only by a relative resource shortage. The boards must accord the priority to subsistence uses whenever "it is necessary to

restrict the taking" of a fish stock or game population in order to assure maintenance of sustained yield or continuation of subsistence uses. AS 16.05.251(b) and 255(b). Attachment A. As discussed below, the mere existence of regulations authorizing subsistence uses does not mean that taking is "restricted" so as to trigger the priority. Rather, the priority comes into play only in relative resource shortage, when restrictions on non-subsistence uses must be imposed because harvest competition among user groups or decline in numbers of fish or game would jeopardize sustained yield of the resource or subsistence uses of the resource.

The legislature has defined subsistence uses as "customary and traditional uses" of wild, renewable resources for certain purposes. AS 16.05.940(26). Attachment B. The state statutory definition of "subsistence uses" is practically identical to that found in Title VIII of the federal Alaska National Interest Lands Conservation Act (ANILCA). Virtually the only difference is ANILCA's specification that subsistence uses are "customary and traditional uses by rural Alaska residents." ANILCA §803 (emphasis added). Attachment C.

However, the boards have determined that the state definition of "subsistence uses" also is limited to customary and traditional uses by "rural Alaska residents." 5 AAC 99.010(a). Attachment D. Not all uses of fish and game by rural Alaska residents are "subsistence uses." Rather, subsistence uses by rural Alaska residents are customary and traditional uses, which can be identified by eight criteria. 5 AAC 99.010(b). Attachment D. See April 1, 1982, memorandum from our office to Clint Buckmaster, Chairman of the Joint Boards of Fisheries and Game, A66-432-82. These criteria are based upon the ten criteria in 5 AAC 01.597 which the Board of Fisheries has employed to identify which uses of salmon in Cook Inlet are subsistence uses. The ten criteria have been upheld by two state superior court judges in the last year. Madison v. ADF&G, supra; Gjosund v. ADF&G, Supra. In approving the ten criteria, the court in Madison concluded at page 4 of the March 5, 1982, findings of fact and conclusions of law that:

> The intent of AS 16.05.251(b) and .940(26) is to provide for and protect personal use ... fisheries conducted by persons who reside in rural communities which historically have been dependent upon hunting and fishing as a significant characteristic of the social and economic life of the community. (Emphasis added.)

The boards determine on a case by case basis whether a use qualifies as a subsistence use by evaluating information presented by the public, the advisory system, and the Department of Fish and Game in light of the criteria. Attachment D. The joint board regulation also sets out the procedures each board will follow in allocating between subsistence uses and other uses. 5 AAC 99.010. In brief, if a fish stock or game population can be harvested without jeopardizing sustained yield, the board will provide reasonable opportunities for subsistence uses of that resource. If the resource population is adequate, the board may permit opportunities for other uses as well. Attachment D.

FEDERAL LAW

ANILCA established a procedure for the state to continue managing fish and game on federal lands and in all the waters of Alaska if the state meets certain standards. In particular, ANILCA §805(d) requires the state to have "laws of general applicability" which mirror the federal provisions in three areas: (1) the definition of "subsistence uses," (2) a preference for those uses in times of relative resource shortage, and (3) public participation which includes advisory committees and regional councils. The Department of the Interior has determined that the state statutes, together with the boards' procedural regulation (5 AAC 99.010) and the regulations governing fish and game advisory committees and regional councils (5 AAC 96), satisfy the requirements of ANILCA. See December 2, 1981, and April 28, 1982, letters from our office to Governor Hammond, A66-120-82. Thus, under the approach now in place, the state is authorized to continue to regulate the taking of fish and game on federal lands and in all the waters of Alaska.

ACTUAL PROBLEMS

There are three actual problems with the implementation of the subsistence law which have not yet been resolved.

1. "Rural": When the joint boards adopted the criteria and procedures specified in 5 AAC 99.010, they also adopted a definition of "rural" in 5 AAC 99.020, Attachment E:

143267

> In this chapter 'rural' means outside the road connected area of a borough, municipality, or other community with a population of 7,000 or more as determined by the Alaska Department of Community and Regional Affairs.

The definition poses serious equal protection problems under state and federal constitutions, in part in that whether an area of the state is "rural" is to be determined by whether the area has or has not organized as a borough. Equal protection requires that persons similarly situated be treated alike. Ketchikan Gateway Borough, Alaska v. Breed, 639 P.2d 995 (Alaska 1981). A definition of "rural" keyed to the presence or absence of a borough appears to violate that principle. For example, the Matanuska-Susitna Borough boundary bisects game management unit 13. Under 5 AAC 81.055(c)(3), rural residents of game management 13 who meet certain other requirements qualify for a subsistence permit to hunt Nelchina caribou. If the definition of "rural" in 5 AAC 99.010 is applied, residents of game management unit 13 living outside the borough are eligible, and those living inside are not. Information supplied to the Department of Law by the Alaska Department of Fish and Game would probably lead a court examining the classification to conclude that persons living inside and outside the borough are apparently similarly situated, except for the location of the borough boundary line. That boundary appears to be entirely unrelated to factors considered important by the boards in identifying subsistence uses, such as available opportunities. Consequently, a court would probably conclude that classification of land as being within a borough is a factor which does not reflect a difference in the pattern of harvest and use of resources and that different treatment of Alaskans based only on their residency in a borough violates equal protection principles. See June 17, 1982, memorandum from our office to Ronald Skoog, Commissioner of Fish and Game, J99-098-82.

The current definition of "rural" is also potentially flawed by vagueness. Regulations must be precise enough to enable the agency implementing them and the public to know what is intended. Woodards v. State, 604 P.2d 250 (Alaska 1979). For that reason, the Department of Law discourages the use in regulations of words like "adjacent" or "near", since courts have found that other such relative terms are too vague to be enforceable. Marks v. City of Anchorage, 500 P.2d 644 (Alaska 1972). Similarly, in the definition of "rural" the term "road connected area" is potentially vague. There is no way of knowing whether the definition of "road" was intended to include frozen

rivers in winter, logging roads, animal trails, or railroads. Nor is there any information on the amount of "area" anticipated to be included in terms of specific distances in yards or miles from a "road." It should also be mentioned that even if specific guidelines were set out, a differentiation in treatment based on proximity to a road also would have to bear a fair and substantial relationship to a legitimate governmental purpose under an equal protection analysis. Isakson v. Rickey, 550 P.2d 359 (Alaska 1976).

A definition of "rural" is not required by state law. The April 2, 1982, letter from our office to Representative Ramona Barnes, J66-561-82, points out that it is not necessary under federal law either. ANILCA requires only that subsistence uses be rural customary and traditional uses, not that "rural" be defined. ANILCA §803, §805(d). As the April 2, 1982, letter discusses, the legislative history of ANILCA indicates that Congress envisioned subsistence uses occurring in rural areas, and rural areas being places where subsistence uses occur. Although seemingly circular, that approach enables the state to provide for subsistence uses on a case-by-case basis through the operation of criteria which have the effect of limiting those uses to rural areas. The joint boards' eight criteria for identifying subsistence uses and their acknowledgement in 5 AAC 99.010(a)(2) that subsistence uses are rural uses would probably be sufficient under ANILCA to accomplish the rural focus. For example, Madison, supra, and Glosund, supra, held that the Board of Fisheries' ten criteria, which are similar to the joint boards eight criteria, identified rural subsistence uses in the Cook Inlet area.

In addressing the concept of "rural," consideration also should be given to the term "residents" as used in section 803 of ANILCA and 5 AAC 99.010(b). Enforcement of the subsistence regulations will require a definition of residency for subsistence purposes. A possible model is the definition of "domicile" recently approved by the Board of Fisheries at its January meeting. See 5 AAC 39.975(30) (not yet filed with Lt. Governor's office).

2. Avoiding disruption of non-subsistence harvest opportunities: Another problem related to implementation of the subsistence law is the authorization and use of a workable system to avoid disrupting harvest opportunities of those whose uses are no longer classified by the boards as subsistence uses and are not commercial or sport. A solution to this problem is the personal use category established by the Board of Fisheries in 5 AAC 77.001-015, in response to the court's action in Madison,

143257

supra. */ This category is intended to authorize regulations which provide access to fishery resources for those whose uses do not qualify under the criteria as subsistence uses, and cannot be classified as commercial or sport.

This personal use category has generated concern among some members of the public. There are those who fear that it will receive a disproportionately high allocation of the resource, and others that it will consistently be relegated to the lowest position. If the relationship between personal use and sport and commercial use can be resolved, the application of the personal use category as the board addresses different fisheries can be a useful tool to assure the adequacy of harvest opportunities when a particular use is not classified as subsistence use. For example, suppose a fishery has been conducted on a particular fish stock under subsistence fishing regulations for a number of years. As the Board of Fisheries considers proposals for regulations, the uses of that fish stock are examined, and only some of the uses are identified under the criteria as subsistence uses. In addition to providing for the identified subsistence uses, the board could authorize a personal use fishery to continue the uses no longer eligible to be classified as subsistence uses. Assuming the target stock and the continuation of subsistence uses would not be jeopardized, the personal use harvests could be regulated as before, except

---

*/ In 1981 in Cook Inlet, the board had identified the non-commercial gillnet fisheries in Port Graham, English Bay and Tyonek as subsistence use fisheries. Gillnet fisheries had long occurred in other parts of Cook Inlet under previous subsistence regulations, but the board in 1981 simply eliminated those other harvests. In Madison, the court did not find that the subsistence law was flawed, nor that the board had erred under the law or the constitution in identifying subsistence uses in Cook Inlet. However, the court ruled at the preliminary injunction stage that the board's action in eliminating the other gillnet harvests which did not qualify as subsistence uses violated due process, in that all use groups had not been treated fairly. In response, the board established the personal use category. For 1982, a personal use gillnet fishery was permitted in Cook Inlet for gillnet harvests not qualifying as subsistence uses. 5 AAC 77.547.

under a new name. If it ever became necessary to restrict the harvest of that particular fish stock, the board would then of course treat the personal use and subsistence fisheries differently.

3. Apparent reluctance to follow Attorney General's advice and confusion among state officials:

There has been reluctance by some board members and some Department of Fish and Game personnel to follow the advice of the Department of Law in implementing the subsistence law. For example, that department chose to ignore our recommendation that the flawed definition of "rural," Attachment E, be severed and not be applied in issuing permits for the subsistence hunt of the Nelchina caribou herd. Such a procedure would have allowed any qualifying resident of game management unit 13 to apply for a subsistence permit, rather than only those living outside the Matanuska-Susitna Borough. That would have avoided the equal protection problem discussed above, which was caused by the use of the borough boundary in the classification of uses. See July 23, 1982, memorandum from our office to Ronald Skoog, Commissioner of Fish and Game, 366-042-83.

Another example is the refusal to publish a legal notice for the March 1982 meeting of the Joint Boards of Fisheries and Game which was adequate to allow action at that time to bring the state into compliance with ANILCA. Under the Administrative Procedure Act, state agencies are required to give notice to the public at least 30 days before taking action adopting proposed regulations. The notice must be specific enough to give a clear idea of the area in which action may be taken. AS 44.62.190, .200. For the March 1982 joint board meeting, despite advice from our office, a decision was made not to publish a notice sufficient to give the boards the flexibility to adopt regulations to meet the specifications of ANILCA at that session.

An additional ongoing problem is confusion among some board members and department personnel about what is possible or necessary under the subsistence statutory and regulatory framework. For example, some board members continue to insist that partial compliance is sufficient under ANILCA. As discussed earlier, ANILCA §805(d) requires the state law to be the same as the federal law in three areas: (1) the definition of "subsistence uses," (2) preference for those uses in times of relative resource shortage, and (3) a public participation system (advisory committees and regional councils). Although this has

143255

been explained on a number of occasions by our office, suggestions have continued to be made by some board members that Alaska could fail to comply in one or more of the areas specified and somehow still retain management on federal lands and in all the waters of Alaska.

Another example of ongoing confusion is the discussion outline prepared by the boards' executive director for the joint board meeting which began on November 30, 1982. The thrust of the outline is the purported need to formulate a "policy" on subsistence when, in fact, as discussed earlier, 5 AAC 99.010 already clearly sets out the boards' approach. Attachment D. It is now simply a matter of following those procedures.

PERCEIVED "PROBLEMS"

Numerous other "problems" which are perceived as stemming from the subsistence law are based on misinformation and misinterpretation.

1. Misperception: unconstitutional: In an April 1, 1982, memorandum to Clint Buckmaster, Chairman of the Joint Boards of Fisheries and Game, A66-432-82, our office analyzed the most commonly alleged constitutional flaws in the state subsistence law and concluded that the law was constitutionally sound.

Article VIII, section 4, of the Alaska Constitution allows for preferences "among beneficial uses." Kenai Peninsula Fisherman's Cooperative Association v. State, 628 P.2d 897, 904 (Alaska 1981), affirmed the authority of the Board of Fisheries to provide for "different treatment of such diverse user groups as commercial, sports, and subsistence." That authority is not diminished by Article VIII, section 15, of the Alaska Constitution, which prohibits exclusive fisheries and was derived from 48 USC §222, The White Act. 1961 Op. Att'y Gen., No. 3. The intent of the White Act, and Article VIII, section 15, was to preclude creation of classes of use of Alaska's fisheries for which some individuals could never qualify. Hynes v. Grimes Packing Co., 11 Alaska 564, 165 F.2d 323 (9th Cir. 1947), vacated and remanded on other grounds, 23 Alaska 348, 337 U.S. 86 (1949). As discussed below, the subsistence law is not the equivalent of exclusive use, nor does it create a class closed to participation by people who wish to qualify.

The constitutionality of the subsistence law also is not affected by Article VIII, section 3, of the Alaska Constitution, which reserves fish and wildlife to the people for common use. As the April 1, 1982, memorandum explains in more detail, the record of Alaska's constitutional convention shows that section was intended to prohibit private ownership of fish or game still in their natural state. This does not occur under the subsistence law.

The April 1, 1982, memorandum also concluded that identifying subsistence uses as rural uses was permissible under state law. The classification does not violate the equal protection clause of the Alaska Constitution, since the boards have received substantial evidence that basic differences exist between rural and urban areas with respect to economies, social and cultural systems, and resource use characteristics. Indeed, in another context the state supreme court has acknowledged the great differences. In Alvarado v. State, 486 P.2d 891, 894 (Alaska 1971), the court described the differences:

> ... economies which rely on hunting, fishing, and gathering activities, strong kinship bonds, isolation from those parts of Alaska that approximate mainstream America, different seasonal activity patterns, concepts of time and scheduling, which, in accordance with other cultural divergences, may be quite different from those of mainstream America, and finally, very limited participation in the cash economy.

2. Misperceptions: exclusive use: Participation in subsistence uses is not restricted to a closed class. This means eligibility is not limited in a way that precludes entry; it is not limited to individuals who have lived here since statehood, or to Alaska Natives. For example, in Cook Inlet the Board of Fisheries has determined that the uses of salmon by English Bay, Port Graham, and Tyonek are subsistence uses, and that any person domiciled in those communities may participate. 5 AAC 01.580(a). The class is not closed, since individuals may move to one of the communities and enter the subsistence system, or may move away.

The subsistence law also does not automatically preclude non-subsistence uses, for example, sport and commercial fishing. As always, no harvest is allowed if sustained yield would be jeopardized, but the legislature obviously intended non-subsistence uses to continue, and the boards have the discretion to authorize them. AS 16.05.251(a) and .255(a). For

143253

example, when the Board of Fisheries provides for subsistence uses identified by the eight criteria, some fisheries which previously have been termed "subsistence" may not qualify. That does not mean those harvests will cease to exist. As discussed above, the personal use category can be employed at the board's discretion to permit continued resource harvest opportunity.

If relative resource shortage, which is described earlier, occurs and the priority must be implemented, the boards still have available all their traditional management options to restrict non-subsistence uses and to continue regulating subsistence uses, such as altering seasons or prohibiting use of aircraft. These options can be used to implement the priority in ways that do not exclude non-subsistence uses, although that option is available to the boards in extreme cases.

3. Misperception: harm to resource: Under the regulations, statutes, and Article VIII, section 4 of the Alaska Constitution, maintaining sustained yield of the resource is always the paramount consideration. No uses, including subsistence uses, are allowed to interfere with that. If any harvest of a fish stock or game population will jeopardize sustained yield, no harvests, subsistence or otherwise, may be authorized on that stock or population.

4. Misperception: dilution of advisory committee effectiveness and creation of regional council regulatory authority: Created by the boards to assist in gathering information on resource issues, fish and game advisory committees have existed in all regions of Alaska long before the state or federal subsistence laws. Currently, there are 67 of these advisory committees, each of which is represented on one of the state's six regional councils, which were formed by the boards before passage of ANILCA.

In order to satisfy the public participation requirements of ANILCA §805, modifications were made to the advisory system regulations, some of which strengthened the regional councils' role in the regulatory process. Two concerns have since emerged regarding the regional councils. The first is that the councils will replace the committees, and thus hinder public access to the boards. However, under the current regulations, individuals may express their views directly to the boards, councils and committees. Committees may channel information both to the councils and to the boards. The councils supplement, rather than replace, communication with the boards by individuals and committees.

The second concern is that the councils will have undue authority over the boards, or will have separate regulatory authority. In conformance with the specifications of ANILCA §805(d), the boards now give limited deference to council recommendations concerning subsistence uses, although they receive council recommendations on all fish and game issues. The boards may reject the recommendations concerning subsistence uses if they are not supported by substantial evidence, if they would violate conservation principles, or if they would harm subsistence uses. 5 AAC 96.610(e). The regional councils have no authority to promulgate regulations; rather, they are authorized to make recommendations to the boards.

5. Misperception: courts managing resources: Although the subsistence law was enacted in 1978 (ch 15, SLA 1978), the boards did not begin implementing it immediately. In fact, the boards' actions were often inconsistent with the law. As a consequence, the state lost four lawsuits in 1980. For example, Tyonek v. Alaska Board of Fisheries, 3AN 80-3073, ruled that it was improper for the board to authorize a sport fishery on Susitna River king salmon while not allowing a subsistence fishery on those stocks, when sustained yield would not be jeopardized by harvest of the fish.

However, once the boards began articulating and applying standards for implementation of the subsistence law, recent litigation has been more successful. For example, the Board of Fisheries' approach to subsistence uses in Cook Inlet has been upheld completely in Madison, supra, and in large part in Gjosund, supra. The state's success in such cases hinges primarily on the boards' reasonableness in following the requirements of the law.

6. Misperception: waste permitted: The subsistence law does not authorize waste, which is prohibited separately by statute and regulation. See, for example, AS 16.05.831. Waste is not allowed by any use, subsistence or otherwise.

7. Misperception: racial criteria: The requirements of the subsistence law are race neutral. This is true of both the state statute and ANILCA.

8. Misperception: guaranteed take: 5 AAC 99.010(c) requires that "reasonable opportunities" for subsistence be provided. Attachment D. No participant is guaranteed a harvest.

143251

9. Misperception: subsistence harvests may not be regulated without triggering the priority: AS 16.05.251(b) and .255(b) require the boards to "adopt regulations" allowing subsistence fishing and hunting. Attachment A. However, the fact that a subsistence harvest is regulated does not automatically trigger the priority. The priority becomes active if "it is necessary to restrict the taking" of fish and game, because of relative resource shortage, which is described earlier. AS 16.05.251(b) and .255(b). Attachment A. See February ___, 1983, memorandum from our office to Don Collinsworth, Commissioner of the Department of Fish and Game, 166-423-83. This is also true under ANILCA §804. See S. Rep. No. 413, 96th Cong., 1st Sess. 269 (1979).

Just as with other uses, subsistence harvests can be regulated by specified areas, openings, and other management measures. Indeed, regulation of subsistence uses has been and is part of sound resource management, and it was expected by the legislature. For example, the legislature indicated in section 1, ch. 151, SLA 1978, the intent section of the subsistence law, that beneficial uses of fish and game by all state residents "should be carefully monitored and regulated." Historically, the Board of Fisheries has adopted regulations denominated "subsistence." The Board of Game has generally regulated subsistence uses without designating the regulations as "subsistence."

10. Misperception: requirement for precipitous change: As discussed in the March 22, 1982, memorandum regarding subsistence regulations from our office to Clint Buckmaster, Chairman of the Joint Boards of Fisheries and Game, the regulatory process contemplated by ANILCA is ongoing. Under ANILCA §806, the Department of the Interior will monitor the state's subsistence program on a continuing basis. Accordingly, instantaneous regulatory change in all fishing and hunting situations statewide is neither necessary nor desirable. As potential problems are identified and as data become available, the boards should act according to the procedures in 5 AAC 99.010. Attachment D. See May 4, 1982, memorandum to Milstead Zahn, Executive Director, Boards of Fisheries and Game, regarding effect of joint boards' subsistence regulations.

11. Misperception: limited entry system threatened and commercial sale of subsistence harvested fish or game allowed: Both state and federal laws include "customary trade" as a component of "subsistence uses." AS 16.05.940(26), Attachment B; ANILCA §803, Attachment C. However, legislative history indicates that Congress was mostly concerned about trapping, and neither state law nor ANILCA authorizes significant commercial activity. The state law limits the scope of customary trade by the phrase "for personal or family consumption." AS 16.05.940(26). Attachment B. Although these words do not modify "customary trade" in ANILCA §803, legislative history is clear that Congress did "not intend that 'customary trade' be construed to permit the establishment of significant commercial enterprises under the guise of 'subsistence uses'." S. Rep. No. 413, 96th Cong., 2nd Sess. 234. See December 2, 1981, letter from our office to Governor Hammond, A66-120-81, p. 26-29. Thus, under the subsistence law any exchanges involving cash which are eventually authorized by board regulation would be of a very limited nature, perhaps recognizing established exchange and distribution networks within subsistence economic systems.

The inclusion of "barter" as a component of "subsistence uses" as defined in AS 16.05.940(26) does not authorize commercial exchanges, either. "Barter" is defined in AS 16.05.940(27) as the exchange of fish or game taken for subsistence uses for other fish or game, or for "other food or nonedible items other than money if the exchange is of a limited and noncommercial nature."

12. Misperception: flexibility to define subsistence uses by economic need: It has been suggested that either the legislature or the boards should narrow the definition of subsistence to encompass only economic need, based, for example, on individual income level. Whatever the policy advantages or disadvantages of that approach, it is not an amendment that can be made if the state is to remain in compliance with federal law. An economic need requirement would be inconsistent with the language of ANILCA and with Congressional intent, as amply evidenced in legislative history. For example, in discussing the policy expressed in ANILCA §802(1), Representative Udall noted that it "also requires that regulatory systems which employ income requirements not be imposed upon rural residents." 126 Cong. Rec. H10546 (daily ed. November 12, 1980).

143249

CONCLUSION

State regulations and statutes provide a framework for implementing the subsistence law in a manner consistent with ANILCA. Many "problems" which have been perceived with the framework actually arise from misinformation and misinterpretation. Providing the public with correct information on the law would dispel the impression that these "problems" exist.

One problem which needs to be addressed is the authorization and use of a workable system to avoid disrupting harvest opportunities for those whose uses are no longer classified by the boards as subsistence uses. The personal use category established by the Board of Fisheries is a potential solution, though its relation to sport and commercial uses needs to be resolved. For example, Cook Inlet is a highly populated area where all four categories of fishery -- subsistence, sport, commercial, and personal use -- occur. Examining the appropriate application of the personal use category in Cook Inlet could develop a model not only for Cook Inlet but for other areas in the state.

Another problem is the current definition of "rural", which is vulnerable to equal protection and vagueness challenges. The definition could be amended, or even repealed, since a definition of "rural" is not required by either state or federal law.

If I can provide any further information or assistance, please let me know.

Sec. 16.05.251. Regulations of the Board of Fisheries.

(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62.010 — 44.62.650) permitting the taking of fish for subsistence uses unless the board determines, in accordance with the Administrative Procedure Act, that adoption of such regulations will jeopardize or interfere with the maintenance of fish stocks on a sustained-yield basis. Whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources, subsistence use shall be the priority use. If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:

(1) customary and direct dependence upon the resource as the mainstay of one's livelihood;

(2) local residency; and

(3) availability of alternative resources. (§ 3 ch 206 SLA 1973; am § 2 ch 215 SLA 1976; am § 4 ch 151 SLA 1978; am §§ 1, 2 ch 110 SLA 1980)

Sec. 16.05.255. Regulations of the Board of Game.

(b) The Board of Game shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62.010 — 44.62.650) permitting the taking of game for subsistence uses unless the board determines, in accordance with the Administrative Procedure Act, that adoption of such regulations will jeopardize or interfere with the maintenance of game resources on a sustained-yield basis. Whenever it is necessary to restrict the taking of game to assure the maintenance of game resources on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources, subsistence use shall be the priority use. If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:

(1) customary and direct dependence upon the resource as the mainstay of one's livelihood;

(2) local residency; and

(3) availability of alternative resources. (§ 3 ch 206 SLA 1973; am § 5 ch 151 SLA 1978)

ATTACHMENT A

Sec. 16.05.940. Definitions. In AS 16.05.010 — 16.05.950 /

(26) "subsistence uses" means the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation, for the making and selling of handicraft articles out of nonedible by-products of fish and wildlife resources taken for personal or family consumption, and for the customary trade, barter or sharing for personal or family consumption; for the purposes of this paragraph, "family" means all persons related by blood, marriage, or adoption, and any person living within the household on a permanent basis;

ATTACHMENT B

MEMORANDUM State of Alaska

TO: Honorable Bill Sheffield
Governor, State of Alaska

DATE: February 22, 1985

FILE NO: 822-642-82

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Madison v. Alaska Dept. of Fish & Game

The Alaska Supreme Court today issued an opinion in Madison v. Alaska Department of Fish and Game, file No. 7410, which holds that the regulatory approach of the Boards of Fisheries and Game to subsistence is inconsistent with Alaska's subsistence statutes. A copy is attached.

The state's position on the Alaska statutory and regulatory framework before this decision was that:

-- The legislature in 1978 intended to protect fishing and hunting by individuals who reside in rural areas of the state which historically have been dependent upon hunting and fishing as a significant characteristic of the social and economic life of the area.

-- The eight criteria developed by the board correctly identified subsistence uses in rural, reliant areas.

-- The harvest of people in other areas of the state could be accommodated through the personal use fishing category, created in regulation by the Board of Fisheries.

-- Personal use fishing did not have a priority over sport fishing and commercial fishing.

With regard to the statutory and regulatory framework in Alaska, the court in Madison held:

-- The legislature did not intend that subsistence uses were to be limited to rural uses, and the boards do not have the authority to do so.

-- The legislature did not intend subsistence uses to be identified in terms of the uses of a community or area.

-- The legislature did not intend that people qualify for subsistence fishing on an individual basis, and there is no authority to develop a "grandfather" rights system with respect to subsistence.

-- The legislature intended that subsistence uses could be restricted only if it is necessary to restrict harvest for sustained yield purposes and if sport and commercial uses have already been eliminated.

-- If a situation requires restriction of subsistence uses, distinction among subsistence users will be based upon the three statutory criteria, customary and direct dependence on the resource, local residency, and availability of alternative resources.

With regard to the federal subsistence law:

-- Federal management of fish and game on all federal lands in Alaska is mandated if the state does not by a law of general applicability define subsistence uses as uses of rural Alaska residents.

-- It is unclear precisely what federal management would entail.

LIS:rn

cc: (with attachment)

Don Collinsworth
John Shively
Lenny Boston
John Greeley
Molley McCammon

ALASKA COURT SYSTEM NEWS RELEASE

For release Friday, February 22, 1985, 12:30 p.m.

Court Strikes Down Fisheries Regulation

Madison v. Alaska Department of Fish and Game

Supreme Court Opinion No. 2911, File Nos. 6824/7181/7410

Contact: David A. Lampen
Clerk of the Appellate Courts
Anchorage (907) 264-0607

[The following was prepared by the office of the Clerk of the Appellate Courts and is not an official statement of the Alaska Supreme Court.]

The Alaska Supreme Court Friday struck down a Board of Fisheries regulation designed to identify eligibility for subsistence fishing in the Cook Inlet region.

Under the regulation, certain residents of the Kenai coastline and an area near Homer were forbidden to fish for subsistence purposes. The regulation had been declared valid by Superior Court Judges Victor D. Carlson and Paul B. Jones.

The supreme court, in an opinion by Justice Daniel A. Moore, Jr., held that the board erred in denying subsistence permits to certain residents who had fished with set nets for personal and family use for many years.

The supreme court found that the board's regulation on subsistence uses was inconsistent with Alaska law because the regulation was too restrictive.

The opinion stated: "Under a statute designed to protect subsistence uses, the board has devised a regulation to disenfranchise many subsistence users whose interests the statute was designed to protect."

END

NOTICE: This opinion is subject to formal correction before publication in the Pacific Reporter. Readers are requested to bring typographical or other formal errors to the attention of the Clerk of the Appellate Courts, 303 K Street, Anchorage, Alaska 99501, in order that corrections may be made prior to permanent publication.

THE SUPREME COURT OF THE STATE OF ALASKA

GENE MADISON, LUCY CASEY, KEN McGAHAN, SR., ANDY JOHNSON, MARGIE KIVI, J. W. WARE, DICK FRANCIS, DON GROLESKE, KEN JORDON and SHIRLEY DEVAULT, Appellants, v. ALASKA DEPARTMENT OF FISH AND GAME, and ALASKA BOARD OF FISHERIES, Appellees, and THE ALASKA FEDERATION OF NATIVES, Intervenor.	File Nos. 6824/ 7181 O P I N I O N
ALASKA DEPARTMENT OF FISH AND GAME, RONALD SKOOG, ALASKA BOARD OF FISHERIES, Appellants, v. LOUIS GJOSUND, DORA MULCH, and KACHEMAK BAY SUBSISTENCY GROUP, INC., Cross-Appellees.	File No. 7410 [No. 2911 - February 22, 19

Appeal from the Superior Court of the State of Alaska, Third Judicial District, Anchorage, Victor D. Carlson, Judge, and Third Judicial District, Homer, Paul B. Jones, Judge.

Appearances: Martin Friedman, Homer, Arthur Robinson, Soldotna, for Appellants/Cross-Appellees. Larri Irene Spengler, Assistant Attorney General, Norman C. Gorsuch, Attorney General, Juneau, for Appellees/Appellants. Donald C. Mitchell, Anchorage, for Intervenor/Amicus Curiae.

Before: Rabinowitz, Chief Justice. Burke, Matthews, Compton and Moore, Justices.

MOORE, Justice.

This case arises as a consolidated appeal of two cases. It concerns the validity of a Board of Fisheries' (hereafter board) regulation designed to identify eligibility for subsistence fishing in the Cook Inlet region.

Appellants (hereafter Madison and Gjosund) are two groups of Alaskan residents who live along the Kenai coastline and near Homer. For many years, they have fished with set nets for salmon for their personal and family use. Nonetheless, the board denied subsistence permits to Madison and Gjosund because their use of salmon did not meet the board's regulatory definition of subsistence. Both Madison and Gjosund challenged the regulation as exceeding the scope of the state's subsistence law. In both cases, the trial courts upheld the regulation as consistent with the

statutory grant of authority. We hold the regulation invalid since it is inconsistent with AS 16.05.251(b), AS 16.05.940(22) and AS 16.05.940(23) and contrary to the legislature's intent in enacting the 1978 subsistence law.

I. SUMMARY OF FACTS

Records indicate that subsistence fishing in Cook Inlet was minimal through the mid-1970s.[1] However, a core group of residents of each Cook Inlet community has traditionally fished for Cook Inlet salmon for subsistence. Participation in the subsistence salmon fishery is most visible in the smaller, more isolated villages, where the subsistence group represents a larger percentage of the population.

In 1977 the board established a comprehensive management policy for Cook Inlet, 5 AAC 21.363, which essentially allocated specific salmon stocks to sports fishermen and commercial fishermen on the basis of seasonal fish movements. See Kenai Peninsula Fisherman's Cooperative

---

1. From 1971 to 1977, the average number of subsistence permits issued annually for the Upper Cook Inlet was 87 and the average catch was 405 salmon. Commercial harvest averaged about two million fish per year. However, this statistical data does not necessarily reveal the total subsistence use since many people did not obtain permits and some commercially caught salmon were used for subsistence.

Ass'n v. State, 628 P.2d 897 (Alaska 1981). Although the policy did not specifically refer to subsistence uses of salmon in Cook Inlet, it had a substantial impact on subsistence fishing. Commercial fishermen, accustomed to taking subsistence salmon from their commercial catch, instead obtained subsistence salmon fishing permits in order to fish for their personal and family use after the commercial season was over.

Before 1978, subsistence fishing was defined in AS 16.05.940(17) as fishing for "personal use and not for sale or barter."[2] In 1978, the Alaska State Legislature enacted ch. 151 SLA 1978 (hereafter the 1978 subsistence law). Subsistence fishing was redefined as fishing for "subsistence uses."[3] Subsistence uses were defined as "customary and

---

2. Section 4, ch. 131 SLA 1960:

> "subsistence fishing": the taking, fishing for or possession of fish, shellfish, or other fishery resources for personal use and not for sale or barter, with gill net, seine, fish wheel, long line, or other means as defined by the Board.

3. AS 16.05.940(22), (formerly AS 16.05.940(17)), states:

> "subsistence fishing" means the taking, fishing for, or possession of fish, shellfish, or other fisheries resources for subsistence uses with gill net, seine, fish wheel, long line, or other means defined by

(Footnote Continued)

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1249 SCOMM 43: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

traditional uses . . . for direct personal or family consumption, and for the customary trade, barter or sharing. . . ." AS 16.05.940(23).[4] Furthermore, the legislation required the board to adopt regulations permitting "subsistence uses" of fish stocks, absent a showing that this use would jeopardize the sustained yield principle. AS 16.05.251(b).[5] Under AS 16.05.251(b), subsistence uses have

---

(Footnote Continued)

the Board of Fisheries.

4. AS 16.05.940(23), (formerly AS 16.05.940(26)), states:

> "subsistence uses" means the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation, for the making and selling of handicraft articles out of nonedible by-products of fish and wildlife resources taken for personal or family consumption, and for the customary trade, barter or sharing for personal or family consumption; for the purposes of this paragraph, "family" means all persons related by blood, marriage, or adoption, and any person living within the household on a permanent basis.

5. AS 16.05.251(b) states:

> The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) permitting the taking of fish for subsistence uses unless the board

(Footnote Continued)

priority over sport and commercial uses if the board finds it necessary to restrict the taking of fish to assure the maintenance of fish stocks or to assure the continuation of subsistence uses. If further restrictions are necessary after giving priority to all subsistence uses, the legislature established specific criteria to restrict subsistence uses based on the subsistence user's customary and direct dependence on the resource, local residency and availability of alternative resources. Id. As a result,

---

(Footnote Continued)

> determines, in accordance with the Administrative Procedure Act, that adoption of the regulations will jeopardize or interfere with the maintenance of fish stocks on a sustained-yield basis. Whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources, subsistence use shall be the priority use. If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:
>
> (1) customary and direct dependence upon the resource as the mainstay of one's livelihood;
>
> (2) local residency; and
>
> (3) availability of alternative resources.

the board could no longer allocate for subsistence uses at its discretion pursuant to AS 16.05.251(a).[6] The

---

6. AS 16.05.251(a) states:

> The Board of Fisheries may adopt regulations it considers advisable in accordance with the Administrative Procedures Act (AS 44.62) for
>
> (1) setting apart fish reserve areas, refuges and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;
>
> (2) establishing open and closed seasons and areas for the taking of fish;
>
> (3) setting quotas and bag limits on the taking of fish;
>
> (4) establishing the means and methods employed in the pursuit, capture and transport of fish;
>
> (5) establishing marking and identification requirements for means used in pursuit, capture and transport of fish;
>
> (6) classifying as commercial fish, sport fish or predators or other categories essential for regulatory purposes;
>
> (7) engaging in biological research, watershed and habitat improvement, fish management, protection, propagation and stocking;
>
> (8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(Footnote Continued)

legislature mandated in AS 16.05.251(b) that the board regulate for the protection of subsistence uses as the priority use of fish and game.

The passage of the 1978 subsistence law, combined with adoption of the board's 1977 management policy, heighened public awareness of the state's subsistence fishing provisions. This public interest resulted in a

---

(Footnote Continued)

> (9) entering into cooperative agreements with educational institutions and state, federal, or other agencies to promote fish research, management, education and information and to train persons for fish management;
>
> (10) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;
>
> (11) establishing seasons, areas, quotas and methods of harvest for aquatic plants;
>
> (12) establishing the times and dates during which the issuance of fishing licenses, permits and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43.

FROM

substantial increase in the demand for subsistence permits and a corresponding increase in total catch.[7] The board responded to the permit increase by restricting subsistence fishing; it limited areas open to subsistence fishing, length of fishing periods and maximum length of gill nets. Several lawsuits were filed, all of which resulted in decisions unfavorable to the board.

In December 1980, the board held hearings to respond to the 1978 subsistence law and received a considerable amount of testimony on subsistence uses in Cook Inlet. The meeting resulted in the establishment of characteristics for identification of "customary and traditional uses" of Cook Inlet salmon.[8] In addition, the

---

7. This chart reflects the trend in Upper Cook Inlet:

	Subsistence Use		Commercial Harvest
	Permits Issued	Salmon Caught	
1978	323	3,735	5,118,041
1979	1,161	9,923	1,923,229
1980	1,331	14,775	4,138,648

In 1980, household permits were issued instead of individual permits.

8. With some modification, these characteristics became the basis of 5 AAC 01.597, which states:

> CHARACTERISTICS OF SUBSISTENCE FISHERIES.
> (a) The board of fisheries finds that certain customary and traditional practices

(Footnote Continued)

2911

board decided to "adopt a set of criteria drawn from the

(Footnote Continued)

and procedures associated with the utilization of fish in the Cook Inlet Area can be used to identify subsistence uses. Based on testimony to the board, the following characteristics are those that should be evaluated in the identification of subsistence fisheries:

(1) a long-term, stable, reliable pattern of use and dependency, excluding interruption generated by outside circumstances, e. g., regulatory action or fluctuations in resource abundance;

(2) a use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use;

(3) a use pattern associated with specific stocks and seasons;

(4) a use pattern based on the most efficient and productive gear and economical use of time, energy and money;

(5) a use pattern occurring in reasonable geographic proximity to the primary residence of the community, group or individual;

(6) a use pattern occurring in locations with easiest and most direct access to the resources;

(7) a use pattern which includes a history of traditional modes of handling, preparing and storing the product without precluding recent technological advances;

(8) a use pattern which includes the intergenerational transmission of activities and skills;

(Footnote Continued)

characteristics . . . and apply [them] to communities, subcommunities, groups and individuals who wish to continue to participate in an established customary and traditional fishing effort in Cook Inlet."

At its March 1981 meeting, the board received written testimony from the public about subsistence uses of Cook Inlet salmon stock. Subsequently, it decided to apply all of the ten criteria to determine "customary and

---

(Footnote Continued)

> (9) a use pattern in which the effort and products are distributed on a community and family basis including trade, bartering, sharing and gift-giving; and
>
> (10) a use pattern which includes reliance on subsistence taking of a range of wild resources in proximity to the community or primary residency.
>
> (b) The board will identify established geographic communities which may be participating in a subsistence system. The board will then apply all of the characteristics in (a) of this section to the communities and to subcommunities, groups and individuals within the communities to determine which uses are customary and traditional and therefore, which communities are eligible for the subsistence priority.
>
> (c) For purposes of this section, a "community" is generally considered to be several households of full-time residents who all reside in a specific geographic area because of common interests.

traditional uses" eligible for the subsistence priority. When the board applied the ten criteria, it determined that no group or community in the Cook Inlet region other than Tyonek, English Bay and Port Graham satisfied all ten of the criteria. The board limited the 1981 subsistence catch to these three communities. As a result, the board eliminated from the protection of the state's subsistence statute the majority of Cook Inlet fishermen who formerly fished under subsistence regulations.

Madison and Gjosund challenged the validity of the board's subsistence criteria (now 5 AAC 01.597) on several grounds. They claimed that: (1) the criteria were inconsistent with the statutory language and legislative intent of the 1978 subsistence law; (2) the board failed to comply with the Administrative Procedure Act in adopting the criteria; and (3) their equal protection and due process rights were violated by the board's action.[9] Both courts issued preliminary injunctions compelling the board to authorize personal use fishing for Madison and Gjosund similar to that allowed in the previous year. The board

---

9. Since we hold the regulation invalid because it is inconsistent with AS 16.05.251(b) and AS 16.05.940(22) and (23), and contrary to the legislature's intent in enacting the 1978 subsistence law, we need not consider the APA, due process and equal protection issues raised regarding the regulation's validity.

moved for summary judgment on the plaintiffs' first claim. Both trial courts granted summary judgment to the board, after finding the subsistence criteria consistent with the legislative intent "to provide for and protect personal use . . . by persons who reside in rural communities. . . . "

On appeal, Madison and Gjosund seek reversal of the two trial court decisions. They claim that the board did not act within the legislative authority granted by AS 16.05.251(b) and AS 16.05.940(22) and (23) when it adopted the ten characteristics ultimately codified as 5 AAC 01.597.[10]

II. STANDARD OF REVIEW

We first consider the appropriate standard of review for this case. The legislature enacted AS 16.05.251(b), which requires the board to adopt regulations permitting the taking of fish for "subsistence uses." The legislature then defined subsistence uses as "customary and traditional" uses in AS 16.05.940(23), but it never defined

---

10. Madison and Gjosund also contend that the board exceeded its statutory authority under AS 16.05.251(a) when it established a personal use fishery to accommodate people excluded from the subsistence fishery by 5 AAC 01.597. Because we hold 5 AAC 01.597 invalid, we need not address the issue of the board's authority to establish a personal use fishery.

"customary and traditional." The board developed the ten criteria (now codified as 5 AAC 01.597) to identify customary and traditional uses qualifying for a subsistence priority under AS 16.05.251(b). Therefore, the board interpreted the 1978 subsistence law and devised its regulatory criteria accordingly.

In Kelly v. Zamarello, 486 P.2d 906, 917 (Alaska 1971), we stated that the "reasonable basis approach should be used for the most part in cases concerning administrative expertise as to either complex subject matter or fundamental policy formulations." However, the issues in this case concern statutory interpretation of the words "customary and traditional" and the question whether the board has acted within the scope of its statutory authority. Such issues "fall into the realm of special competency of the courts." Alaska Public Utility Commission v. Municipality of Anchorage, 555 P.2d 262, 266 (Alaska 1976). See also State, Commercial Fisheries Entry Commission v. Templeton, 598 P.2d 77, 80 (Alaska 1979).

In this instance, we are dealing with a question of statutory interpretation and will apply the substitution of judgment standard.

> The substitution of judgment standard is applied when the questions of law presented do not involve agency expertise, and, thus, a court need not take the deferential stance embodied in the rational basis test. . . . The standard is appropriate where the

> knowledge and experience of the agency is of little guidance to the court or where the case concerns "statutory interpretation or other analysis of legal relationships about which courts have specialized knowledge and experience."

Earth Resources Co. v. State, Department of Revenue, 665 P.2d 960, 965 (Alaska 1983), quoting Kelly v. Zamarello, 486 P.2d at 916 (emphasis added). Application of this standard allows the reviewing court to substitute its judgment about a statute's meaning for the board's interpretation, even if the board's interpretation had a reasonable basis in law. In this case, both trial courts erred by applying the rational basis standard to the board's statutory interpretation.

III. LEGISLATIVE HISTORY OF THE 1978 SUBSISTENCE LAW

Before 1978, subsistence fishing was defined as fishing for "personal use and not for sale or barter." Formerly AS 16.05.940(17). The 1978 subsistence law redefined subsistence fishing as fishing for "subsistence uses." AS 16.05.940(22). "Subsistence uses" were defined as "the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption . . . and for the customary trade, barter or sharing . . . . " AS 16.05.940(23). The board argues that the legislature intended to narrow the scope of subsistence fishing to mean fishing by individuals residing in those

rural communities that have historically depended on subsistence hunting and fishing. Under this interpretation, the board asserts that its criteria are consistent with the legislature's intent.

The board's argument reveals a fundamental misconception about the structure of the 1978 subsistence law. There are potentially two tiers of subsistence users under AS 16.05.251(b). The first tier includes all subsistence users. Under the statute, all subsistence uses have priority over sport and commercial uses "whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources. . . ." AS 16.05.251(b). If the statutory priority given all subsistence users over commercial and sport users still results in too few fish for all subsistence uses, then the board is authorized to establish a second tier of preferred subsistence users based on the legislative criteria expressed in AS 16.05.251(b), namely, customary and direct dependence on the resource, local residency, and availability of alternative resources.

Criteria like the ten criteria of 5 AAC 01.597(a) could be used to distinguish first-tier general subsistence users from second-tier preferred subsistence users, since most of the criteria relate to either "customary and direct

dependence" or "local residency," two of the three criteria set out in AS 16.05.251(b). However, before there is any occasion to restrict subsistence fishing to second-tier preferred subsistence users as distinct from all subsistence users, the board must make two findings. It must find: (1) that it is necessary to restrict the taking of fish for sustained-yield purposes; and (2) that eliminating sport and commercial uses will not assure the maintenance of fish stocks on a sustained-yield basis and, thus, establishing a priority among subsistence users is also necessary. The board erred because it applied the ten criteria without making these findings.

The board argues that the words "customary and traditional" in AS 16.05.940(23) authorize it to define first-tier subsistence users by their area of residence. We reject this argument for several reasons. First, the argument ignores the two-tier structure of AS 16.05.251(b) that defines only the second-tier subsistence users in terms of residency. If the legislature had intended to define the class of first-tier general subsistence users by area of residence, it would not have expressed that factor with respect to only the second tier of preferred subsistence users. Moreover, the phrase "customary and traditional" modifies the word "uses" in AS 16.05.940(23). It does not refer to users. The 1978 subsistence law refers to

"customary users" at only one point, when it defines the preferred subsistence users of the second tier with the three statutory criteria in AS 16.05.251(b).

The House Special Committee on Subsistence drafted a letter of intent for House Bill 960[11] that supports our interpretation. With respect to AS 16.05.251(b) (which was § 6 of House Bill 960),[12] the letter of intent made clear the priority to be given subsistence uses in general over sport and commercial uses and explained the two-tier system among subsistence users.

> Sections six and seven: These two sections, which are virtually identical for the Boards of Fisheries and the Board of Game, are intended to statutorily set out the priority given to subsistence use of fish and game resources. . . . Further, these sections set forth a priority of users if restrictions are needed because of the unavailability of resources. The priority list is an attempt to insure that those with the most dependence upon the fish and game resources are the last to be restricted.
>
> If there is a need to restrict the taking of fish or game in order to avoid damaging the fish stocks or game populations, or in order to assure that subsistence users may continue to take fish or game, it is the intent of the Committee that sports or commercial use be restricted before

---

11. HB 960 became the 1978 subsistence law, ch. 151 SLA 1978.

12. The committee also intended to provide a priority for subsistence hunting in AS 16.05.255, as indicated in § 6 of HB 960.

> subsistence use. If these restrictions are inadequate, restricting of subsistence use as well is authorized based upon the dependence on the resource, the local residence of the subsistence users, and the availability of alternate resources.

(Emphasis added).

Only in connection with AS 16.05.251(b) does the letter of intent discuss applying residence criteria to subsistence users, and it does so only with respect to second-tier subsistence users. With respect to the definition of subsistence uses in § 17 of House Bill 960 (now AS 16.05.940(23)), the letter of intent does not suggest that the phrase "customary and traditional" was meant to describe users as well as uses. The letter of intent states:

> Section seventeen: Subsection (26) defines what uses can be made of subsistence caught fish and game. It allows it to be used for direct personal or family consumption, for barter as defined in subsection (27) and for sharing the subsistence caught fish and game with other persons. This subsistence caught fish and game which is shared can then only be used for personal or family consumption. This subsection also broadens the definition of family to include the extended family situation.

The letter of intent clearly expressed the legislative resolve to establish a priority for subsistence use of fish and game. The 1978 subsistence law also increased the number of uses qualifying as subsistence fishing by including trade and barter.

The board based its restrictive regulation, 5 AAC 01.597, on the words "customary and traditional." The legislature did not define these words in the 1978 subsistence law. In such a case, reference to legislative history may provide an insight into the legislature's intent and a statute's meaning. North Slope Borough v. Sohio Petroleum Corp., 585 P.2d 534, 540 (Alaska 1978). In the House floor debate on House Bill 960, Representative Cotton introduced an amendment to delete the words "customary and traditional" from the statute. The floor manager of the bill, Representative Anderson, opposed the amendment in the following speech:

> The two words are used in this context to put some guidelines around the uses of Alaska's freedom of resources. What we were afraid of, it was brought to our attention by people who were concerned that this would leave the field of the definition wide open. That newcomers just coming to the State of Alaska would automatically be able to establish not only residency in 30 days, but be able to go out and state that they have a customary and traditional use of Alaska's fish and game resources. The use of customary and traditional also is in recognition of a historical use of fish and game for food, shelter, fuel, clothing, tools, transportation, etc. This is not only in conformance with the aboriginal uses, but also those that have come in, those people who have come in later. . . . [T]he nonnative people in the State of Alaska have established customary and traditional uses of Alaska's fish and game resources for subsistence purposes. And in order to give the Board of Fish and Game more clarification in the area, we have come up with the (inaudible) of customary and traditional rather than leaving that section

> wide open. The design is not to be restrictive but to provide guidelines and that is basically what I feel and many . . . members felt it was necessary in . . . adding or retaining those two words "customary and traditional."

(Emphasis added).

We consider statements made by a bill's sponsor in the course of legislative deliberations to be relevant evidence when a court is trying to determine legislative intent. Alaska Public Employees Association v. State, 525 P.2d 12, 16 (Alaska 1974). Anderson argued for the retention of "customary and traditional" for use as a guideline. His major concern focused on the potential pressure put on resources by newcomers. In his view, the words "customary and traditional" recognized and protected a historical subsistence use by both native and non-native Alaskans. The words were not intended to restrict subsistence use.

Another part of the House debate serves to clarify the statute's meaning. Representative Parr expressed concern that the board might use AS 16.05.251(b) to eliminate Fairbanks residents from subsistence use. Some Fairbanks residents often traveled to the Chitina Dip Net Fishery near the Copper River for their fishing. Representative Anderson responded to these concerns:

> If we get into a condition where the fish stock gets down to the point where there is no way that you can allow any take, the first people that you are going to cut off are the commercial and then the sports, first, and

> then the last people that you are going to cut off are the subsistence people who have the greatest reliance on the resource. . . . [I]f it were defined that dip net fishing were for subsistence uses and not for sale or any other purpose, that would be allowed and I would think that people from Fairbanks would fall under these categories. I don't know where else they would go to . . . where people from Fairbanks make it a custom to go down to the Chitina area and if it was determined that that resource was down to the point where only subsistence would be allowed, those people would be taken care of under this section. I don't see that it is eliminating.

(Emphasis added).

In the House debate, Anderson attempted to assure Parr that residents of urban Fairbanks could be considered priority subsistence users. Contrary to the board's interpretation of the subsistence statutes, there is no indication that legislators understood the 1978 subsistence law to restrict subsistence use to either a rural or a community context. In fact, the House debate indicates that the 1978 subsistence law was necessary to protect subsistence uses as a priority use of Alaska's fish and game resources. This intent is clearly expressed by the preamble to the subsistence law:

> [I]t is in the public interest to clearly establish subsistence use as a priority use of Alaska's fish and game resources and to recognize the needs, customs and traditions of Alaskan residents. The legislature further finds that beneficial use of those resources by all state residents should be carefully monitored and regulated with as much input as possible from the affected

> users, so that the viability of fish and game resources is not threatened and so that resources are conserved in a manner consistent with the sustained yield principle.

(Emphasis added).

The legislative history indicates that the legislature intended to protect subsistence use, not limit it. The words "customary and traditional" serve as a guideline to recognize historical subsistence use by individuals, both native and non-native Alaskans. In addition, subsistence use is not strictly limited to rural communities. For these reasons, the board's interpretation of "customary and traditional as a restrictive term conflicts squarely with the legislative intent.[13]

---

13. The board notes that the words "customary and traditional" in the 1978 subsistence law were taken from § 703 of HR 39, 95th Congress, 2nd Session (1978), which Congress passed in modified form in 1980 as the Alaska National Interests Land Conservation Act (ANILCA), Public Law No. 96-487, 16 U.S.C. § 3113. Therefore, the board argues that the words in the Alaska act should have the same meaning as the words in the federal act and limit subsistence uses to residents of rural Alaska. We reject this argument for several reasons. First, § 703 of HR 39 in its 1978 form did not contain the "rural Alaska residents" limitation now found in 16 U.S.C. § 3113. Second, the Alaska House floor debate reveals that Representative Anderson, the bill's floor manager, understood the 1978 subsistence law to allow the urban residents of Fairbanks to qualify as general subsistence users. Finally, in the preamble to the 1978 subsistence law, the Alaska Legislature expressed its intent to "recognize the needs, customs and traditions of Alaskan residents." While the legislature declared that beneficial use of fish and game resources "by

(Footnote Continued)

IV. THE BOARD'S ADOPTION AND APPLICATION OF 5 AAC 01.597

We now turn to the board's interpretation of the 1978 subsistence law. In December 1980, the board met to examine the uses of salmon in Cook Inlet and to determine which uses would qualify for the subsistence use priority. Tom Lonner, the director of the subsistence section of the Alaska Department of Fish and Game, presented the department's recommendations on the subsistence statute. He suggested that the board begin its analysis of customary and traditional uses with an assessment of user profiles and use patterns on a case by case basis. Lonner noted that such information was most lacking in the major Cook Inlet subsistence fishery because of the rapid growth of subsistence uses in recent years, and that obtaining such information would be expensive.

The board did not follow Lonner's suggested approach.[14] After the board heard extensive testimony on subsistence use, its chairman appointed a committee,[15]

(Footnote Continued)

all state residents" should be carefully monitored and regulated, it did not express an intention to limit subsistence uses to rural Alaska residents.

14. A board member, Nick Szabo, stated that the board's limited budget prevented implementation of a case by case approach.

15. The board stipulated in 1982 that it violated

(Footnote Continued)

consisting of board members and staff, to identify subsistence uses of salmon in Cook Inlet. The committee drafted ten criteria to identify subsistence uses and presented them to the board.

Lonner worked with the committee to develop the ten criteria and explained them to the board. He stated: "These tenets here are . . . based on . . . the evidence about four relatively self-contained communities. . . . If, however, you have individual applicants, . . . this might not suffice as a test." Therefore, the board was fully aware of the limitations of the proposed criteria.

At its March 1981 meeting, the board received further testimony on uses of Cook Inlet salmon from the area advisory committees and several individual witnesses. After deliberation, the board decided to apply all of the ten criteria "to determine which uses are customary and traditional and therefore are eligible for the subsistence priority." Only the fisheries associated with Tyonek, English Bay and Port Graham met all ten criteria.

In its findings of fact, the board applied the ten criteria to individuals such as Madison and Gjosund. In particular, the individuals failed to meet the second

---

(Footnote Continued)

AS 44.62.310-12 (public meeting provision) at its December 1980 meeting.

criterion: "A use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use."[16] The board found:

> Although some users have shown the existence of a community of interest (e.g., the Kenaitze Tribe and the Kachemak Bay Subsistence Group), these persons either are too widely dispersed or are too heterogeneous to be considered an identifiable community, subcommunity or group. On the evidence presented, the Board cannot conclude either that activities are conducted in common or that sharing or other group interchange occurs in relation to the resource.

In other words, an individual subsistence user (such as Madison or Gjosund) would not qualify for a subsistence use priority from the board unless he were part of an identifiable subsistence community or group.[17] Under the

---

16. See 5 AAC 01.597 set out in n. 8 above.

17. In contrast, the Commercial Fisheries Entry Commission issues commercial fishing permits on an individual basis. See AS 16.43.250. We do not, however, read the words "customary and traditional" as a grant of authority to the Department of Fish and Game and the Board of Fisheries to impose a "grandfather" rights system with respect to subsistence users. Imposing an equitable system of grandfather rights is an extremely complicated task, as Alaska's experience with such a system in the commercial salmon and herring fisheries has demonstrated. See AS 16.43.010-990 and the numerous, and ever increasing, judicial decisions interpreting this act noted in the annotations. Such a system would also be extremely controversial. It is preposterous to suppose that the legislature intended to create such a system merely by using

(Footnote Continued)

board's regulation, many individual users who have historically depended on subsistence fishing are eliminated from subsistence use at the outset.

The board's regulation, 5 AAC 01.597, is inconsistent with the legislative intent to provide guidelines for the protection of subsistence fishing. The regulation exceeds the authority delegated to the board because it operates too restrictively in its initial differentiation between subsistence and non-subsistence uses. Under a statute designed to protect subsistence uses, the board has devised a regulation to disenfranchise many subsistence users whose interests the statute was designed to protect.

The decision of the two trial courts that 5 AAC 01.597 is consistent with AS 16.05.251(b) and AS 16.05.940(22) and (23) is REVERSED.

(Footnote Continued)

the words "customary and traditional" in the definition of subsistence uses, with no more notice or guidance than is inherent in those words.

the state files a civil complaint on the next working day following the seizure, and the owners are promptly notified, the owners are afforded procedural due process. State v. Baranof, Sup. Ct. Op. No. 2785 (File Nos. 7287, 7324), P.2d (1984).

Section not preempted by federal law. — The Fishery Conservation and Management Act, 16 U.S.C. § 1801 et seq., does not preempt state regulation of king crab harvesting in the extraterritorial fishery conservation zone by vessels registered in Alaska. State v. F/V Baranof, Sup. Ct. Op. No. 2787 (File Nos. 7287, 7324), 677 P.2d 1245 (1984).

The federal Fishery Management and Conservation Act does not preempt Alaskan king crab regulation of vessels registered in Alaska. State v. Baranof, Sup. Ct. Op. No. 2785 (File Nos. 7287, 7324), P.2d (1984).

Concurrent state jurisdiction of in rem admiralty forfeiture actions. — In rem admiralty forfeiture actions brought by the state to enforce violations of law may be brought in state courts under concurrent state jurisdiction. State v. Baranof, Sup. Ct. Op. No. 2785 (File Nos. 7287, 7324), P.2d (1984).

Article 2. Boards of Fisheries and Game.

Section
251. Regulations of the Board of Fisheries
255. Regulations of the Board of Game

Sec. 16.05.251. Regulations of the Board of Fisheries. (a) The Board of Fisheries may adopt regulations it considers advisable in accordance with the Administrative Procedure Act (AS 44.62) for

(1) setting apart fish reserve areas, refuges and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;

(2) establishing open and closed seasons and areas for the taking of fish;

(3) setting quotas, bag limits, harvest levels, and sex and size limitations on the taking of fish;

(4) establishing the means and methods employed in the pursuit, capture and transport of fish;

(5) establishing marking and identification requirements for means used in pursuit, capture and transport of fish;

(6) classifying as commercial fish, sport fish or predators or other categories essential for regulatory purposes;

(7) watershed and habitat improvement, and management, conservation, protection, use, disposal, propagation and stocking of fish;

(8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(9) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;

(10) establishing seasons, areas, quotas and methods of harvest for aquatic plants;

(11) establishing the times and dates during which the issuance of fishing licenses, permits and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43.

(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) permitting the taking of fish for subsistence uses unless the board determines, in accordance with the Administrative Procedure Act, that adoption of the regulations will jeopardize or interfere with the maintenance of fish stocks on a sustained-yield basis. Whenever it is necessary to restrict the taking of fish to assure the maintenance of fish stocks on a sustained-yield basis, or to assure the continuation of subsistence uses of such resources, subsistence use shall be the priority use. If further restriction is necessary, the board shall establish restrictions and limitations on and priorities for these consumptive uses on the basis of the following criteria:

(1) customary and direct dependence upon the resource as the mainstay of one's livelihood;

(2) local residency; and

(3) availability of alternative resources.

(c) If the Board of Fisheries denies a petition or proposal to amend, adopt, or repeal a regulation, the board, upon receiving a written request from the sponsor of the petition or proposal, shall in addition to the requirements of AS 44.62.230 provide a written explantion for the denial to the sponsor not later than 30 days after the board has officially met and denied the sponsor's petition or proposal, or 30 days after receiving the request for an explanation, whichever is later. (§ 3 ch 206 SLA 1975; am § 2 ch 218 SLA 1976; am § 4 ch 151 SLA 1978; am §§ 1, 2 ch 110 SLA 1980; am §§ 8, 9 ch 132 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 3, 1984, in subsection (a), substituted "bag limits, harvest levels, and sex and size limitations" for "and bag limits" in paragraph (3), deleted "engaging in biological research" from the beginning of paragraph (7), substituted "and management, conservation, protection, use, disposal, propagation and stocking of fish" for "fish management, protection, propagation and stocking" in paragraph (7), repealed paragraph (9), and renumbered former paragraphs (10)-(12) as present paragraphs (9)-(11). The amendment also added subsection (c).

NOTES TO DECISIONS

Cited in Langesater v. State, Ct. App. Op. No. 279 (File No. 7357), 668 P.2d 1359 (1983).

Sec. 16.05.255. Regulations of the Board of Game. (a) The Board of Game may adopt regulations it considers advisable in accordance with the Administrative Procedure Act (AS 44.62) for

Effective dates. — Section 30, ch. 132, SLA 1984, makes this section effective July 3, 1984, in accordance with AS 01.10.010(c).

Sec. 16.05.930. Exempted activities. (a) This chapter does not prevent the collection or exportation of fish and game, a part of fish or game or a nest or egg of a bird for scientific or educational purposes, or for propagation or exhibition purposes under a permit which the department may issue and prescribe the terms thereof.

(b) This chapter does not prohibit a person from taking fish or game during the closed season, in case of dire emergency, as defined by regulation adopted by the appropriate board.

(c) AS 16.05.920 does not prohibit rearing and sale of fish from private ponds, the raising of wild animals in captivity for food or the raising of game birds for the purpose of recreational hunting on game hunting preserves, under regulations adopted by the appropriate board. In this subsection, "animals" includes all animal life, including insects and bugs.

(d) Nondomestic animals of any species may not be transferred or transported from the state under (a) of this section unless approved by the Board of Game in regular or special meeting. Animals transferred or transported under (a) of this section shall be animals that are certified by the department to be surplus and unnecessary to the sustained yield management of the resource. Each application for a permit under (a) of this section shall be accompanied by a statement prepared by the Department of Fish and Game examining the probable environmental impact of the action.

(e) This chapter does not prevent the traditional barter of fish and game taken by subsistence hunting or fishing, except that the commissioner may prohibit the barter of subsistence-taken fish and game by regulation, emergency or otherwise, if a determination on the record is made that the barter is resulting in a waste of the resource, damage to fish stocks or game populations, or circumvention of fish or game management programs.

(f) A permit may not be required for possessing, importing or exporting mink and fox for fur farming purposes. (§ 28 art I ch 94 SLA 1959; am § 1 ch 7 SLA 1972; am § 2 ch 104 SLA 1972; am § 4 ch 82 SLA 1974; am §§ 16, 17 ch 206 SLA 1975; am § 1 ch 20 SLA 1976; am § 13 ch 151 SLA 1978; am § 4 ch 23 SLA 1983; am § 23 ch 132 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 3, 1984, in subsection (c), made a word correction in the first sentence and added the second sentence.

Sec. 16.05.940. Definitions. In AS 16.05 — AS 16.40

(1) "aquatic plant" means any species of plant, excluding the rushes, sedges and true grasses, growing in a marine aquatic or intertidal habitat;

(2) "barter" means the exchange or trade of fish or game, or their parts, taken for subsistence uses

(A) for other fish or game or their parts; or

(B) for other food or for nonedible items other than money if the exchange is of a limited and noncommercial nature;

(3) "a board" means either the Board of Fisheries or the Board of Game;

(4) "commercial fisherman" means an individual who fishes commercially for, takes, or attempts to take fish, shellfish, or other fishery resources of the state by any means, and includes every individual aboard a boat operated for fishing purposes who participates directly or indirectly in the taking of these raw fishery products, whether participation is on shares or as an employee or otherwise; however, this definition does not apply to anyone aboard a licensed vessel as a visitor or guest who does not directly or indirectly participate in the taking; and the term "commercial fisherman" includes the crews of tenders or other floating craft used in transporting fish;

(5) "commercial fishing" means the taking, fishing for, or possession of fish, shellfish, or other fishery resources with the intent of disposing of them for profit, or by sale, barter, trade, or in commercial channels; the failure to have a valid subsistence permit in possession, if required by statute or regulation, is considered prima facie evidence of commercial fishing if commercial fishing gear as specified by regulation is involved in the taking, fishing for, or possession of fish, shellfish, or other fish resources;

(6) "commissioner" means the commissioner of fish and game unless specifically provided otherwise;

(7) "department" means the Department of Fish and Game unless specifically provided otherwise;

(8) "domestic mammals" include musk oxen, bison, and reindeer, if they are lawfully owned;

(9) "fish" means any species of aquatic finfish, invertebrate, or amphibian, in any stage of its life cycle, found in or introduced into the state, and includes any part of such aquatic finfish, invertebrate, or amphibian;

(10) "fish derby" means a contest in which prizes are awarded for catching fish;

(11) "fishing derby association" means a civic, service, or charitable organization in the state, not for pecuniary profit, whose primary purpose is to promote interest in fishing for recreational purposes and which has been in existence for five years before applying for a permit under this chapter, but does not include an organization formed or operated for gaming or gambling purposes;

(12) "fish or game farming" means the business of propagating, breeding, raising, or producing fish or game in captivity for the purpose of marketing the fish or game or their products, and "captivity" means

having the fish or game under positive control, as in a pen, pond, or an area of land or water which is completely enclosed by a generally escape-proof barrier;

(13) "fur dealing" means engaging in the business of buying, selling, or trading in animal skins, but does not include the sale of animal skins by a trapper or hunter who has legally taken the animal, or the purchase of animal skins by a person, other than a fur dealer, for the person's own use;

(14) "game" means any species of bird, reptile, and mammal, including a feral domestic animal, found or introduced in the state, except domestic birds and mammals; and game may be classified by regulation as big game, small game, fur bearers or other categories considered essential for carrying out the intention and purposes of AS 16.05 — AS 16.40,

(15) "hunting" means the taking of game under AS 16.05 — AS 16.40 and the regulations adopted under those chapters;

(16) "nonresident" means a person who is not a resident of the state;

(17) "nonresident alien" means a person who is not a citizen of the United States and whose permanent place of abode is not in the United States;

(18) "operator" means the individual by law made responsible for the operation of the vessel;

(19) "resident" means a person who for 12 consecutive months has maintained a permanent place of abode in the state and who has continually maintained a voting residence in the state; and in the case of a partnership, association, joint stock company, trust, or corporation, "resident" means one that has its main office or headquarters in the state; however, a member of the military service who has been stationed in the state for the preceding 12 consecutive months is a resident for the purposes of this paragraph, and the dependent of a resident member of the military service, who has been living in the state for the preceding year is a resident for the purposes of this paragraph, and a person who is an alien but who for one year has maintained a permanent place of abode in the state is a resident for the purposes of this paragraph;

(20) "seizure" means the actual or constructive taking or possession of real or personal property subject to seizure under AS 16.05 — AS 16.40 by an enforcement or investigative officer charged with enforcement of the fish and game laws of the state;

(21) "sport fishing" means the taking of or attempting to take for personal use, and not for sale or barter, any fresh water, marine, or anadromous fish by hook and line held in the hand, or by hook and line with the line attached to a pole or rod which is held in the hand or closely attended, or by other means defined by the Board of Fisheries;

(22) "subsistence fishing" means the taking of, fishing for, or possession of fish, shellfish, or other fisheries resources for subsistence

uses with gill net, seine, fish wheel, long line, or other means defined by the Board of Fisheries;

(23) "subsistence uses" means the customary and traditional uses in Alaska of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation, for the making and selling of handicraft articles out of nonedible by-products of fish and wildlife resources taken for personal or family consumption, and for the customary trade, barter, or sharing for personal or family consumption; for the purposes of this paragraph, "family" means all persons related by blood, marriage, or adoption, and any person living within the household on a permanent basis;

(24) "take" means taking, pursuing, hunting, fishing, trapping, or in any manner disturbing, capturing, or killing or attempting to take, pursue, hunt, fish, trap, or in any manner capture or kill fish or game;

(25) "taxidermy" means tanning, mounting, processing, or other treatment or preparation of fish or game, or any part of fish or game, as a trophy, for monetary gain, including the receiving of the fish or game or parts of fish or game for such purposes;

(26) "trapping" means the taking of mammals declared by regulation to be fur bearers;

(27) "vessel" means a floating craft powered, towed, rowed, or otherwise propelled, which is used for delivering, landing, or taking fish within the jurisdiction of the state, but does not include aircraft.

(§ 2 art I ch 95 SLA 1959; am §§ 1 — 4 ch 131 SLA 1960; am § 1 ch 21 SLA 1961; am §§ 1, 2 ch 102 SLA 1961; § 9 art III ch 94 SLA 1959; am § 23 ch 131 SLA 1960; am § 1 ch 160 SLA 1962; am §§ 13, 14 ch 31 SLA 1963; am § 2 ch 32 SLA 1968; am § 3 ch 73 SLA 1970; am § 1 ch 91 SLA 1970; am § 4 ch 110 SLA 1970; am § 1 ch 90 SLA 1972; am § 5 ch 82 SLA 1974; am §§ 26, 82 ch 127 SLA 1974; am §§ 18 — 20 ch 206 SLA 1975; am § 12 ch 105 SLA 1977; am §§ 14, 15 ch 151 SLA 1978; am § 1 ch 78 SLA 1979; am § 1 ch 24 SLA 1980; § 4 ch 74 SLA 1982; am § 24 ch 132 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 3, 1984, substituted "AS 16.05 — AS 16.40" for "this chapter" in the introductory language and paragraphs (14), (15) and (20); in paragraph (9), substituted "invertebrate, or amphibian" for "invertebrates and amphibians" and "its" for "their" preceding "life cycle" and added the language beginning "and includes any part of such aquatic finfish"; reworded the contents of paragraph (13); inserted "reptile" near the beginning of paragraph (14); substituted "those chapters" for "it" in paragraph (15); substituted "this paragraph" for "this chapter" in three places in paragraph (19); inserted "of" following "taking" in paragraph (22); deleted "for the purposes of this chapter" preceding "does not include aircraft" in paragraph (27); and repealed paragraph (28), defining "visitor."

PART 8.
SUBSISTENCE HUNTING, FISHING, AND TRAPPING

Chapter
99. Subsistence Uses

CHAPTER 99.
SUBSISTENCE USES

Section
10. Joint Boards of Fisheries and Game subsistence procedures
20. (Repealed)

5 AAC 99.010. JOINT BOARDS OF FISHERIES AND GAME SUBSISTENCE PROCEDURES. (a) In applying a subsistence priority, the Board of Fisheries and the Board of Game will provide for conservation and development of Alaska's fish and game resources according to the following procedures:

(1) each board will assess the biological status of fish or game resources and determine whether a surplus may be harvested during a regulatory year consistent with the conservation and development of the resources on the sustained yield principle and compatible with the public interest;

(2) each board will identify subsistence uses of fish or game resources, recognizing that subsistence uses are customary and traditional uses by rural Alaska residents for food, shelter, fuel, clothing, tools, transportation, making of handicrafts, customary trade, barter and sharing.

(b) Customary and traditional subsistence uses by rural Alaska residents will be identified by use of the following criteria:

(1) a long-term, consistent pattern of use, excluding interruption by circumstances beyond the user's control such as regulatory prohibitions;

(2) a use pattern recurring in specific seasons of each year;

(3) a use pattern consisting of methods and means of harvest which are characterized by efficiency and economy of effort and cost, and conditioned by local circumstances;

(4) the consistent harvest and use of fish or game which is near, or reasonably accessible from, the user's residence;

(5) the means of handling, preparing, preserving, and storing fish or game which has been traditionally used by past generations, but not excluding recent technological advances where appropriate;

(6) a use pattern which includes the handing down of knowledge of fishing or hunting skills, values and lore from generation to generation;

(7) a use pattern in which the hunting or fishing effort or the products of that effort are distributed or shared among others within a definable community of persons, including customary trade, barter, sharing, and gift-giving; customary trade may include limited exchanges for cash, but does not include significant commercial enterprises; a community may include specific villages or towns, with a historical preponderance of subsistence users, and encompasses individuals, families, or groups who in fact meet the criteria described in this subsection; and

(8) a use pattern which includes reliance for subsistence purposes upon a wide diversity of the fish and game resources of an area, and which provides substantial economic, cultural, social, and nutritional elements of the subsistence user's life.

(c) After identifying subsistence uses based upon the criteria set out in (b) of this section, each board will determine the approximate amount of fish or game necessary to provide fully for reasonable opportunities to engage in these customary and traditional uses.

(d) Each board will adopt regulations that provide an opportunity for the subsistence taking of fish or game resources in amounts sufficient to provide for the customary and traditional uses identified in (b) of this section, and consistent with sound conservation and management practices. In no instance may the subsistence taking jeopardize or interfere with the maintenance of a specific fish stock or game population on a sustained-yield basis.

(e) Each board will, in its discretion, adopt

regulations that provide an opportunity for non-subsistence uses of the resource, to the extent that the non-subsistence uses do not jeopardize or interfere with the conservation and development of fish or game resources on a sustained-yield basis, or with the opportunity for taking these resources for customary and traditional subsistence uses as provided in (d) of this section.

(f) When circumstances such as increased numbers of users, weather, predation, or loss of habitat may jeopardize the sustained yield of a fish stock or game population, each board will exercise all practical options for restricting non-subsistence harvest before subsistence uses are restricted. If all available restrictions for non-subsistence uses have been implemented and further restrictions are needed, each board will reduce the take for subsistence uses in a series of graduated steps, by giving maximum protection to subsistence users who

(1) live closest to the resource;

(2) have the fewest available alternative resources; and

(3) have the greatest customary and direct dependence upon the resource.

(g) In no event, however, will a board allow uses which will jeopardize or interfere with the conservation and management of fish stocks or game populations on a sustained-yield basis. (Eff. 5/30/82, Reg. 82)

Authority: AS 16.05.251(b)
AS 16.05.255(b)

5 AAC 99.020. DEFINITIONS. Repealed 10/9/83.

(2) subsistence salmon fishing permits for the Port Graham subdistrict will be issued only to those persons domiciled in the villages of Port Graham and English Bay.

(b) Smelt may only be taken under the authority of a subsistence fishing permit, except that a permit is not required for smelt fishing in the Kenai River.

(c) Freshwater species other than trout, grayling, char and burbot may only be taken in freshwater under the authority of a subsistence fishing permit.

Authority: AS 16.05.251(a)(2),(7),(10) and (b)

5 AAC 01.590. MARKING OF SUBSISTENCE-TAKEN SALMON. (a) No person may possess salmon taken under the authority of a subsistence fishing permit unless both lobes of the caudal fin (tail) have been immediately removed from the salmon.

(b) It is unlawful to purchase or sell salmon from which both lobes of the caudal fin (tail) have been removed.

Authority: AS 16.05.251(a)(2),(4),(5), (7) and (b)

5 AAC 01.595. SUBSISTENCE BAG AND POSSESSION LIMITS. (a) The total annual possession limit for each subsistence salmon fishing permit is as follows:

(1) there is no total annual possession limit for holders of Port Graham subdistrict subsistence salmon fishing permits; subsistence salmon catches must be recorded on forms provided by the department;

(2) 25 salmon for the head of a household and 10 salmon for each dependent of the permit holder;

(3) in addition to the limits in (2) of this subsection, the holder of a Tyonek subdistrict subsistence salmon fishing permit may take 70 king salmon; no more than 4,200 king salmon may be taken in the Tyonek subdistrict from May 15 through June 30.

(b) The daily bag and possession limit for halibut is two. No person may possess sport-taken and subsistence-taken halibut on the same day. (In effect before 1981; am 4/15/81, Reg. 78; am 5/17/81, Reg. 78)

Authority: AS 16.05.060
AS 16.05.251(a)(3),(7),(10) and (b)

5 AAC 01.597. CHARACTERISTICS OF SUBSISTENCE FISHERIES. (a) The Board of Fisheries finds that certain customary and traditional practices and procedures associated with the utilization of fish in the Cook Inlet Area can be used to identify subsistence uses. Based on testimony to the board, the following characteristics are those that should be evaluated in the identification of subsistence fisheries:

(1) a long-term, stable, reliable pattern of use and dependency, excluding interruption generated by outside circumstances, e.g., regulatory action or fluctuations in resource abundance;

(2) a use pattern established by an identified community, subcommunity or group having preponderant concentrations of persons showing past use;

(3) a use pattern associated with specific stocks and seasons;

(4) a use pattern based on the most efficient and productive gear and economical use of time, energy and money;

(5) a use pattern occurring in reasonable geographic proximity to the primary residence of the community, group or individual;

(6) a use pattern occurring in locations with easiest and most direct access to the resources;

(7) a use pattern which includes a history of traditional modes of handling, preparing and storing the product without precluding recent technological advances;

(8) a use pattern which includes the intergenerational transmission of activities and skills;

(9) a use pattern in which the effort and products are distributed on a community and family basis including trade, bartering, sharing and gift-giving; and

(10) a use pattern which includes reliance on

subsistence taking of a range of wild resources in proximity to the community or primary residency.

(b) The board will identify established geographic communities which may be participating in a subsistence system. The board will then apply all of the characteristics in (a) of this section to the communities and to subcommunities, groups and individuals within the communities to determine which uses are customary and traditional and therefore, which communities are eligible for the subsistence priority.

(c) For purposes of this section, a "community" is generally considered to be several households of full-time residents who all reside in a specific geographic area because of common interests. (Eff. 4/14/82, Reg. 82)

Authority: AS 16.05.251(b)

ARTICLE 12.
PRINCE WILLIAM SOUND AREA

Section
600. Description of Prince William Sound area
605. Description of districts and subdistricts
610. Fishing seasons
620. Lawful gear and gear specifications
625. Waters closed to subsistence fishing
630. Subsistence fishing permits
640. Marking of subsistence-taken salmon
645. Subsistence bag and possession limits
647. Copper River subsistence salmon management plan

5 AAC 01.600. DESCRIPTION OF PRINCE WILLIAM SOUND AREA. The Prince William Sound area includes all waters of Alaska between the longitude of Cape Fairfield and the longitude of Cape Suckling.

Authority: AS 16.05.251(a)(2) and (b)

5 AAC 01.605. DESCRIPTION OF DISTRICTS AND SUBDISTRICTS. The Upper Copper River district consists of all waters of the main Copper River from the confluence of the Slana River downstream to an east-west line crossing the Copper River at the confluence of the unnamed stream located approximately one and one-fourth mile below the U.S.G.S. gauging cable across the Copper River, as designated by Alaska Department of Fish and Game regulatory markers

(1) the Chitina subdistrict consists of all waters of the main Copper River from the downstream edge of the Chitina-McCarthy Road Bridge downstream to an east-west line crossing the Copper River at the confluence of the unnamed stream located approximately one and one-fourth mile below the U.S.G.S. gauging cable across the Copper River, as designated by the Alaska Department of Fish and Game regulatory markers;

(2) the Glennallen subdistrict consists of all waters of the main Copper River from the confluence of the Slana River downstream to the downstream edge of the Chitina-McCarthy Road Bridge.

Authority: AS 16.05.251(a)(2) and (b)

5 AAC 01.610. FISHING SEASONS. (a) Unless restricted in this section and 5 AAC 01.625, or unless restricted under the terms of a subsistence fishing permit, fish may be taken at any time in the Prince William Sound area.

(b) Salmon may be taken in the Upper Copper River District only as follows:

(1) in the Glennallen Subdistrict, from June 1 through September 30;

(2) in the Chitina Subdistrict, only when that subdistrict is open to personal use salmon fishing;

(3) when the Copper River subsistence fishery is closed or restricted because of an inadequate escapement of sockeye or chinook salmon, the fishery may be reopened September 1 for the taking of coho salmon, which constitute the majority of the salmon at that time.

(c) Repealed 6/30/83.

(d) Herring spawn on kelp may be taken only during the open commercial herring spawn on kelp season. (In effect before 1983; am 6/30/83, Reg. 86; am 4/28/84, Reg. 90)

Authority: AS 16.05.060
AS 16.05.251

5 AAC 01.620. LAWFUL GEAR AND GEAR SPECIFICATIONS. (a) Fish may be taken by gear listed in 5 AAC 01.010(a) unless restricted

angler needs. When this situation occurs, the department will attempt to achieve a minimum escapement of 30,000 sockeye salmon into the Russian River system.

(d) Early and late Russian River system sockeye salmon are discrete stocks with established escapement goals. Because of this they will be managed by the department as a separate entity without regard to Kenai River system sockeye salmon run size. The Russian River sockeye salmon harvest, therefore, will not be included in the Kenai River system recreational harvest quota outlined in 5 AAC 21.360(c).

(e) When the department determines that late Russian River system sockeye salmon stocks are comprising the majority of the Kenai River sockeye salmon run, appropriate restrictions will be placed on the various fisheries to protect the remaining Kenai River system sockeye salmon escapement.

Authority: AS 16.05.060
AS 16.05.251(a)(2),(3),(4), (6) and (7)

5 AAC 21.362. EARLY KENAI RIVER KING SALMON MANAGEMENT PLAN. Repealed 5/3/84.

5 AAC 21.363. UPPER COOK INLET SALMON MANAGEMENT PLAN. (a) The Department of Fish and Game should receive long-term direction in management of upper Cook Inlet salmon stocks rather than being called upon to respond annually to changing management policies. Divisions within the department must receive long-term direction in order to accomplish their missions and plan management, research, administrative, and other programs. Therefore, the board establishes the following priorities for the use of upper Cook Inlet salmon stocks:

(1) consistent with the statutory priority for subsistence, the harvest of upper Cook Inlet salmon for customary and traditional subsistence uses will be allowed in specific species in appropriate areas, seasons, and periods to satisfy subsistence needs; other beneficial uses, to the extent they are consistent with the public interest and overall benefit of the people of Alaska, will be allowed in order to maximize the benefits of these resources;

(2) Susitna king, early Kenai king, and early Russian River sockeye salmon stocks, which normally move in upper Cook Inlet to spawning areas before June 30, will be managed primarily for recreational uses in order to promote the public interest and provide maximum benefits to the people of Alaska and to the extent that management is consistent with the statutory subsistence priority; and

(3) insofar as the following management steps are consistent with the statutory subsistence priority:

(A) from July 1 through August 15, salmon stocks which normally move in upper Cook Inlet will be managed primarily for commercial uses;

(B) after August 15, salmon stocks moving to spawning areas in Kenai Peninsula drainages will be managed primarily for recreational uses; and

(C) salmon stocks other than those spawning in Kenai Peninsula drainages will be managed primarily for commercial uses.

(b) The department shall

(1) manage the upper Cook Inlet commercial salmon fisheries to minimize the incidental take of Susitna coho, late Kenai king and early Kenai coho salmon stocks;

(2) assist the board in setting optimal salmon harvest rates for all uses by monitoring upper Cook Inlet salmon fisheries to determine the interception of Susitna coho, late Kenai king, and early Kenai coho salmon stocks;

(3) maintain the sustained yield of more abundant pink, chum, and sockeye salmon stocks; and

(4) insure that subsistence use priorities are met.

(c) In this section "upper Cook Inlet salmon

stocks" means those salmon that move through the Northern and Central districts as defined in 5 AAC 21.200(a) and (b) and spawn in waters draining into those districts. (Eff. 5/17/81, Reg. 78)

Authority: AS 16.05.251(a)(2),(6),(7) and (b)

5 AAC 21.380. UNLAWFUL POSSESSION OF SUBSISTENCE-TAKEN SALMON. It is unlawful to purchase or sell salmon from which both lobes of the caudal fin (tail) have been removed as required by 5 AAC 01.590.

Authority: AS 16.05.251(a)(2),(4),(7) and (b)

ARTICLE 4.
BOTTOMFISH FISHERY

Section
410. Fishing season
430. Gear

5 AAC 21.410. FISHING SEASON. There is no closed season on bottomfish.

Authority: AS 16.05.250(2)

5 AAC 21.430. GEAR. (a) Bottomfish may be taken only by trawls, longlines, pots, and mechanical jigging machines, except as provided in (c) of this section.

(c) Bottomfish may be taken in the Outer and Eastern districts by sunken gill nets under the authority of a permit issued by the commissioner. The permit may specify open areas, fishing periods, gear specifications and operating specifications, and may require completion by the vessel operator of log books supplied by the department.

Authority: AS 16.05.251(a)(4)

ARTICLE 5.
SMELT FISHERY

Section
510. Fishing seasons
531. Gill net specifications and operation
534. Identification of gear
535. Minimum distance between units of gear
550. Closed waters

5 AAC 21.510. FISHING SEASONS. (a) Smelt may be taken in the Northern and Central districts from October 1 to June 1.

(b) Smelt may be taken in the Eastern, Outer, Southern and Kamishak Bay districts from January 1 to December 31.

(c) Smelt may not be taken in freshwater.

Authority: AS 16.05.251(2) and (10)

5 AAC 21.531. GILL NET SPECIFICATIONS AND OPERATION. (a) The mesh size of a gill net used for taking smelt may not be more than two and one-half inches.

(b) No set gill net may exceed 35 fathoms in length. Each fisherman is allowed to operate 105 fathoms of set gill net in the aggregate.

managed for the purpose of protecting their suitability for wilderness designation pending revision of the initial plans; and

(4) unless expressly authorized by Congress the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Alaska for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

TITLE VIII—SUBSISTENCE MANAGEMENT AND USE

FINDINGS

16 USC 3111.

SEC. 801. The Congress finds and declares that—

(1) the continuation of the opportunity for subsistence uses by rural residents of Alaska, including both Natives and non-Natives, on the public lands and by Alaska Natives on Native lands is essential to Native physical, economic, traditional, and cultural existence and to non-Native physical, economic, traditional, and social existence;

(2) the situation in Alaska is unique in that, in most cases, no practical alternative means are available to replace the food supplies and other items gathered from fish and wildlife which supply rural residents dependent on subsistence uses;

(3) continuation of the opportunity for subsistence uses of resources on public and other lands in Alaska is threatened by the increasing population of Alaska, with resultant pressure on subsistence resources, by sudden decline in the populations of some wildlife species which are crucial subsistence resources, by increased accessibility of remote areas containing subsistence resources, and by taking of fish and wildlife in a manner inconsistent with recognized principles of fish and wildlife management;

43 USC 1601 note.

(4) in order to fulfill the policies and purposes of the Alaska Native Claims Settlement Act and as a matter of equity, it is necessary for the Congress to invoke its constitutional authority over Native affairs and its constitutional authority under the property clause and the commerce clause to protect and provide the opportunity for continued subsistence uses on the public lands by Native and non-Native rural residents; and

(5) the national interest in the proper regulation, protection, and conservation of fish and wildlife on the public lands in Alaska and the continuation of the opportunity for a subsistence way of life by residents of rural Alaska require that an administrative structure be established for the purpose of enabling rural residents who have personal knowledge of local conditions and requirements to have a meaningful role in the management of fish and wildlife and of subsistence uses on the public lands in Alaska.

POLICY

16 USC 3112.

SEC. 802. It is hereby declared to be the policy of Congress that—

(1) consistent with sound management principles, and the conservation of healthy populations of fish and wildlife, the utilization of the public lands in Alaska is to cause the least adverse impact possible on rural residents who depend upon subsistence uses of the resources of such lands; consistent with management of fish and wildlife in accordance with recognized

scientific principles and the purp
designated, or expanded by or pu
this Act, the purpose of this title i
rural residents engaged in a su

(2) nonwasteful subsistence use
renewable resources shall be the
such resources on the public land
to restrict taking in order to ass
fish or wildlife population or the c
of such population, the taking of s
subsistence uses shall be given
over other consumptive uses; and

(3) except as otherwise provide
laws, Federal land managing age
activities on the public lands an
viability of all wild renewable re
ate with adjacent landowners
Native Corporations, appropriat
and other nations.

DEFINITIO

SEC. 803. As used in this Act, the
the customary and traditional uses by
renewable resources for direct persc
food, shelter, fuel, clothing, tools, or
and selling of handicraft articles out
and wildlife resources taken for persc
barter, or sharing for personal or
customary trade. For the purposes of t

(1) "family" means all persons
adoption, or any person living wi
nent basis; and

(2) "barter" means the ex
parts, taken for subsistence u

(A) for other fish or gam

(B) for other food or for no
if the exchange is of a limit

PREFERENCE FOR SUE

SEC. 804. Except as otherwise pr
Federal laws, the taking on public
nonwasteful subsistence uses shall
taking on such lands of fish and wil
ever it is necessary to restrict the ta
wildlife on such lands for subsisten
continued viability of such population
priority shall be implemented throug
on the application of the following crit

(1) customary and direct deper
the mainstay of livelihood;

(2) local residency; and

(3) the availability of alternativ

se of protecting their suitability for
ending revision of the initial plans; and
horized by Congress the Department of
nduct any further statewide roadless
ion of National Forest System lands in
e purpose of determining their suitabil-
ie National Wilderness Preservation

ENC" MANAGEMENT AND USE

FINDINGS

s and declares that—
the opportunity for subsistence uses by
ka, including both Natives and non-
nds and by Alaska Natives on Native
ive physical, economic, traditional, and
) non-Native physical, economic, tradi-
e;
ska is unique in that, in most cases, no
s are available to replace the food
gathered from fish and wildlife which
pendent on subsistence uses;
e opportunity for subsistence uses of
other lands in Alaska is threatened by
n of Alaska, with resultant pressure on
y sudden decline in the populations of
ich are crucial subsistence resources, by
f remote areas containing subsistence
ng of fish and wildlife in a manner
ni principles of fish and wildlife

he policies and purposes of the Alaska
nt Act and as a matter of equity, it is
ss to invoke its constitutional authority
its constitutional authority under the
commerce clause to protect and provide
tinued subsistence uses on the public
Native rural residents; and
st in the proper regulation, protection,
h and wildlife on the public lands in
tion of the opportunity for a subsistence
f rural Alaska require that an adminis-
olished for the purpose of enabling rural
onal knowledge of local conditions and
meaningful role in the management of
subsistence uses on the public lands in

POLICY

red to be the policy of Congress that—
und management principles, and the
populations of fish and wildlife, the
lands in Alaska is to cause the least
n rural residents who depend upon
esources of such lands; consistent with
wildlife in accordance with recognized

scientific principles and the purposes for each unit established, designated, or expanded by or pursuant to titles II through VII of this Act, the purpose of this title is to provide the opportunity for rural residents engaged in a subsistence way of life to do so; *Ante*, p. 2377.

(2) nonwasteful subsistence uses of fish and wildlife and other renewable resources shall be the priority consumptive uses of all such resources on the public lands of Alaska when it is necessary to restrict taking in order to assure the continued viability of a fish or wildlife population or the continuation of subsistence uses of such population, the taking of such population for nonwasteful subsistence uses shall be given preference on the public lands over other consumptive uses; and

(3) except as otherwise provided by this Act or other Federal laws, Federal land managing agencies, in managing subsistence activities on the public lands and in protecting the continued viability of all wild renewable resources in Alaska, shall cooperate with adjacent landowners and land managers, including Native Corporations, appropriate State and Federal agencies, and other nations.

DEFINITIONS

SEC. 803. As used in this Act, the term "subsistence uses" means the customary and traditional uses by rural Alaska residents of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation; for the making and selling of handicraft articles out of nonedible byproducts of fish and wildlife resources taken for personal or family consumption; for barter, or sharing for personal or family consumption; and for customary trade. For the purposes of this section, the term— 16 USC 3113.

(1) "family" means all persons related by blood, marriage, or adoption, or any person living within the household on a permanent basis; and

(2) "barter" means the exchange of fish or wildlife or their parts, taken for subsistence uses—

(A) for other fish or game or their parts; or

(B) for other food or for nonedible items other than money if the exchange is of a limited and noncommercial nature.

PREFERENCE FOR SUBSISTENCE USES

SEC. 804. Except as otherwise provided in this Act and other Federal laws, the taking on public lands of fish and wildlife for nonwasteful subsistence uses shall be accorded priority over the taking on such lands of fish and wildlife for other purposes. Whenever it is necessary to restrict the taking of populations of fish and wildlife on such lands for subsistence uses in order to protect the continued viability of such populations, or to continue such uses, such priority shall be implemented through appropriate limitations based on the application of the following criteria: 16 USC 3114. Priority criteria.

(1) customary and direct dependence upon the populations as the mainstay of livelihood;

(2) local residency; and

(3) the availability of alternative resources.

LOCAL AND REGIONAL PARTICIPATION

16 USC 3115.

SEC. 805. (a) Except as otherwise provided in subsection (d) of this section, one year after the date of enactment of this Act, the Secretary in consultation with the State shall establish—

(1) at least six Alaska subsistence resource regions which, taken together, include all public lands. The number and boundaries of the regions shall be sufficient to assure that regional differences in subsistence uses are adequately accommodated;

(2) such local advisory committees within each region as he finds necessary at such time as he may determine, after notice and hearing, that the existing State fish and game advisory committees do not adequately perform the functions of the local committee system set forth in paragraph (3)(D)(iv) of this subsection; and

(3) a regional advisory council in each subsistence resource region.

Regional advisory council, authority.

Each regional advisory council shall be composed of residents of the region and shall have the following authority:

(A) the review and evaluation of proposals for regulations, policies, management plans, and other matters relating to subsistence uses of fish and wildlife within the region;

(B) the provision of a forum for the expression of opinions and recommendations by persons interested in any matter related to the subsistence uses of fish and wildlife within the region;

(C) the encouragement of local and regional participation pursuant to the provisions of this title in the decisionmaking process affecting the taking of fish and wildlife on the public lands within the region for subsistence uses;

Annual report to Secretary.

(D) the preparation of an annual report to the Secretary which shall contain—

(i) an identification of current and anticipated subsistence uses of fish and wildlife populations within the region;

(ii) an evaluation of current and anticipated subsistence needs for fish and wildlife populations within the region;

(iii) a recommended strategy for the management of fish and wildlife populations within the region to accommodate such subsistence uses and needs; and

(iv) recommendations concerning policies, standards, guidelines, and regulations to implement the strategy. The State fish and game advisory committees or such local advisory committees as the Secretary may establish pursuant to paragraph (2) of this subsection may provide advice to, and assist, the regional advisory councils in carrying out the functions set forth in this paragraph.

(b) The Secretary shall assign adequate qualified staff to the regional advisory councils and make timely distribution of all available relevant technical and scientific support data to the regional advisory councils and the State fish and game advisory committees or such local advisory committees as the Secretary may establish pursuant to paragraph (2) of subsection (a).

(c) The Secretary, in performing his monitoring responsibility pursuant to section 806 and in the exercise of his closure and other administrative authority over the public lands, shall consider the report and recommendations of the regional advisory councils concerning the taking of fish and wildlife on the public lands within their respective regions for subsistence uses. The Secretary may choose not to follow any recommendation which he determines is not supported by substantial evidence, violates recogn wildlife conservation, or would be detrim subsistence needs. If a recommendation tary, he shall set forth the factual bas decision.

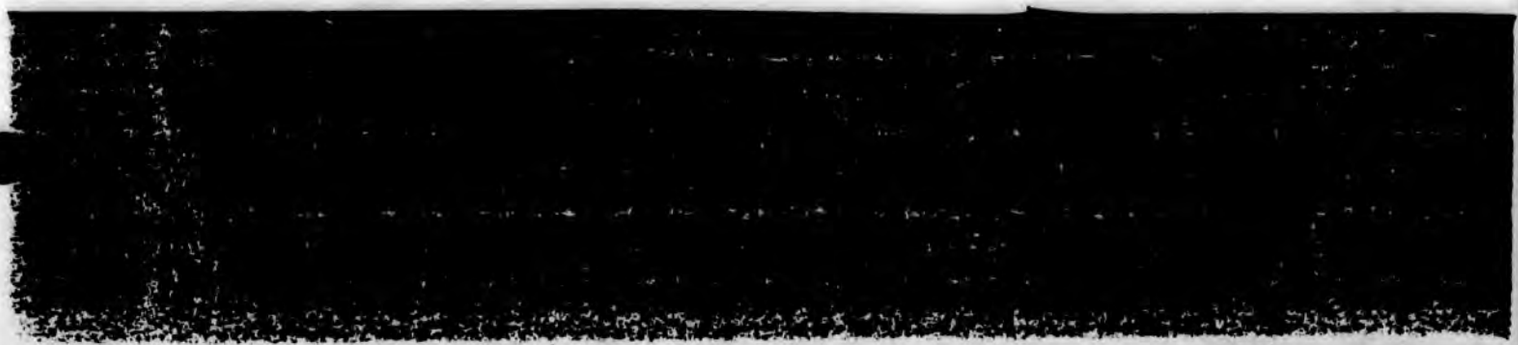
(d) The Secretary shall not implement s this section if within one year from the da the State enacts and implements laws of are consistent with, and which provide fo and participation specified in, sections 8(unless and until repealed, shall supers such sections govern State responsibility taking of fish and wildlife on the public Laws establishing a system of local adviso advisory councils consistent with section State rulemaking authority shall consider dations of the regional councils concern wildlife populations on public lands with for subsistence uses. The regional councils tions, and the evidence upon which such r to the State rulemaking authority during trative proceedings of such authority authority may choose not to follow any determines is not supported by substantial the course of its administrative proce principles of fish and wildlife conservation the satisfaction of rural subsistence needs. adopted by the State rulemaking authori forth the factual basis and the reasons for

(e)(1) The Secretary shall reimburse the ated to the Department of the Interior for able costs relating to the establishment ar advisory councils established by the State tion (d) and the operation of the State committees so long as such committees Secretary pursuant to paragraph (2) of bursement may not exceed 50 per centum year. Such costs shall be verified in a stat determines to be adequate and accurat subsection shall be in addition to any gran to which the State is entitled from approp of the Interior.

(2) Total payments to the State under exceed the sum of $5,000,000 in any one shall advise the Congress at least once whether or not the maximum payments are adequate to ensure the effectiveness by the State to provide the preference for wildlife set forth in section 804.

FEDERAL MONITOR

SEC. 806. The Secretary shall monitor th the subsistence preference set forth in se the State and the Committee on Interior Merchant Marine and Fisheries of the Ho the Committees on Energy and Natural R and Public Works of the Senate annually



D REGIONAL PARTICIPATION

)therwise provided in subsection (d) of this
the date of enactment of this Act, the
with the State shall establish—
aska subsistence resource regions which,
le all public lands. The number and bound-
shall be sufficient to assure that regional
ence uses are adequately accommodated;
or; mmittees within each region as he
ch t....e as he may determine, after notice
e existing State fish and game advisory
equately perform the functions of the local
forth in paragraph (3)(D)(iv) of this subsec-

sory council in each subsistence resource

uncil shall be composed of residents of the
ollowing authority:
l evaluation of proposals for regulations,
plans, and other matters relating to sub-
wildlife within the region;
a forum for the expression of opinions and
persons interested in any matter related to
of fish and wildlife within the region;
ment of local and regional participation
isions of this title in the decisionmaking
taking of fish and wildlife on the public
n for subsistence uses;
of an annual report to the Secretary which,

tio. . current and anticipated subsistence
l wildlife populations within the region;
on of current and anticipated subsistence
ıd wildlife populations within the region;
nded strategy for the management of fish
ılations within the region to accommodate
uses and needs; and
ıdations concerning policies, standards,
egulations to implement the strategy. The
game advisory committees or such local
tees as the Secretary may establish pursu-
(2) of this subsection may provide advice to,
gional advisory councils in carrying out the
n in this paragraph.
ll assign adequate qualified staff to the
and make timely distribution of all availa-
ıd scientific support data to the regional
State fish and game advisory committees or
mittees as the Secretary may establish
of subsection (a).
performing his monitoring responsibility
nd in the exercise of his closure and other
over the public lands, shall consider the
ns of the regional advisory councils con-
d wildlife on the public lands within their
istence uses. The Secretary may choose not
tion which he determines is not supported

by substantial evidence, violates recognized principles of fish and wildlife conservation, or would be detrimental to the satisfaction of subsistence needs. If a recommendation is not adopted by the Secretary, he shall set forth the factual basis and the reasons for his decision.

Implementation.

(d) The Secretary shall not implement subsections (a), (b), and (c) of this section if within one year from the date of enactment of this Act, the State enacts and implements laws of general applicability which are consistent with, and which provide for the definition, preference, and participation specified in, sections 803, 804, and 805, such laws, unless and until repealed, shall supersede such sections insofar as such sections govern State responsibility pursuant to this title for the taking of fish and wildlife on the public lands for subsistence uses. Laws establishing a system of local advisory committees and regional advisory councils consistent with section 805 shall provide that the State rulemaking authority shall consider the advice and recommendations of the regional councils concerning the taking of fish and wildlife populations on public lands within their respective regions for subsistence uses. The regional councils may present recommendations, and the evidence upon which such recommendations are based, to the State rulemaking authority during the course of the administrative proceedings of such authority. The State rulemaking authority may choose not to follow any recommendation which it determines is not supported by substantial evidence presented during the course of its administrative proceedings, violates recognized principles of fish and wildlife conservation or would be detrimental to the satisfaction of rural subsistence needs. If a recommendation is not adopted by the State rulemaking authority, such authority shall set forth the factual basis and the reasons for its decision.

Reimbursement to States.

(e)(1) The Secretary shall reimburse the State, from funds appropriated to the Department of the Interior for such purposes, for reasonable costs relating to the establishment and operation of the regional advisory councils established by the State in accordance with subsection (d) and the operation of the State fish and game advisory committees so long as such committees are not superseded by the Secretary pursuant to paragraph (2) of subsection (a). Such reimbursement may not exceed 50 per centum of such costs in any fiscal year. Such costs shall be verified in a statement which the Secretary determines to be adequate and accurate. Sums paid under this subsection shall be in addition to any grants, payments, or other sums to which the State is entitled from appropriations to the Department of the Interior.

Report to Congress.

(2) Total payments to the State under this subsection shall not exceed the sum of $5,000,000 in any one fiscal year. The Secretary shall advise the Congress at least once in every five years as to whether or not the maximum payments specified in this subsection are adequate to ensure the effectiveness of the program established by the State to provide the preference for subsistence uses of fish and wildlife set forth in section 804.

FEDERAL MONITORING

Report to congressional committees. 16 USC 3116.

SEC. 806. The Secretary shall monitor the provisions by the State of the subsistence preference set forth in section 804 and shall advise the State and the Committee on Interior and Insular Affairs and on Merchant Marine and Fisheries of the House of Representatives and the Committees on Energy and Natural Resources and Environment and Public Works of the Senate annually and at such other times as

he deems necessary of his views on the effectiveness of the implementation of this title including the State's provision of such preference, any exercise of his closure or other administrative authority to protect subsistence resources or uses, the views of the State, and any recommendations he may have.

JUDICIAL ENFORCEMENT

Civil actions. 16 USC 3117.

SEC. 807. (a) Local residents and other persons and organizations aggrieved by a failure of the State or the Federal Government to provide for the priority for subsistence uses set forth in section 804 (or with respect to the State as set forth in a State law of general applicability if the State has fulfilled the requirements of section 805(d)) may, upon exhaustion of any State or Federal (as appropriate) administrative remedies which may be available, file a civil action in the United States District Court for the District of Alaska to require such actions to be taken as are necessary to provide for the priority. In a civil action filed against the State, the Secretary may be joined as a party to such action. The court may grant preliminary injunctive relief in any civil action if the granting of such relief is appropriate under the facts upon which the action is based. No order granting preliminary relief shall be issued until after an opportunity for hearing. In a civil action filed against the State, the court shall provide relief, other than preliminary relief, by directing the State to submit regulations which satisfy the requirements of section 804; when approved by the court, such regulations shall be incorporated as part of the final judicial order, and such order shall be valid only for such period of time as normally provided by State law for the regulations at issue. Local residents and other persons and organizations who are prevailing parties in an action filed pursuant to this section shall be awarded their costs and attorney's fees.

Hearing.

(b) A civil action filed pursuant to this section shall be assigned for hearing at the earliest possible date, shall take precedence over other matters pending on the docket of the United States district court at that time, and shall be expedited in every way by such court and any appellate court.

(c) This section is the sole Federal judicial remedy created by this title for local residents and other residents who, and organizations which, are aggrieved by a failure of the State to provide for the priority of subsistence uses set forth in section 804.

PARK AND PARK MONUMENT SUBSISTENCE RESOURCE COMMISSIONS

16 USC 3118.

SEC. 808. (a) Within one year from the date of enactment of this Act, the Secretary and the Governor shall each appoint three members to a subsistence resources commission for each national park or park monument within which subsistence uses are permitted by this Act. The regional advisory council established pursuant to section 805 which has jurisdiction within the area in which the park or park monument is located shall appoint three members to the commission each of whom is a member of either the regional advisory council or a local advisory committee within the region and also engages in subsistence uses within the park or park monument. Within eighteen months from the date of enactment of this Act, each commission shall devise and recommend to the Secretary and the Governor a program for subsistence hunting within the park or park monument. Such program shall be prepared using technical information and other pertinent data assembled or produced by necessary field studies or

Subsistence hunting program.

investigations conducted jointly or separat administrative personnel of the State an Interior, information submitted by, and at appropriate local advisory committees an cils, and any testimony received in a public by the commission prior to preparation of location or locations in the vicinity of the Each year thereafter, the commission, aft appropriate local committees and regional relevant data and holding one or more a vicinity of the park or park monument, sha to the Secretary and the Governor for any c its implementation which the commission d

(b) The Secretary shall promptly impl recommendations submitted to him by ea finds in writing that such program or r recognized principles of wildlife conservati vation of healthy populations of wildlife in ment, is contrary to the purposes for w monument is established, or would be detri of subsistence needs of local residents. U Governor, the Secretary shall take no act commission for sixty days during which per proposed changes in the program or recom the commission which the Governor provide

(c) Pending the implementation of a prog of this section, the Secretary shall permit residents in accordance with the provisio applicable Federal and State law.

COOPERATIVE AGREEMI

SEC. 809. The Secretary may enter into c otherwise cooperate with other Federal ag Corporations, other appropriate persons acting through the Secretary of State, othe purposes and policies of this title.

SUBSISTENCE AND LAND USE

SEC. 810. (a) In determining whether to w otherwise permit the use, occupancy, or d under any provision of law authorizing suc Federal agency having primary jurisdictic designee shall evaluate the effect of such u tion on subsistence uses and needs, the ava the purposes sought to be achieved, and would reduce or eliminate the use, occupan lands needed for subsistence purposes. No s tion, lease, permit, or other use, occupan lands which would significantly restrict s effected until the head of such Federal agen

(1) gives notice to the appropriat appropriate local committees and reg pursuant to section 805;

(2) gives notice of, and holds, a hea area involved; and

views on the effectiveness of the implemen-
ng the State's provision of such preference,
ire or other administrative authority to
ces or uses, the views of the State, and any
have.

ICIAL ENFORCEMENT

ents and other persons and organizations
the State or the Federal Government to
sut tence uses set forth in section 804 (or
as set forth in a State law of general
has fulfilled the requirements of section
on of any State or Federal (as appropriate)
hich may be available, file a civil action in
Court for the District of Alaska to require
s are necessary to provide for the priority.
st the State, the Secretary may be joined as
e court may grant preliminary injunctive
the granting of such relief is appropriate
h the action is based. No order granting
issued until after an opportunity for
filed against the State, the court shall
reliminary relief, by directing the State to
satisfy the requirements of section 804;
rt, such regulations shall be incorporated
l order, and such order shall be valid only
normally provided by State law for the
residents and other persons and organiza-
parties in an action filed pursuant to this
eir 's and attorney's fees.
rsu to this section shall be assigned for
ible date, shall take precedence over other
cket of the United States district court at
edited in every way by such court and any

e Federal judicial remedy created by this
d other residents who, and organizations
a failure of the State to provide for the
s set forth in section 804.

NT SUBSISTENCE RESOURCE COMMISSIONS

ear from the date of enactment of this Act,
rnor shall each appoint three members to
nmission for each national park or park
bsistence uses are permitted by this Act.
ncil established pursuant to section 805
hin the area in which the park or park
ppoint three members to the commission
f either the regional advisory council or a
within the region and also engages in
park or park monument. Within eighteen
ctment of this Act, each commission shall
Secretary and the Governor a program
n the park or park monument. Such
using technical information and other
r produced by necessary field studies or

investigations conducted jointly or separately by the technical and administrative personnel of the State and the Department of the Interior, information submitted by, and after consultation with the appropriate local advisory committees and regional advisory councils, and any testimony received in a public hearing or hearings held by the commission prior to preparation of the plan at a convenient location or locations in the vicinity of the park or park monument. Each year thereafter, the commission, after consultation with the appropriate local committees and regional councils, considering all relevant data and holding one or more additional hearings in the vicinity of the park or park monument, shall make recommendations to the Secretary and the Governor for any changes in the program or its implementation which the commission deems necessary.

(b) The Secretary shall promptly implement the program and recommendations submitted to him by each commission unless he finds in writing that such program or recommendations violates recognized principles of wildlife conservation, threatens the conservation of healthy populations of wildlife in the park or park monument, is contrary to the purposes for which the park or park monument is established, or would be detrimental to the satisfaction of subsistence needs of local residents. Upon notification by the Governor, the Secretary shall take no action on a submission of a commission for sixty days during which period he shall consider any proposed changes in the program or recommendations submitted by the commission which the Governor provides him. Program and recommendation implementation.

(c) Pending the implementation of a program under subsection (a) of this section, the Secretary shall permit subsistence uses by local residents in accordance with the provisions of this title and other applicable Federal and State law.

COOPERATIVE AGREEMENTS

SEC. 809. The Secretary may enter into cooperative agreements or otherwise cooperate with other Federal agencies, the State, Native Corporations, other appropriate persons and organizations, and, acting through the Secretary of State, other nations to effectuate the purposes and policies of this title. 16 USC 3119.

SUBSISTENCE AND LAND USE DECISIONS

SEC. 810. (a) In determining whether to withdraw, reserve, lease, or otherwise permit the use, occupancy, or disposition of public lands under any provision of law authorizing such actions, the head of the Federal agency having primary jurisdiction over such lands or his designee shall evaluate the effect of such use, occupancy, or disposition on subsistence uses and needs, the availability of other lands for the purposes sought to be achieved, and other alternatives which would reduce or eliminate the use, occupancy, or disposition of public lands needed for subsistence purposes. No such withdrawal, reservation, lease, permit, or other use, occupancy or disposition of such lands which would significantly restrict subsistence uses shall be effected until the head of such Federal agency— 16 USC 3120.

(1) gives notice to the appropriate State agency and the appropriate local committees and regional councils established pursuant to section 805;

(2) gives notice of, and holds, a hearing in the vicinity of the area involved; and Hearing.

(3) determines that (A) such a significant restriction of subsistence uses is necessary, consistent with sound management principles for the utilization of the public lands, (B) the proposed activity will involve the minimal amount of public lands necessary to accomplish the purposes of such use, occupancy, or other disposition, and (C) reasonable steps will be taken to minimize adverse impacts upon subsistence uses and resources resulting from such actions.

Notice and hearings.
42 USC 4332.

(b) If the Secretary is required to prepare an environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act, he shall provide the notice and hearing and include the findings required by subsection (a) as part of such environmental impact statement.

(c) Nothing herein shall be construed to prohibit or impair the ability of the State or any Native Corporation to make land selections and receive land conveyances pursuant to the Alaska Statehood Act or the Alaska Native Claims Settlement Act.

48 USC note prec. 21.
43 USC 1601 note.

(d) After compliance with the procedural requirements of this section and other applicable law, the head of the appropriate Federal agency may manage or dispose of public lands under his primary jurisdiction for any of those uses or purposes authorized by this Act or other law.

ACCESS

16 USC 3121.

SEC. 811. (a) The Secretary shall ensure that rural residents engaged in subsistence uses shall have reasonable access to subsistence resources on the public lands.

(b) Notwithstanding any other provision of this Act or other law, the Secretary shall permit on the public lands appropriate use for subsistence purposes of snowmobiles, motorboats, and other means of surface transportation traditionally employed for such purposes by local residents, subject to reasonable regulation.

RESEARCH

16 USC 3122.

SEC. 812. The Secretary, in cooperation with the State and other appropriate Federal agencies, shall undertake research on fish and wildlife and subsistence uses on the public lands; seek data from, consult with and make use of, the special knowledge of local residents engaged in subsistence uses; and make the results of such research available to the State, the local and regional councils established by the Secretary or State pursuant to section 805, and other appropriate persons and organizations.

PERIODIC REPORTS

Submittal to Speaker of House and President of Senate.
16 USC 3123.

SEC. 813. Within four years after the date of enactment of this Act, and within every three-year period thereafter, the Secretary, in consultation with the Secretary of Agriculture, shall prepare and submit a report to the President of the Senate and the Speaker of the House of Representatives on the implementation of this title. The report shall include—

(1) an evaluation of the results of the monitoring undertaken by the Secretary as required by section 806;

(2) the status of fish and wildlife populations on public lands that are subject to subsistence uses;

(3) a description of the nature and extent of subsistence uses and other uses of fish and wildlife on the public lands;

(4) the role of subsistence uses in t
rural Alaska;

(5) comments on the Secretary's re
advisory councils and regional advis
the Secretary or the State pursuant
appropriate persons and organization

(6) a description of those actions ta
be taken in the future, to permit th
ation of activities relating to subsisten
and

(7) such other recommendations the
ate.

A notice of the report shall be published i
the report shall be made available to the pu

REGULATIONS

SEC. 814. The Secretary shall prescrib
necessary and appropriate to carry out his
title.

LIMITATIONS, SAVINGS C

SEC. 815. Nothing in this title shall be co

(1) granting any property right in a
resource of the public lands or as per
ence uses of fish and wildlife within a
be inconsistent with the conservation
within a national park or monument
conservation of natural and healthy
wildlife. No privilege which may be g
individual with respect to subsistenc
any other individual;

(2) permitting any subsistence use
portion of the public lands (whether
tion system unit) which was permane
January 1, 1978, or enlarging or d
authority to manipulate habitat on
lands;

(3) authorizing a restriction on the
for nonsubsistence uses on the public
parks and park monuments) unless
tion of healthy populations of fish and
forth in section 816, to continue subs
tions, or pursuant to other applicable

(4) modifying or repealing the pro
governing the conservation or prote
including the National Wildlife Refu
Act of 1966 (80 Stat. 927; 16 U.S.C. 6
Service Organic Act (39 Stat. 535, 16 U
Act of 1966 (80 Stat. 1091; 16 U.S
Species Act of 1973 (87 Stat. 884; 16 U.
Mammal Protection Act of 1972
1361-1407), the Act entitled "An Ac
Bald Eagle", approved June 8, 19
742a-754), the Migratory Bird Treaty
703-711), the Federal Aid in Wildlif
917; 16 U.S.C. 669-669i), the Fishery
ment Act of 1976 (90 Stat. 331; 16 U.S

A) such a significant restriction of subsist-
consistent with sound management prin-
on of the public lands, (B) the proposed
ie minimal amount of public lands neces-
purposes of such use, occupancy, or other
asonable steps will be taken to minimize
subsistence uses and resources resulting

uired to prepare an environmental impact
ion 102(2)(C) of the National Environmen-
ide notice and hearing and include the
ction (a) as part of such environmental

be construed to prohibit or impair the
ative Corporation to make land selections
es pursuant to the Alaska Statehood Act
s Settlement Act.
th the procedural requirements of this
e law, the head of the appropriate Federal
spose of public lands under his primary
uses or purposes authorized by this Act or

ACCESS

tary shall ensure that rural residents
s shall have reasonable access to subsist-
lands.
other provision of this Act or other law,
on the public lands appropriate use for
vmobiles, motorboats, and other means of
itionally employed for such purposes by
ıso e regulation.

RESEARCH

in cooperation with the State and other
es, shall undertake research on fish and
es on the public lands; seek data from,
f, the special knowledge of local residents
; and make the results of such research
ocal and regional councils established by
ant to section 805, and other appropriate

RIODIC REPORTS

s after the date of enactment of this Act,
ır period thereafter, the Secretary, in
tary of Agriculture, shall prepare and
ent of the Senate and the Speaker of the
the implementation of this title. The

e results of the monitoring undertaken
red by section 806;
nd wildlife populations on public lands
nce uses;
nature and extent of subsistence uses
wildlife on the public lands;

(4) the role of subsistence uses in the economy and culture of rural Alaska;

(5) comments on the Secretary's report by the State, the local advisory councils and regional advisory councils established by the Secretary or the State pursuant to section 805, and other appropriate persons and organizations;

(6) a description of those actions taken, or which may need to be taken in the future, to permit the opportunity for continuation of activities relating to subsistence uses on the public lands; and

(7) such other recommendations the Secretary deems appropriate.

A notice of the report shall be published in the Federal Register and the report shall be made available to the public. Publication in Federal Register.

REGULATIONS

SEC. 814. The Secretary shall prescribe such regulations as are necessary and appropriate to carry out his responsibilities under this title. 16 USC 3124.

LIMITATIONS, SAVINGS CLAUSES

SEC. 815. Nothing in this title shall be construed as— 16 USC 3125.

(1) granting any property right in any fish or wildlife or other resource of the public lands or as permitting the level of subsistence uses of fish and wildlife within a conservation system unit to be inconsistent with the conservation of healthy populations, and within a national park or monument to be inconsistent with the conservation of natural and healthy populations, of fish and wildlife. No privilege which may be granted by the State to any individual with respect to subsistence uses may be assigned to any other individual;

(2) permitting any subsistence use of fish and wildlife on any portion of the public lands (whether or not within any conservation system unit) which was permanently closed to such uses on January 1, 1978, or enlarging or diminishing the Secretary's authority to manipulate habitat on any portion of the public lands;

(3) authorizing a restriction on the taking of fish and wildlife for nonsubsistence uses on the public lands (other than national parks and park monuments) unless necessary for the conservation of healthy populations of fish and wildlife, for the reasons set forth in section 816, to continue subsistence uses of such populations, or pursuant to other applicable law; or

(4) modifying or repealing the provisions of any Federal law governing the conservation or protection of fish and wildlife, including the National Wildlife Refuge System Administration Act of 1966 (80 Stat. 927; 16 U.S.C. 668dd-jj), the National Park Service Organic Act (39 Stat. 535, 16 U.S.C. 1, 2, 3, 4), the Fur Seal Act of 1966 (80 Stat. 1091; 16 U.S.C. 1187), the Endangered Species Act of 1973 (87 Stat. 884; 16 U.S.C. 1531-1543), the Marine Mammal Protection Act of 1972 (86 Stat. 1027; 16 U.S.C. 1361-1407), the Act entitled "An Act for the Protection of the Bald Eagle", approved June 8, 1940 (54 Stat. 250; 16 U.S.C. 742a-754), the Migratory Bird Treaty Act (40 Stat. 755; 16 U.S.C. 703-711), the Federal Aid in Wildlife Restoration Act (50 Stat. 917; 16 U.S.C. 669-669i), the Fishery Conservation and Management Act of 1976 (90 Stat. 331; 16 U.S.C. 1801-1882), the Federal

Aid in Fish Restoration Act (64 Stat. 430; 16 U.S.C. 777-777K), or any amendments to any one or more of such Acts.

CLOSURE TO SUBSISTENCE USES

16 USC 3126.

SEC. 816. (a) All national parks and park monuments in Alaska shall be closed to the taking of wildlife except for subsistence uses to the extent specifically permitted by this Act. Subsistence uses and sport fishing shall be authorized in such areas by the Secretary and carried out in accordance with the requirements of this title and other applicable laws of the United States and the State of Alaska.

(b) Except as specifically provided otherwise by this section, nothing in this title is intended to enlarge or diminish the authority of the Secretary to designate areas where, and establish periods when, no taking of fish and wildlife shall be permitted on the public lands for reasons of public safety, administration, or to assure the continued viability of a particular fish or wildlife population. Notwithstanding any other provision of this Act or other law, the Secretary, after consultation with the State and adequate notice and public hearing, may temporarily close any public lands (including those within any conservation system unit), or any portion thereof, to subsistence uses of a particular fish or wildlife population only if necessary for reasons of public safety, administration, or to assure the continued viability of such population. If the Secretary determines that an emergency situation exists and that extraordinary measures must be taken for public safety or to assure the continued viability of a particular fish or wildlife population, the Secretary may immediately close the public lands, or any portion thereof, to the subsistence uses of such population and shall publish the reasons justifying the closure in the Federal Register. Such emergency closure shall be effective when made, shall not extend for a period exceeding sixty days, and may not subsequently be extended unless the Secretary affirmatively establishes, after notice and public hearing, that such closure should be extended.

Publication in Federal Register.

TITLE IX—IMPLEMENTATION OF ALASKA NATIVE CLAIMS SETTLEMENT ACT AND ALASKA STATEHOOD ACT

SUBMERGED LANDS STATUTE OF LIMITATION

43 USC 1631.

43 USC 1601 note.

SEC. 901. (a) Notwithstanding any other provision of law, the ownership by a Native Corporation or Native Group of a parcel of submerged land conveyed to such Corporation or Group pursuant to the Alaska Native Claims Settlement Act or this Act, or a decision by the Secretary of the Interior that the water covering such parcel is not navigable, shall not be subject to judicial determination unless a civil action is filed in the United States District Court within five years after the date of execution of the interim conveyance if the interim conveyance was executed after the date of enactment of this Act, or within seven years after the date of enactment of this Act if the interim conveyance was executed on or before the date of enactment of this Act. If a parcel of submerged land was conveyed by a patent rather than an interim conveyance, the civil action described in the preceding sentence shall be filed within five years after the date of execution of the patent if the patent was executed after the date of enactment of this Act, or within seven years after the date of enactment of this Act if the patent was executed on or before the date of enactment of this Act. The civil action described in this

subsection shall be a de novo determination parcel which is the subject of the action.

(b) No agency or board of the Department the Bureau of Land Management shall have the navigability of water covering a parcel of by a Native Corporation or Native Group Native Claims Settlement Act unless a deter of Land Management that the water coverin land is not navigable was validly appealed prior to the date of enactment of this Act. The conveyance or patent (whichever is execute Land Management conveying a parcel of sub Corporation or Native Group shall be the respect to a decision by the Secretary of the covering such parcel is not navigable, un validly appealed prior to the date of enact agency or board of the Department of the Bureau of Land Management.

(c) If the court determines that a parcel of the subject of a civil action described in subse Native Corporation or Native Group to pursuant to the Alaska Native Claims Sett each defendant Native Corporation and awarded a money judgment against the plain to its costs and attorney's fees, including c incurred on appeal.

(d) No Native Corporation or Native Grou have been conveyed its acreage entitlement Claims Settlement Act until—

(1) the statutes of limitation set fort expired with respect to every parcel of su to such Corporation or Group; and

(2) a final judgment or order not subje obtained in every civil action filed pur

(e)(1) Whenever a parcel of submerged la Native Corporation or Native Group is locate of a conservation system unit such Corpor State of Alaska may mutually agree that suc by and conveyed to the State under the pro the Alaska Statehood Act.

(2) In any instance in which the State cou of submerged land pursuant to an agreement Native Corporation or Native Group pursu such parcel had not previously been conveye Group, such Corporation or Group is auth parcel to the Secretary, and the Secretary veyance. If the surface estate and subsurface owned by different Native Corporations o Corporation and Group with an interest in su its entire interest in such parcel to the Secret

(3) In any agreement made between a Nati Group and the State of Alaska pursuant to p reconveyance executed by a Native Corpo pursuant to paragraph (2), each affected Co disclaim its interest in the parcel which agreement or reconveyance. If such parcel u surface area of fifty acres or greater or a st three chains or greater, the Secretary shal



COMMENTS ON INTRODUCTION OF SUBSISTENCE LEGISLATION

MARCH 11, 1985

REP. JACK FULLER

465-3789

NOW THAT WE HAVE HAD SOME TIME TO DIGEST THE MADISON DECISION AND REALIZE ITS IMPACTS, IT IS CLEAR THAT THE LEGISLATURE MUST TACKLE THE SUBSISTENCE ISSUE THIS SESSION. IT MUST BE HANDLED IN A CAREFUL, REASONABLE FASHION, WITH PLENTY OF OPPORTUNITY TO HEAR FROM DIFFERENT AND PERHAPS COMPETING PERSPECTIVES.

FIRST, PEOPLE ACROSS THE STATE MUST HAVE THE FACTS. THEY MUST LEARN JUST WHAT THE COURT DECISION MEANS FOR ALL USERS OF OUR RESOURCES. THIS IS AN ISSUE AFFECTING ALL ALASKANS WHO HUNT, FISH, OR GUIDE NO MATTER WHERE THEY LIVE. FOR EXAMPLE, IN COOK INLET THE BOARD OF FISHERIES HAS LIMITED SUBSISTENCE USE TO THREE AREAS AND ESTABLISHED A PERSONAL USE FISHERY TO TAKE CARE OF THOSE PEOPLE WHO LIVE OUTSIDE THOSE AREAS AND HAD PREVIOUSLY FISHED. ALL USES AND ALL USERS WERE ACCOMMODATED. WHAT MAY VERY LIKELY HAPPEN NOW, IF NOTHING IS DONE, IS THAT SUBSISTENCE USERS WILL INCREASE TO SUCH AN EXTENT THAT SPORT AND COMMERCIAL FISHING WILL HAVE TO BE SEVERELY CURTAILED, AND PERHAPS ELIMINATED.

ANY SOLUTION MUST RECOGNIZE THE IMPORTANCE OF SUBSISTENCE TO RURAL ALASKA. PEOPLE IN DIFFERENT PARTS OF THE STATE USE RESOURCES DIFFERENTLY. IN RURAL ALASKA, SUBSISTENCE IS A VITAL PART OF THE CULTURAL HERITAGE AND THE BASIC ECONOMICS OF LIFE. THERE, CHOICES OF

HOW TO MAKE A LIVING ARE FEW. SUBSISTENCE IS SURVIVAL. IN URBAN AREAS, ALTHOUGH PEOPLE MAY GO OUT AND TAKE FISH OR GAME BY SUBSISTENCE MEANS, THERE ARE ALTERNATIVES.

SINCE THE 1978 LAW WAS ENACTED, THE BOARDS OF FISHERIES AND GAME HAVE IMPLEMENTED THE LAW IN A FAIR AND REASONABLE FASHION. THE EIGHT-POINT CRITERIA ADOPTED BY THE BOARDS PROVIDED THAT ALL USES WOULD BE MET. SUBSISTENCE USE WAS FAIRLY NARROWLY DEFINED, RURAL RESIDENTS WERE PROTECTED, AND ALL OTHER USES WERE STILL ACCOMMODATED. AFTER MADISON, ANYONE MUST BE CONSIDERED A SUBSISTENCE USER, WHICH WILL DRASTICALLY INCREASE THE AMOUNT OF A RESOURCE THAT MUST BE ALLOCATED TO SUBSISTENCE. THIS MAKES IS ALL TOO LIKELY THAT OTHER USES WILL BE SEVERELY RESTRICTED OR ELIMINATED.

THE DECISION PROBABLY PUTS THE STATE OUT OF CONFORMITY WITH FEDERAL LAW, SO THE UNFORTUNATE SPECTER OF FEDERAL CONTROL OF ALASKA'S FISH AND WILDLIFE RESOURCES LOOMS OVER OUR HEADS.

GIVEN ALL THIS, WE RECOGNIZE THE NEED FOR LEGISLATIVE CONSIDERATION THIS YEAR, BEFORE THE SUMMER SEASON BRINGS CHAOS TO WHAT HAD BECOME AN ORDERLY SYSTEM OF ALLOCATING FISH AND GAME RESOURCES. APPROPRIATE ACTION BY THE LEGISLATURE NOW WILL MINIMIZE THE NEGATIVE IMPACTS, AND PERHAPS AVOID THEM ALTOGETHER.

######

REPRESENTATIVE
BEN GRUSSENDORF

P O Box 929
SITKA, ALASKA 99835
(907) 747-8459

RULES COMMITTEE
LEGISLATIVE COUNCIL

DISTRICT 3
ELFIN COVE
PELICAN
PORT ALEXANDER
SITKA
TENAKEE

Alaska State Legislature

WHILE IN JUNEAU
[illegible]
JUNEAU, ALASKA 99811
(907) 465-3824
(907) 465-3720

House of Representatives
SPEAKER OF THE HOUSE

PRESS RELEASE #7

March 12, 1985

COMMENTS ON SUBSISTENCE BY REP. BEN GRUSSENDORF

Today the Governor introduced a proposed remedy for the recent court action on subsistence. We now have before us an unexpected, undiscussed issue which requires us to proceed carefully, calmly and constructively.

It appears that the court decision, unless remedied this spring, could cause signficant disruption in the livelihood of thousands of Alaskans. Not only subsistence users, but also sport and commercial fishermen, and big game guides could be very directly and deeply impacted. The court decision also raises the old and unwelcome issue of federal management of Alaska's fish and game. But, with appropriate action by the Legislature, these potential impacts can be minimized, if not avoided altogether.

We will begin by gathering basic facts and clearly identifying issues. We will also evaluate the immediate and longterm impacts on all the resource users. We recognize that there may be differing perspectives and perhaps competing concerns.

Throughout our discussions, we will seek a solution which recognizes the importance of subsistence fishing and hunting in our rural areas, and provides for the needs of personal users, guides, sportsmen and commercial groups as well.

We will provide, of course, for extensive public comment and, hopefully, at the same time, provide a forum for public understanding of what is really at stake in our deliberations. We will seek throughout this process to work on the basis of facts, not opinions; on the basis of reason, not emotion. Our goal will be to minimize any disruptions this unexpected and largely unwelcome change might cause. Only after fact-finding and public input will we decide what constitutes positive, reasonable action on our part.

REPRESENTATIVE
PETER GOLL

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4925

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

ALASKA'S SPORT AND COMMERCIAL FISHERMEN, BIG GAME GUIDES AND RURAL SUBSISTENCE USERS ARE FACING A CRISIS OF MAJOR PROPORTIONS THAT MAY ONCE AGAIN DIVIDE THE RESIDENTS OF THIS GREAT LAND.

OF COURSE, I'M REFERRING TO THE RECENT STATE SUPREME COURT DECISION ON FISH AND GAME ALLOCATION. TWO WEEKS AGO, THE COURT RULED IN WHAT HAS BECOME KNOWN AS THE MADISON CASE THAT FISHERIES MANAGERS CANNOT PRIORITIZE AMONG RURAL AND URBAN SUBSISTENCE USERS UNTIL ALL OTHER USES OF FISH AND WILDLIFE ARE ELIMINATED.

THE IMPLICATIONS OF THIS DECISION CAN BE FAR-REACHING. IF WE THE LEGISLATURE DO NOT ACT WITH CAREFUL DISPATCH, THE DECISION COULD CREATE MAJOR PROBLEMS FOR ALASKA.

WE KNOW THAT THE DECISION COULD HAVE CHAOTIC RESULTS FOR FISH AND GAME MANAGEMENT, AND COULD SERVE TO PIT ALASKAN AGAINST ALASKAN. I THINK THESE PROBLEMS CAN AND SHOULD BE AVOIDED.

THE COURT HAS RULED IN MADISON THAT UNDER EXISTING LAW, THE BOARDS CAN NEITHER ALLOCATE AMONG SUBSISTENCE USERS (INCLUDING THE PERSONAL USERS) NOR LIMIT SUBSISTENCE USES UNTIL ALL OTHER USES HAVE BEEN ELIMINATED. WHILE THE CONCEPT THAT EVERY ALASKAN IS A SUBSISTENCE USER MAY SOUND ATTRACTIVE ON ITS FACE, LET'S ANALYZE WHAT THIS MEANS IN APPLICATION.

PRIOR TO MADISON, THE BOARD OF FISHERIES RESTRICTED SUBSISTENCE FISHING TO THREE SMALL RURAL COMMUNITIES WHICH TOOK RELATIVELY SMALL AMOUNTS OF SALMON. HOWEVER, THE BOARD OF FISHERIES HAS DOCUMENTED HISTORIC NET FISHERIES FOR KING, COHO AND SOCKEYE SALMON FROM KACHEMAK BAY TO KNIK ARM AND ON THE WEST SIDE OF COOK INLET. ACCORDING TO THE DEPARTMENTS OF LAW AND FISH AND GAME, THE BOARD OF FISHERIES MUST NOW PROVIDE FOR SUBSISTENCE NET FISHERIES IN THOSE LOCATIONS FOR ALL ALASKA RESIDENTS WHO DESIRE TO TAKE FISH FOR THEIR PERSONAL USE. UNDER THE COURT'S INTERPRETATION OF EXISTING STATUTES, THIS PRIORITY FISHING EFFORT WILL DISPLACE THE SPORT AND COMMERCIAL FISHERIES, AND PROBABLY LEAD TO DRASTIC CUTBACKS FOR SPORT FISHERMEN AND SIGNIFICANT REDUCTIONS IN THE CATCHES OF COMMERCIAL USERS.

MADISON ALSO COULD CAUSE SUBSTANTIAL DISPLACEMENTS IN THE COPPER RIVER SALMON FISHERY. LAST YEAR, FISH AND GAME ISSUED 562 SUBSISTENCE PERMITS TO WATERSHED RESIDENTS AND 5,328 PERSONAL USE FISHING PERMITS TO OTHER ALASKANS. ALSO ACCOMMODATED WERE THE SPORT FISHERY AND THE COMMERCIAL FISHERY AT THE MOUTH OF THE COPPER RIVER WHICH IS THE MAINSTAY OF THE PRINCE WILLIAM SOUND ECONOMY. UNDER MADISON, THE PERSONAL USE DIPNETTERS ARE CONSIDERED SUBSISTENCE USERS AND MUST BE GIVEN THE SUBSISTENCE PRIORITY OVER COMMERCIAL AND SPORT FISHERMEN. ACCORDING TO FISH AND GAME, THE COMMERCIAL FISHERY PROBABLY WOULD HAVE TO BE CUT BACK SUBSTANTIALLY OR EVEN ELIMINATED.

THE IMPACT OF MADISON WON'T BE LIMITED TO THE SALMON FISHERIES, HOWEVER. THE DEPARTMENT OF FISH AND GAME REPORTS THAT THE COURT RULING PROBABLY WILL PUT MOST OR ALL OF THE STATE'S BIG GAME GUIDES OUT OF BUSINESS. THE GROWING GUIDING AND RECREATION INDUSTRIES WHICH DEPEND UPON OUT OF STATE USERS OF ALASKA FISH AND GAME CAN BE CRIPPLED BY THIS DECISION. I REGRET THAT IN TERMS OF PROBLEMS, THESE IMPACTS MAY REPRESENT ONLY THE TIP OF THE ICEBERG.

HISTORY SHOWS THAT THESE SITUATIONS CAN BE VERY DIVISIVE AND CAN CAUSE SIGNIFICANT DISRUPTIONS IN THE PRIMARY LIVELIHOODS OF THOUSANDS OF ALASKANS.

IN ADDITION TO UPSETTING THE DELICATELY BALANCED ALLOCATIONS AMONG USERS OF ALASKA'S FISH AND WILDLIFE RESOURCES, THE COURT DECISION RAISES THE SPECTER OF FEDERAL MANAGEMENT OF OUR FISH AND GAME. THE DEPARTMENT OF LAW REPORTS THAT THE MADISON RULING PROBABLY PUTS ALASKA OUT OF COMPLIANCE WITH THE PROVISIONS OF ANILCA WHICH GIVES SUBSISTENCE PRIORITIES IN FISH AND WILDLIFE MANAGEMENT TO RURAL RESIDENTS.

GOVERNOR SHEFFIELD HAS PROMISED TO INTRODUCE LEGISLATION EARLY NEXT WEEK THAT WOULD RETURN FISH AND WILDLIFE MANAGEMENT TO THE BALANCE ACHIEVED PRIOR TO THE MADISON RULING. AS WE CONSIDER THE BILL AND ATTEMPT TO RESOLVE THE PROBLEMS CREATED BY MADISON, THE LEGISLATURE MUST KEEP TWO THINGS VERY FIRMLY IN MIND:

FIRST, SUBSISTENCE FISHING AND HUNTING ACTIVITIES REPRESENT THE PRIMARY ECONOMIC SYSTEM OF OUR RURAL AREAS. ALASKANS RECOGNIZED THAT REALITY WHEN THEY VOTED SO OVERWHELMINGLY TWO YEARS AGO TO RETAIN THE STATE'S SUBSISTENCE PRIORITY.

SECONDLY, THE BOARDS OF FISHERIES AND GAME HAD ACCOMPLISHED AN ADMIRABLE JOB IN PROVIDING FOR THE NEEDS OF URBAN AND RURAL ALASKANS PRIOR TO THE MADISON CASE. DISRUPTION OF THIS BALANCE WILL LEAD TO MAJOR SUFFERING BY ALL RESOURCE USING GROUPS: GUIDES, SPORTSMEN, PERSONAL, COMMERCIAL, AND SUBSISTENCE USERS ALIKE. GOVERNOR SHEFFIELD'S LEGISLATION WOULD RESTORE THAT BALANCE.

IT IS OUR JOB IN THE COMING WEEKS TO CAREFULLY WEIGH THE NEEDS OF PRESENT AND FUTURE GENERATIONS OF ALASKANS IN THE MANAGEMENT OF FISH AND GAME. LET US STRIVE TO RETAIN CONTROL OVER OUR MOST CRITICAL OF NATURAL RESOURCES IN A MANNER THAT PROTECTS THE RIGHTS AND LIVELIHOODS OF RURAL AND URBAN ALASKA.

MAR 7 RECD

Alaska Fish and Wildlife Federation and Outdoor Council

and

Alaska Fish and Wildlife Conservation Fund
3780 McGinnis Dr.
Juneau, Ak. 99801

SPECIAL NOTICE

Alaska Supreme Court Subsistence Ruling

The Alaska Supreme Court Friday February 22, 1985 struck down a Board of Fisheries regulation designed to identify eligibility for subsistence fishing in the Cook Inlet region. Under the regulation, certain residents of the Kenai coastline and an area near Homer were forbidden to fish for subsistence purposes.

The Supreme Court, in a 5-0 ruling, held that the board erred in denying subsistence permits to certain residents who had fished with set nets for personal and family use for many years. The Supreme Court found that the board's regulation on subsistence uses was inconsistent with Alaska law because the regulation was too restrictive.

The opinion stated: "Under a statute designed to protect subsistence uses, the board has devised a regulation to disenfranchise many subsistence users whose interests the statute was designed to protect."

The ruling by the Supreme Court was not a Constitutional decision but rather a statutory ruling. The Court decision went far beyond just eliminating the particular regulation, however.

The Court opinion emphasized the following points:

1. The State subsistence law does not allow the Boards of Fisheries and Game to distinguish between rural and urban subsistence fish and game users.

2. The State law does not allow the Boards to restrict initial subsistence users to a specific community.

3. The Court ruled that the ten point criteria used by the Board of Fisheries was too restrictive and was thrown out.

4. The State law requires the Boards to adopt regulations permitting "subsistence uses".

5. A major point of departure from the State's previous position was the ruling by the Court that <u>all</u> sport and

commercial uses must be eliminated before subsistence uses are restricted in any way.

The Administration Proposal

It is our understanding that the Sheffield Administration is preparing a bill to at least insert the word "rural" into the State law. This would offer a patchwork response to the court ruling that has opened subsistence use to all Alaskans. This type of reaction will perpetuate the present political atmosphere of competition between urban and rural residents. The divisiveness of this issue requires a full and open discussion of what the legislature intends to define as subsistence use and users.

The Alaska Outdoor Council Position

The following points and options should be considered:

1. The court ruling has focused on several critical issues involved with the State subsistence law and any changes should be carefully considered and the public fully involved. This was a socially divisive issue two years ago and any exclusion of the public will only create more animosities.

2. The Governor created a Subsistence Task Force two years ago, to prepare recommendations on this issue. So far, there has been no report from the committee.

3. Legislative action this session should focus on clarifying the elements of the issue as the first step in resolving this controversy. Hasty amendments will cause the issue to emerge annually.

4. It is feasible to consider the desireability of changing the Federal law to comply with existing State law by excluding the word "rural". All of the original hearings in Alaska on the State subsistence law did not include "rural" in the proposal which led everyone equally situated to believe they were a subsistence user.

5. The position of the Alaska Outdoor Council membership has consistently been that subsistence should be based on some equitable basis of individual or family "need". Is this the proper time to consider restructuring the State law to include "need" as a viable criteria?

6. We propose the Legislature not be panicked into quickly altering the State's subsistence law because of this accurate interpretation by the Supreme Court without due deliberations and consideration of all alternatives.

7. The Alaska Outdoor Council annual meeting is scheduled for Juneau from April 11-14, 1985 where subsistence and other critical issues are scheduled for deliberation. We request that no immediate action be taken until after the Council's annual meeting.

8. We agree that some resource management problems could exist this year if the administration chooses to direct the Fisheries and Game Boards to adopt sweeping regulatory changes. It is our opinion that this type of action isn't necessary nor equitable to the general public.

9. If however, it is determined, after full deliberations by the legislature, that immediate temporary corrective measures are essential, we propose that the legislature consider passing a law creating a one year moratorium or "freeze" on the subsistence law which will give them, the public and the Subsistence Task Force one full year to appropriately tackle the entire issue.

Bennett: Subsistence bill not likely this year

Juneau Empire 3-14-85

By DEAN FOSDICK
The Associated Press

A Sheffield administration bill that would return first rights for subsistence hunting and fishing to rural Alaskans probably won't make it out of the Legislature this year, Senate President Don Bennett said Wednesday.

Bennett, R-Fairbanks, made that obvious when he assigned the measure (SB331) to four different Senate committees after it was introduced Wednesday.

"It's highly controversial," Bennett told a reporter. "It needs to be studied.

"It involves resources and it's a legal problem," he said. "Many net users aren't happy with it. That's also the case with various sports users and guides.

"I don't see any problem with studying it through the interim and coming up with a good product next year," Bennett said.

But Bennett's plan to ensure the measure gets lengthy hearings in the Senate runs counter to the prevailing mood in the Democrat-led House, where a companion bill (HB388) was introduced Wednesday and routed to just two committees.

"Four referrals in the Senate doesn't bode well for the issue," said House Majority Leader Don Clocksin, D-Anchorage. "I don't think we need a bloody subsistence fight this year."

Sheffield to propose new subsistence law

By BRUCE SCANDLING
The Associated Press

JUNEAU — Rural Alaskans would retain first right to subsistence use of the state's fish and game — and state law would change to conform with a recent court ruling — under a measure Gov. Bill Sheffield will introduce today.

The governor said Tuesday his proposal would set up personal-use fishery laws for Alaska net fishermen who can show they rely on fishing for personal consumption.

In effect, Sheffield said, the bill would amend state law to allow the same fish and game allocations that were in effect before a Feb. 22 state Supreme Court ruling.

That decision said the state Board of Fisheries was too restrictive in interpreting the intent of a subsistence law passed in 1978 by state lawmakers.

Two groups of fishermen from Homer and along Cook Inlet sued the state over a fisheries board ruling that only three small Cook Inlet villages qualified to set salm on nets for subsistence use.

The fishing groups said they had relied for years o. set-netting for subsistence use.

The supreme court last month overturned two lower-court decisions supporting the fisheries board, and said legislators never intended to distinguish subsistence from personal-use fishing.

Subsistence fishermen are allowed unlimited catches — as long as combined catches don't damage future runs in a given fishery. Personal-use fishermen are assigned a limited catch — enough for personal consumption.

Basically, the supreme court ruling opened subsistence rights for any Alaskan, a decision many state officials said would put unprecedented pressure on fish and game populations.

Lawmakers said Tuesday the issue must be addressed, but they want to approach the matter carefully.

"It must be handled in a careful, reasonable fashion with plenty of opportunity to hear from different and perhaps competing perspectives," said Rep. Jack Fuller, D-Nome.

Fuller chairs an organization of Bush lawmakers.

"What may very likely happen now, if nothing is done, is that subsistence users will increase to such an extent that sport and commercial fishing will have to be severely curtailed, and perhaps eliminated," Fuller said.

Still, he said rural Alaskans deserve first crack at subsistence rights.

House Speaker Ben Grussendorf, D-Sitka, said lawmakers should act upon Sheffield's measure "carefully, calmly and constructively."

The ruling said subsistence use must be protected at the expense of other users such as commercial fishermen, sport fishermen and big-game guides.

"Prior to the court decision, Alaska had in place a system for implementing state and federal subsistence laws, allocating fish and game harvests and resolving disputes," Sheffield said. "... I believe we must restore that system."

His proposal also would ensure the state complys with provisions of the Alaska National Interest Lands Conservation Act of 1980, Sheffield said.

That federal statute, in part, says Alaska can retain management of its fish and game as long as subsistence rights for rural Alaskans are protected.

Sheffield urged lawmakers to pass his proposal promptly, so upcoming fisheries aren't opened to all Alaskans under the recent supreme court ruling.

Anch. Daily News 3/13/85

Ruling may reduce sports fishing on Kenai

By CRAIG MEDRED
Daily News reporter

Sport fishing in the Kenai and Susitna rivers might have to be reduced or eliminated this summer because of a court decision giving a priority to subsistence harvest of state fish and game, top state officials said Tuesday.

Assistant Attorney General Larri Spengler and Deputy Commissioner of Fish and Game Steve Pennoyer told 400-members of the Alaska Sportfishing Association that an Alaska Supreme Court ruling mandating a priority for subsistence makes it difficult for the state to regulate subsistence harvests, in Cook Inlet.

Those harvests are expected to increase significantly this summer because the high court ruled that urban and rural residents qualify for the priority to stock their freezers or shelves with fish, Pennoyer said.

Since there are no surplus salmon available for harvest in the Kenai, he added, either sport or commercial fishermen are going to have to give up some fish to the new subsistence fisheries.

The state Board of Fisheries several years ago eliminated all subsistence fishing on the Kenai Peninsula, saying people who lived on the road system and held jobs didn't need subsistence to survive.

A group of subsistence fishermen filed suit. They said the board's decision illegally eliminated a fishery that had provided them with food for many years. The Supreme Court agreed.

Chuck Robinson of Kenai, the attorney for the subsistence fishermen, Tuesday night said the state could limit subsistence harvests by setting seasons and bag limits for subsistence fishermen; Pennoyer disagreed.

Even if seasons and bag limits were imposed, Pennoyer said, "I don't think we can limit the participation."

Attempt to limit fishery will bring suit, lawyer says

By RONNIE CHAPPELL
Daily News reporter

Any effort by the legislature to limit subsistence use of fish and game to rural Alaskans will be met with a court challenge, Soldotna attorney Chuck Robinson predicted Tuesday.

Last month, Robinson won an Alaska Supreme Court decision affirming the subsistence hunting and fishing rights of all Alaskans.

Gov. Bill Sheffield, who Tuesday proposed major changes in the state's 1978 subsistence hunting and fishing law, fears the decision will unleash thousands of urban subsistence hunters and fishermen who will take an ever increasing share of the state's fish and game.

Sheffield wants to limit subsistence use to rural Alaskans and establish personal use, gill net fisheries for those who live in other parts of the state.

If the legislature agrees, Robinson said, the state is "still going to face a constitutional challenge over the allocation of a common property resource on the basis of residency."

Under the Alaska Constitution, the state's natural resources — including its fish and game — belong to all Alaskans.

Fisheries Board member Bill Bonney is, also concerned by the legislation proposed by the governor. The bill doesn't define what a rural Alaskan is.

According to Bonney, that could keep residents of Anchorage, Fairbanks, Juneau and Ketchikan from participating in subsistence fisheries, while opening the gates for everyone else.

"That doesn't help us a bit," Bonney said. "We have to have in the statute that the Board of Fish has the authority to say what is rural and that is the crux of it."

Robinson disagrees with the contention that the Supreme Court decision will wreck havoc with the management and allocation of the state's fish and game.

Not everyone will choose to participate in the subsistence fishery, he said. Between 1978 and 1981, the Cook Inlet subsistence catch increased from from 3,735 to 14,755.

During the same period, the commercial catch ranged from two million to five million fish.

Sheffield has been advised by the attorney general's office that the state cannot limit the size of the subsistence catch without first curtailing the sport and commercial harvest.

"The other side keeps saying they can't set a quota," Robinson said, "but the state did it in Tyonek. Once they catch 4,200 kings they close the fishery. Now they're saying they can't do that."

Anchorage Daily News 3/13/85

ADN 3-6-85

Subsistence law may be reworked

By BRUCE SCANDLING
The Associated Press

JUNEAU — Gov. Bill Sheffield may ask lawmakers this session to rework Alaska's subsistence law in the wake of a state Supreme Court ruling that subsistence rights can't be limited to rural Alaskans.

Key legislators, however, say the issue isn't likely to be resolved by a "quick-fix" solution that would have to be pieced together in the next two months.

Sheffield said Tuesday he is drafting legislation he may introduce Friday in response to the Feb. 22 decision.

"We need to get it in and dealt with so no fears are left hanging out there," Sheffield said.

In effect, the Supreme Court said more people — urban or rural — can qualify for subsistence fishing rights.

That decision means subsistence fisheries can be expanded, said Larri Spengler, an assistant attorney general for the state.

If that expanded use poses a threat to fish runs in specific streams or rivers, commercial and sport fishing may have to be restricted or eliminated to protect the runs for subsistence use, Spengler said.

Tackling the complex — and controversial — subsistence issue this session is not a popular idea with many legislators.

"Because of the timing of the decision, I think it would be very difficult for us to come up with a solution in the remainder of the 120 days," House Speaker Ben Grussendorf, D-Sitka, said Tuesday.

The legislature is nearing the halfway mark of a 120-day session Alaska voters ordered by ballot initiative last November.

Grussendorf said it's clear the Supreme Court ruling could open the door for drastic change in state fishing and hunting laws.

"But at this point, I don't see a solution that is a quick fix," Grussendorf said.

The court's decision, in effect, means the state is violating the Alaska National Interest Lands Conservation Act of 1980, said Rep. Jack Fuller, D-Nome.

That federal law says the state may manage its own fish and game resources, as long as rural Alaskans have first-use priority if fisheries or game populations begin to dwindle.

While the state must protect the subsistence hunting and fishing rights of rural Alaskans, Fuller said, he doesn't want to see the legislature attempt a band-aid solution in the wake of the court ruling.

The Supreme Court decision, drafted by Justice Daniel Moore Jr., reversed district and superior court rulings against residents who live along Cook Inlet and in Homer.

The state fish board in 1981 limited subsistence fishing in those areas to three villages, even though other groups claimed they had relied on the susbsistence fishery for years.

The board, in developing strict guidelines to enforce the 1978 subsistence law, took away subsistence fishing rights the legislature was apparently trying to protect, Moore wrote.

All subsistence users, urban or rural, have a right to take fish before sport or commercial fishermen, the court said.

er

35¢ Per Copy News-Miner 24 pages

March 5, 1985

Governor ponders subsistence change

By DAN JOLLIFFE
News-Miner Bureau

JUNEAU—The Sheffield Administration may be working on a bill to narrow the definition of subsistence use, limiting it to rural residents and matching an interpretation set by the Board of Fisheries in recent years.

That interpretation by the Fish Board was struck down Feb. 22 by the Alaska Supreme Court, which ruled that the board strayed from the Legislature's intent of the 1978 subsistence law when it decided that subsistence users must be rural residents.

Since the court ruling involved interpretation of a law, not the Constitution, it could be changed with passage of a new law this session. The issue is expected to be highly controversial.

The Supreme Court ruling concerned the board's decision to limit subsistence salmon fishing in the Upper Cook Inlet to residents of nearby communities Tyonek, English Bay and Port Graham, communities which have no road access and are not tied to urban economies. Tyonek is on the northwest shore of Cook Inlet, 43 miles southwest of Anchorage. English Bay and Port Graham are on the other side of inlet, 10 miles southwest of Seldovia.

The court ruled that all subsistence users—rural and urban—must have their fish or game needs taken care of before the needs of sport and commercial fishermen. It said the Legislature did not limit the definition of subsistence user to rural residents when granting them preference over sport and commercial fishermen.

The court ruled that use among subsistence fishermen may be limited by their proximity to the resource, but only if there's not enough to go around after sport and commercial fishing is eliminated.

"That's one of the real problems that we face in the thing," said Steve Behnke, director of the Subsistence Division of the state Department of Fish and Game.

He said he suspected that some sort of narrowing of the definition of subsistence user will be considered by the department and the governor.

A second concern is that the interpretation leaves the state in conflict with the federal Alaska National Interest Lands Conserva-

(See GOVERNOR, page 3)

GOVERNOR . . .

(Continued from page 1)

tion Act of 1980, which allows the state to manage fish and game on federal land if rural Alaskans have a subsistence priority.

[illegible], the ruling upsets the regulation established by the board for regulating Copper River fisheries, which includes dipnetting for salmon at Chitina, a favorite pasttime for Fairbanks and Delta residents.

The Fish Board last year, using the same criterea applied to Upper Cook Inlet, said only residents in the Copper River Valley, Northway, Tanacross, Dot Lake, Tetlin and Tok would be classified as subsistence users.

They relegated dipnetters in Delta, Fairbanks and Anchorage to status as "personal use fishermen" and approved lower limits and reduced fishing times.

The court ruling may prompt the governor to introduce a law to narrow the definition of subsistence user.

"That's certainly one of the options that the governor is going to have to look at," Behnke said. "I think there's a lot of people who feel that system was working reasonably well."

Fbks. News-Miner

Subsistence priority at stake

Chitina status likely to change

By DERMOT COLE
Staff Writer

News Analysis

Alaska's Supreme Court says that the state's refusal to allow Fairbanksans to get subsistence fishing permits at Chitina runs contrary to the 1978 subsistence law.

The court decision will probably force the state Board of Fisheries to reverse its classification of Chitina as a "personal use fishery" for Fairbanksans, according to Byron Haley, president of the Chitina Dipnetters Association.

"That's what we've always maintained," Haley said, "That you can not set up a certain area for a certain class of people. We're not against subsistence use, but it should be based on need and not where you live."

The Supreme Court offered its views on the Chitina fishery in a major ruling last week that said subsistence is not limited to rural Alaskans.

In addition to likely changes in the Chitina regulations, the decision could lead to a showdown between the state and federal government. Federal law requires that rural Alaskans be given a subsistence priority on federal lands, but the state's highest court now says that's prohibited.

Federal officials have warned in the past that unless the rural subsistence priority is enforced by the state, the federal government may step in to control fish and game on federal lands because of provisions in the Alaska Lands act.

Last week's ruling specifically deals with Cook Inlet subsistence salmon fishing, but in explaining how the state Board of Fisheries misinterpreted the law, the court relied heavily on a 1978 legislative debate over Chitina.

When the subsistence bill was being argued on the floor of the state House seven years ago, Fairbanks Rep. Charlie Parr said he was worried that the law might be used to eliminate Fairbanks residents from subsistence fishing at Chitina.

As Parr predicted, that actually happened last year when the state Board of Fisheries set up a system under which only residents of the

(See SUBSISTENCE, page 3)

SUBSISTENCE . . .

(Continued from page 1)

Copper River Valley and Northway, Tanacross, Dot Lake, Tetlin and Tok could be subsistence users at Chitina.

For residents of Fairbanks and other urban areas, a more restrictive "personal use fishery" was set up in 1984 with lower limits and reduced fishing times. There were 5,328 personal use permits and 562 subsistence permits issued last summer. In basing subsistence on rural residency, the board was following guidelines offered by the federal government.

But back in 1978 when the subsistence law was under consideration, sponsors of the measure in Juneau said Fairbanks residents would be considered subsistence users at Chitina.

The Supreme Court quoted Dillingham Rep. Nels Anderson, floor manager of the bill, as saying at the time "where people from Fairbanks make it a custom to go down to the Chitina area and if it was determined that that resource was down to the point where only subsistence would be allowed, those people would be taken care of under this section."

The court cited Anderson's remarks as evidence that legislators wanted urban residents to qualify for subsistence under state law.

"Contrary to the board's interpretation of the subsistence statutes, there is no indication that legislators understood the 1978 subsistence law to restrict subsistence to either a rural or a community context," the court said.

Lawyers for the state and the Alaska Federation of Natives who argued for the rural residency requirement said it's too early to tell what will happen next.

Don Mitchell, an attorney for the AFN, said in a phone interview from Anchorage, "We have not yet come to any firm conclusion as to what the altered status of the situation is or what should be done about it."

Supreme Court drops subsistence bombshell

TUNDRA DRUMS Feb. 28, 1985

by Mary Lenz

Urban residents who fish with nets for their own consumption are now considered subsistence fishermen, whether or not they have traditionally used the resource, legal experts said.

The Alaska Supreme Court last week threw out a key provision in the Alaska Board of Fisheries subsistence regulations which limited subsistence fishing to rural residents.

The decision appears to put state law into conflict with federal law, which could mean the state no longer has the power to manage fish and wildlife on federal lands.

And increased pressure on resources by a greatly expanded subsistence fishery near urban areas could set off another showdown with sportsmen's groups. In 1982, a petition backed by sports groups to wipe out Alaska's statutes protecting subsistence was defeated.

Legal and subsistence experts said the Bethel area will not immediately be af-

Please turn to page 27

fected, unless anger and controversy stirred up by the decision threaten subsistence laws.

"This is a bombshell. It's nothing small. It's very, very dangerous," said Tom Lonner, who headed the Alaska Department of Fish and Game's subsistence division until 1981, and helped develop certain portions of the fisheries board's subsistence regulations.

Fisheries Board spokesmen declined to comment.

"Once you get the Anchorage commercial fishermen and sportsmen really angry, you may have to go through the entire process of a (referendum) on the subsistence law again," Lonner said. "This has given fuel to the fire."

Nunam Kitlutsisti's Harold Sparck said the decision "makes Fairbanks dipnetters in the Copper River equal to historic native fishermen from Gakona. It means that the commercial fisheries in Prince William Sound now have to wait till all the Fairbanks dipnetters and the customary and traditional users take their allocation."

Sparck said as the definition stands following Friday's court decision, "If you eat it, it's subsistence."

Sparck said the decision means that "people who fish with rod and reel have got to wait at the end of the line."

A state legal expert who asked not to be identified said the fact that any urban resident can qualify as a subsistence fisherman will vastly expand subsistence fishing near urban areas and cut into both the commercial and sports take.

The Supreme Court ruled that the fisheries board excluded many legitimate subsistence users of Cook Inlet salmon through regulations implemented in 1981.

Basically, the board limited subsistence fishing to those who were part of an identifiable subsistence community or group.

That limited subsistence fishing to residents of the small villages of Tyonek, English Bay and Port Graham.

Justice Daniel A. Moore said legislators who voted for the 1978 subsistence law intended to protect, not limit, the "customary and traditional use of Alaska's fish and game."

Moore said the law recognized historic subsistence use by both native and non native individuals, and did not limit subsistence to rural communities.

Tundra Drums Feb. 28 (cont.)

Spud Williams, president of the Tanana Chiefs Council, said he does not believe the decision will harm subsistence laws "because there is federal oversight."

Williams said if the rural definition of subsistence is thrown out by the state federal authorities "don't have a choice. They will step in and take management responsibility."

Williams said he believes if some one cannot demonstrate traditional and cultural use, he or she cannot be a subsistence fisherman.

However, assistant attorney general Larri Spengler said customary and traditional use only applies to which fisheries are open to subsistence, not which individuals are allowed to participate.

Several fisheries experts said that means subsistence net fishing is now "wide open" to urban residents, whether they have traditionally fished or not.

Spengler said the state is still analyzing the impact of the court decision on Alaska's concurrence with federal law.

Sparck said that federal law is very specific.

"The state is given authority to manage fish and wildlife on federal lands in Alaska if its laws are in compliance with congressional language. And if not, the Secretary of the Interior is the manager of fish and wildife in rural Alaska," Sparck said. "The Secretary is now our mother and father...

"There will be an outstanding hue and cry... because this upsets the (subsistence) plan as it's been developed since 1978," Sparck said.

Lonner said he wrote a list of criteria in 1980 defining subsistence, but after he left the Fish and Game Department, the board added language that subsistence was "rural only," which basically excluded communities connected by roads to cities of over 7,000 population.

Lonner said this also excluded Anchorage residents who legitimately could be considered subsistence users.

"There are 10,000 Alaska natives who live in Anchorage and quite a few get whale, walrus, seal and seal oil. They need it and it's important to them," Lonner said.

"From the point of view of Bethel, it looks like (the decision) makes no difference," Lonner said. "The problem is that it puts at risk the entire subsistence law."

State seeks grace period

by David Ramseur
Times Washington Bureau

Washington — Alaska officials will seek a federal grace period while they prepare changes to the state subsistence law made necessary by last week's state Supreme Court decision, Gov. Bill Sheffield said today.

The governor said he is confident the federal government will grant Alaska time to change its law before moving to impose a subsistence use in the state or take over management of Alaska fish and game.

And Sheffield said any change in state law will protect the subsistence rights of native Alaskans.

"What we'll try to do is have as minimal a change as possible but still stay in compliance and still guarantee the subsistence rights of native Alaskans," Sheffield said.

The governor also said he expects a federal response soon to proposed changes in Alaska tribal governments and will begin serious talks this year on a proposal for state acquisition of the federal Alaska Power Administration.

Sheffield's comments came as he was wrapping up nearly a week of meetings here with congressional and federal officials.

He arrived in Washington last Saturday for a three-day National Governor's Conference and has spent the last three making the rounds of federal agencies which handle Alaska issues.

Sheffield and his aides here said this morning that state lawyers have determined that changes in Alaska's subsistence law are necessary in the aftermath of the recent court decision.

That decision, based on a Cook Inlet fishing case, found that subsistence use cannot be limited to rural Alaskans as state regulations require.

Officials said they were still studying the decision but said it could present a potential conflict between state and federal laws.

The 1980 Alaska Claims Settlement Act gives rural subsistence users a priority claim to fish and game.

But Sheffield said he will ask Interior officials for time for the state to change its law before the federal government moves to require a rural subsistence use or take over fish and game management in Alaska.

"We have the time," Sheffield said. "I think they would grant us that right."

Interior Deputy Under Secretary Bill Horn said Wednesday he was still reviewing the court decision.

On other issues, Sheffield said Interior Secretary Donald Hodel promised a response to state concerns with six to eight weeks over proposed changes in constitutions for tribal governments in Alaska.

The department currently is reviewing several proposed constitutions which could drastically increase the powers of some native governments.

For example, the native village of Eagle is seeking authority to manage development and fish and game on its lands.

State and federal officials have been at odds over the proposed changes since early last year.

Sheffield also said he expects to begin serious talks with the federal government on a Reagan administration proposal to have the state take over the APA which operates hydroelectric projects in Anchorage and Juneau.

The governor said the state probably would be willing to assume the agency's debt but would be reluctant to agree to pay for a costly expansion of Juneau's Snettisham hydro project.

On other issues, Sheffield:

- Said the U.S. State Department is supporting efforts to reduce the high seas catch of salmon by foreign fishing fleets.

He said Japanese officials have been sent a diplomatic note expressing America's concern with the catch that costs Alaska fishermen thousands of dollars annually.

- Reiterated his complaint that the President is not doing enough to push for Alaska oil exports.

"My opinion is that if the administration aggressively worked with Congress on the Export Administration Act we'd see some movement toward Alaska being able to ship its oil wherever it wants to," Sheffield said.

Anc Times 2/28/85

...AIII, NO. 53 FAIRBANKS, ALASKA, SATURDAY, FEBRUARY 23, 198

Court rejects Cook Inlet subsistence ruling

By DAVID FOSTER
Associated Press Writer

ANCHORAGE—Subsistence use cannot be limited to rural Alaskans, the Alaska Supreme Court ruled Friday as it struck down a Fisheries Board rule for restricting subsistence fishing in Cook Inlet.

The regulation, adopted by the board in 1981, limited subsistence salmon fishing around Cook Inlet to residents of Tyonek, English Bay and Port Graham, all small villages.

Two groups of people who live along the Kenai coast and near Homer challenged the regulation. They were denied subsistence permits, even though they said they had fished for years with set nets for personal use.

District and Superior court judges upheld the fish board's regulation, but the Supreme Court reversed those judgments, citing a 1978 state law enacted to protect subsistence hunting and fishing.

Writing for the court, Justice Daniel A. Moore Jr. said, "The board has devised a regulation to disenfranchise many subsistence users whose interests the statute was designed to protect."

Moore delved into the 1978 law's legislative history, saying lawmakers meant to protect, not limit, the "customary and traditional use of Alaska's fish and game."

"The words 'customary and traditional' serve as a guideline to recognize historical subsistence use by individuals, both native and nonnative Alaskans," Moore wrote.

"In addition, subsistence use is not strictly limited to rural communities. For these reasons, the board's interpretation of 'customary and traditional' as a restrictive term conflicts squarely with the legislative intent."

The fish board adopted the rule after subsistence fishing in Cook Inlet jumped dramatically because of the 1978 subsistence law, which increased the number of uses qualifying as subsistence fishing by including trade and barter.

The court's opinion quotes state figures showing the number of subsistence permits issued in Upper Cook Inlet jumped from 323 in 1978 to 1,331 in 1980. The number of salmon caught by subsistence fishermen increased from 3,735 to 14,785.

The board responded to the permit increase by restricting subsistence fishing, limiting seasons, areas and the length of gill nets. Many of those restrictions were challenged successfully in court.

In 1981, the board adopted a set of 10 criteria to apply to all individuals and groups applying for subsistence permits.

Only Tyonek, English Bay, and Port Graham residents met all the criteria, the fish board ruled.

"As a result, the board eliminated from the protection of the state's subsistence statute the majority of Cook Inlet fishermen who formerly fished under subsistence regulations," Moore wrote.

☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆

Fbks. News-Miner Feb. 23, 1985

Subsistence decision could trigger federal-state conflict

By DERMOT COLE
Staff Writer

A court decision overturning a subsistence fishing rule in Cook Inlet may lead to a conflict with federal law and force changes in regulations such as those governing dipnetting in Chitina.

That's the speculation among representatives of sportsmen's groups in the wake of a major ruling Friday by the Alaska Supreme Court.

State officials, lawyers connected with the Cook Inlet case and other interested parties cautioned, however, that they can't be sure what will happen because it will take days to analyze the complex ruling.

The court said Friday that subsistence is not limited to rural Alaskans and that in carrying out the law meant to protect "customary and traditional" uses, other Alaskans should not be excluded.

Ron Somerville, executive director of the Alaska Fish and Wildlife Federation and Outdoor Council, said if press reports are accurate, Friday's court decision may bring about a direct conflict between state and federal subsistence laws.

The federal government requires that a subsistence priority for fish and game be given to rural residents.

"It does appear that there may be a major schism between the federal and the state law," he said in a phone interview from Juneau.

He said other cases where the state has defined subsistence by residence include Chitina dipnetting and hunting the Nelchina caribou herd. Subsistence hunting permits for the Nelchina herd are limited to people who reside in Game Management Unit 13.

He said Friday's decision may lead to more unrest over the 1978 subsistence law.

"It's going to boil the subsistence controversy even harder because there doesn't seem to be any solution, which has been our contention all along," Somerville said. "We're creating tremendous social unrest with this law and it seems the courts are verifying that there are major problems with implementing it."

Sam Harbo, a former member of the game board, agreed that the ruling may "put us in a difficult situation as far as the federal law is concerned."

Tom Scarborough, chairman of the Fairbanks Fish and Game Advisory Committee, said he expects continued turmoil over both the game and fish board subsistence regulations.

(See RULING, Page 3)

RULING. . .

(Continued from page 1)

As an example, Scarborough said he thinks the court's ruling could mean that current regulations regarding Chitina dipnetting will be found illegal. The state Board of Fisheries has decided that subsistence users of Chitina must reside in the Copper River basin or in five small communities nearby.

Under those rules, which have been criticized by the Chitina Dipnetters Association and others, people from Fairbanks and other urban areas are not subsistence users, but "personal use fishermen" and are accorded a lower limit. It makes no difference if the Fairbanks fishermen have been going to Chitina for many years, they can't qualify as subsistence users.

Meanwhile, lawyers for the state and the Alaska Federation of Natives, who unsuccessfully argued in favor of the use of the residency requirement in the Cook Inlet case, said it is too early to judge the impact of the court decision.

"Certainly it would appear that the approach the two boards have taken to date is certainly going to have to be reevaluated in light of the opinion," said Don Mitchell, a lawyer for the Alaska Federation of Natives.

Mitchell said the court has not decided that the subsistence approach taken by the state is unreasonable.

85-13-JB DRAFT

WHEREAS, the Alaska Board of Fisheries and Alaska Board of Game have been delegated responsibility and authority by the Alaska Legislature to regulate the taking of fish stocks and game populations for the maximum benefit of all of the people of Alaska; and

WHEREAS, prior to the decision of the Alaska Supreme Court in Madison v. Alaska Department of Fish and Game the boards developed procedures which provided adequate regulatory flexibility, both to protect opportunities for subsistence hunting and fishing in rural communities and areas, and to provide hunting and fishing opportunities for recreational, commercial, and other uses; and

WHEREAS, it is unclear to what extent the boards may restrict subsistence harvest after the Madison ruling and as a result, substantial and significantly disruptive reallocations of opportunities to harvest fish stocks and game populations may be necessary. For example:

1. The commercial gill net fishery which is an important component of the Prince William Sound economy may need to be significantly restricted in 1985 or, eventually, even closed. Prior to the Madison decision the Board of Fisheries had adequate regulatory flexibility to accommodate both the historic commercial fishery and other users.

2. Sport fishing for king and other species of salmon on the Kenai and Naknek rivers and in the Susitna drainage may need to be significantly restricted in 1985 or, eventually, even closed. Prior to the Madison decision the Board of Fisheries had adequate regulatory flexibility to prevent that result.

3. Non-subsistence hunting, including commercial guiding activities may be significantly restricted and, in many cases, eliminated. Prior to the Madison decision the Board of Game had adequate regulatory flexibility to accommodate these users reasonably.

WHEREAS, prior to the Madison decision the State of Alaska was in compliance with Title VIII of the Alaska National Interest Lands Conservation Act (ANILCA). As a result of the Madison decision the federal government may now take control over game populations on public lands and fish stocks on public lands and within navigable waters; and

WHEREAS, if the State of Alaska is no longer in compliance with ANILCA, the state will lose the ongoing million dollar per year federal appropriation for the state's public participation system which is essential to the success of the state's regulatory and management activities; and

WHEREAS, the Alaska Board of Fisheries and Board of Game strongly believe that the potential restrictions, closures, reallocations

and loss of funding described above are not in the best interest of the fish and wildlife resources and the people of Alaska;

NOW THEREFORE BE IT RESOLVED, that the Alaska Board of Fisheries and Board of Game meeting in joint session respectfully, but strongly urge the Alaska Legislature to enact legislation during the current legislative session which returns to the boards the regulatory authority and flexibility which they exercised before the Madison decision; and

THEREFORE BE IT FURTHER RESOLVED, that the Alaska Board of Fisheries and Alaska Board of Game have reviewed SB 231 and HB 288, the legislation introduced by the Governor to accomplish this purpose, and urge that this legislation be enacted into law as expeditiously as possible.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

DATE: March 21, 1985

TO: House Resources Committee

SUBJECT: Special Committee on Fisheries
Comments on Subsistence

The Madison decision by the Alaska Supreme Court on subsistence has the potential of seriously disrupting the management of Alaska's fish and wildlife resources. According to testimony before the Special Committee on Fisheries, the Madison decision could force radical shifts in established patterns of resource allocation, upsetting the carefully balanced approach to fish and game management achieved in recent years.

The Fisheries Committee received testimony on the Madison decision from the Department of Law, Department of Fish and Game, and chairman of the Joint Boards of Fisheries and Game. Although the state's fish and wildlife managers are still in the process of developing specific management strategies responsive to Madison, this much is clear:

1) Sport and commercial fishing in Cook Inlet may have to be cut back to accommodate anticipated increases in non-commercial net fishing.

2) The commercial drift net fishery in Prince William Sound may have to be sharply restricted to provide increased dip-netting opportunities in the Copper River.

3) Many of Alaska's big game guides may be forced out of business because of major decreases in non-resident hunting activities.

The members of the Special Committee on Fisheries believe that the subsistence issue must be addressed by the Legislature in a prompt but thorough manner. The committee respectfully requests the Resources Committee to take all possible steps to address this critical issue in a manner providing for action by the Legislature in the remaining weeks of the Legislative session.

Respectfully,

Peter Gøll, Chair

STATE OF ALASKA
THE LEGISLATURE

POUCH V · STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3900

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/21/85, 8:30 am

KENAI RIVER SPORTFISHING ASSOCIATION

3301 "C" Street Suite 202
Anchorage, Alaska 99503
Phone (907) 276-1451

To: Alaska State Legislatorss

On March 19, 1985 the Steering Committee of the Kenai River Sportfishing Association unanimously approved the following motion:

"We favor interim legislation this session having a sunset clause of December 31, 1985 that accomplishes:

(1) Return of the regulatory jurisdiction of fish and game back to the boards of fish and game as it existed prior to the Madison decision of February 22, 1985 by the Alaska Supreme Court.

(2) That the legislature then cause to have public hearings held state wide prior to the 1986 legislative session that would frame legislation that would accomplish a permanent solution to the relationship between subsistence, sport, commercial and personal use fisheries as well as all aspects of recreational and subsistence hunting."

Chaos must be remove from the management of our fish and game resource until a permanent solution be gained from public input from all citizens of the State of Alaska on the permanent use and allocation of fish and game. We cannot allow any situation to continue that has the potential of causing severe damage to the fishery resource. Resource regulation must be preserved.

FROM LAW ANCH CIVIL 03/19/85 08:14 P. 2 TOTAL P. 2

Bif Bonnie

By: Bruce Wenmack
Introduced: 03/11/85
Postponed: 03/11/85
Adopted: 03/14/85

RESOLUTION NO. 85-024

A RESOLUTION IN SUPPORT OF HOUSE BILL NO. 253, "AN ACT ALLOWING MUNICIPALITIES TO EXEMPT LAND FROM PROPERTY TAXES AND FROM SPECIAL ASSESSMENTS FOR FIRE PROTECTION SERVICE . . ."

WHEREAS, the Fairbanks North Star Borough has a large portion of its population unprotected by Fire Service Districts; and

WHEREAS, the Fairbanks North Star Borough Fire Service Areas have had difficulty in getting total acceptance of proposals to create such Fire Service Districts, largely because larger land owners have not been able to be a part of the process; and

WHEREAS, the Fairbanks North Star Borough has supported differential land and improvement taxation for the past five years, and has investigated many potential taxation methods in order to provide safety and protection to areas of the Borough through equitable taxation; and

WHEREAS, the Assembly of the Fairbanks North Star Borough has reiterated its position during public meetings and public hearings in support of taxation only on improvements, including personal property affixed to the improvements upon the lands, and exemption of the assessment upon the land value.

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the Fairbanks North Star Borough that we urge adoption of House Bill No. 253 to allow municipalities to exempt land from property taxes and from special assessments for fire protection services and fire protection facilities.

PASSED AND APPROVED THIS 14TH DAY OF MARCH, 1985.

Sandra Scott Stringer
Presiding Officer

ATTEST:

Clerk of the Assembly

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1250 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

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.

James O. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:11

Tanana Chiefs Conference, Inc.

Doyon Building
201 First Avenue
Fairbanks, Alaska 99701

Phone (907) 452-8251

Attachment #1

January 21, 1985

Representative Peter Goll
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

For your information, Tanana Chiefs Conference, Inc., is forwarding you copies of 21 resolutions recently passed requesting that the State of Alaska improve its enforcement of the State Water Quality Standards and ensure protection of clean water from placer miners illegally discharging silty and muddy wash water into the State's streams and waterways. The resolutions are from Fish and Game Advisory Committees, the Interior Regional Council, fishermen's associations, and Native organizations including the Alaska Federation of Natives.

Included also, is a memo on DEC, DF&G, and EPA enforcement of the Water Quality Standards. A crucial key to compliance with any regulations is an adequate, consistent field presence. There is no incentive to clean up, if there is no threat from noncompliance.

Tanana Chiefs and groups represented by these resolutions feel that it is time for the mining industry to take responsibility for the damage they do to the economic well being of the other users of Alaska's waterways including commercial fishermen and rural residents who harvest fish and wildlife as a source of food for their families. We know that the Alaska Legislature takes seriously its responsibility to protect the fish and wildlife resources of the State. We look forward to working closely with you on this issue during the session. If you need further information, please contact Paula Cullenberg at 452-8251.

Sincerely,

TANANA CHIEFS CONFERENCE, INC.

William C. "Spud" Williams
President

enclosures

165.1

KOYUKUK RIVER FISH AND GAME ADVISORY COMMITTEE
RESOLUTION 84-1

ENFORCE WATER QUALITY LAWS AND REGULATIONS

WHEREAS, The Koyukuk River Fish and Game Advisory Committee represents the residents of Game Management Unit 24 including the communities of Huslia, Hughes, Allakaket, Alatna, and Bettles, in all matters concerning conservation, development and use of fish and wildlife resources; and

WHEREAS, We, the people of the Koyukuk River, continue to make direct use of the water of the Koyukuk River for drinking water and other personal uses; and

WHEREAS, We, the residents of the Koyukuk River, also directly rely upon harvest of the fish and game which are supported by the environment of the Koyukuk River; and

WHEREAS, We now have reports that fine, light colored sediment of a chalky-like substance is now depositing at the bottom of jerry cans used for the collection of water from the Koyukuk River for drinking and other personal uses; and

WHEREAS, We also have reports of extremely muddy conditions in the Hogatza ("Hog") River in recent years near Huslia, which is a tributary of the Koyukuk River; and

WHEREAS, Because we rely upon the normally clean water of the Koyukuk River, we have become extremely concerned and very disturbed over the fact that the quality of our water is being allowed to deteriorate due to probable illegal upstream activities, and that state and federal water quality laws and regulations are not being upheld; and

WHEREAS, The Committee is informed of the fact that the U.S. Environmental Protection Agency may soon grant permission to the State of Alaska to legally downgrade the present level of protection for Nolan Creek by reclassifying this stream which is a tributary of the Koyukuk River;

NOW THEREFORE BE IT HEREBY RESOLVED, that the Koyukuk River Fish and Game Advisory Committee requests that the State of Alaska and the U.S. Environmental Protection Agency immediately take all necessary steps to enforce and to maintain the present water quality standards for all waters of the Koyukuk River; and

J1b1

BE IT FURTHER RESOLVED, that the Koyukuk River Fish and Game Advisory Committee requests that the State of Alaska and the U.S. Environmental Protection Agency seek the causes of the deterioration of the water now being collected for personal uses on the Koyukuk River and that they take appropriate steps to clean up the source of this pollution; and

BE IT FURTHER RESOLVED, that the Koyukuk River Fish and Game Advisory Committee requests that the U.S. Bureau of Land Management take all necessary steps to clean up the Hog River and its tributaries including:

1) close this area to new mineral staking,

2) enact and enforce stricter controls for any existing, and any new, placer mining on existing Hog River area mining claims, and

3) strictly enforce regulations which require each miner to restore and reclaim surface areas which have been or which may be in the future, disturbed due to mining activities;

BE IT STILL FURTHER RESOLVED, that the Koyukuk River Fish and Game Advisory Committee strongly opposes any action to reclassify Nolan Creek or any other stream in the Koyukuk River watershed to any standard other than the present standards as of this date.

Homer Jolnke — December 1 1984

Vice Chairman — Date

Koyukuk River Fish & Game Advisory Committee

J1b2

ALASKA FEDERATION OF NATIVES, INC.
1984 ANNUAL CONVENTION

RESOLUTION NO. 84-60

TITLE: ENFORCE WATER QUALITY REGULATIONS

WHEREAS, the harvest of fish and wildlife is vital to the continuation of the rural economy of Alaska Natives; and

WHEREAS, the streams and rivers of Alaska provide habitat for fish and wildlife; and

WHEREAS, rural Alaska Natives also depend on these waters for drinking water, wash water, cooking water, transportation sources and garden irrigation; and

WHEREAS, serious water quality problems exist on a number of streams in Alaska due to illegal discharge of mud and silt from placer mining operations, often greatly in excess of State Water Quality standards and federal requirements for clean water; and

WHEREAS, fish and wildlife habitat are being damaged by the turbidity and the buildup of silt deposited on the bottom of streams by this discharge; and

WHEREAS, the continued decline of Alaska's water quality will severely hurt the economics of rural Alaska Natives residing in downstream communities; and

WHEREAS, the State of Alaska and U.S. Environmental Protection Agency have permitted the increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement of state and federal laws and regulations designed to protect water quality for all users,

NOW THEREFORE BE IT RESOLVED that the Alaska Federation of Natives demand that the State of Alaska and the U.S. EPA immediately take steps to protect water quality in Alaska by enforcing the State Water Quality standards and the federal requirements for clean water and

BE IT FURTHER RESOLVED that the AFN urge the Alaska State Legislature, the Alaska Department of Environmental Conservation, the U.S. Environmental Conservation and the U.S. Environmental Protection Agency to take all possible measures to assist the placer mining industry to develop technology and economic solutions which will allow the industry to operate with clean discharge of waste water, and

BE IT FURTHER RESOLVED that the State of Alaska and the federal government take all necessary actions to clean up and to restore streams currently damaged by illegal discharges of sediment and turbidity and that they take all appropriate action to prevent future damage to these watersheds.

RESOLUTIONS COMMITTEE RECOMMENDATION: DO PASS

CONVENTION ACTION: PASSED



INTERIOR REGIONAL FISH & GAME COUNCIL

c/o ADF&G, DIVISION OF BOARDS, P.O. BOX 3-2000, JUNEAU, ALASKA 99802 PHONE: (907) 465-4110

RESOLUTION 84.4

PROTECT FISH AND GAME HABITAT FR(WATER POLLUTION

ADVISORY COMMITTEES
Clear/Healy
Delta
Eagle
Fairbanks
Galena
Grayling/Anvik/Shageluk/Holy Cross
Koyukuk
McGrath
Ruby
Tanana
Upper Tanana/40-Mile
Yukon Flats

Whereas, The Interior Regional Council represents thousands of subsistence fishermen in the Alaska Interior, and is empowered to make recommendations to the Alaska Boards of Fisheries and Game regarding protection of subsistence users; and

Whereas, The annual harvest and continued strength the salmon and other anadromous fish runs and the annual harvest of wildlife is vital to the rural communities and livelihood of the subsistence users of this region; and

Whereas, The streams and rivers provide essential habitat for fish and wildlife; and

Whereas, Fish and wildlife habitat is being damaged by turbidity, sediments, and silt being illigally discharged into many streams and rivers, often greatly in excess of State Water Quality Standards and Federal Requirements for clean water; and

Whereas, The State of Alaska, Department of Environmental Protection Agency have permitted this increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement;

Be It Resolved, that the Interior Regional Council requests the Alaska Boards of Fisheries and Game to make a formal review of the Department of Fish and Game's Title 16 Regulations to determine if they are adequately protecting fish and wildlife habitat in Alaska's waterways; and

Be It Further Resolved, that the Division of Subsistence, Department of Fish and Game, direct its studies to the impacts of placer mining and poor water quality on subsistence economy.

INTERIOR REGIONAL FISH & GAME COUNCIL

c/o ADF&G, DIVISION OF BOARDS, P.O. BOX 3-2000, JUNEAU, ALASKA 99802 PHONE: (907) 465-4110

RESOLUTION 84.5

PROTECT FISH AND GAME HABITAT FROM WATER POLLUTION

ADVISORY COMMITTEES
Clear/Healy
Delta
Eagle
Fairbanks
Galena
Grayling/Anvik/Shageluk/Holy Cross
Koyukuk
McGrath
Ruby
Tanana
Upper Tanana/40-Mile
Yukon Flats

Whereas, The Interior Regional Council represents thousands of subsistence fishermen in the Alaska Interior, and is empowered to make recommendations to the Alaska Boards of Fisheries and Game regarding protection of subsistence users; and

Whereas, The annual harvest and continued strength the salmon and other anadromous fish runs and the annual harvest of wildlife is vital to the rural communities and livelihood of the subsistence users of this region; and

Whereas, The streams and rivers provide essential habitat for fish and wildlife; and

Whereas, Fish and wildlife habitat is being damaged by turbidity, sediments, and silt being illigally discharged into many streams and rivers, often greatly in excess of State Water Quality Standards and Federal Requirements for clean water; and

Whereas, The State of Alaska, Department of Environmental Protection Agency have permitted this increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement;

Be It Therefore Resolved, that the Interior Regional Council urges the Governor, State Legislature, and DEC to take seriously its responsiblity to protect water quality for the residents of Alaska by actively enforcing the State Water Quality Standards and adequately funding these enforcement efforts; and

Be It Further Resolved, that the policy of the State Legislature and Governor gives priority to the protection of renewable resources over non renewable resources in user conflicts.

Appendix I.

NUSHAGAK
FISH AND GAME ADVISORY COMMITTEE RESOLUTION

ENFORCE STATE WATER QUALITY STANDARDS

WHEREAS, the Nushagak Fish and Game Advisory Committee represents hundreds of commercial and subsistence fishermen in the Bristol Bay region; and

WHEREAS, the annual harvest and continued strength of salmon runs is vital to the economy and livelihood of these fishermen; and

WHEREAS, placer mining on the rivers and tributaries of salmon spawning streams often illegally discharges mud and silt into these waterways, killing fish and destroying their habitat; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency is allowing this illegal destruction of salmon habitat by inadequately monitoring and enforcing the State Water Quality Standards and Federal requirements for clean water;

BE IT THEREFORE RESOLVED, that the Nushagak Fish and Game Advisory Committee urges the Alaska Department of Environmental Conservation and the U.S. EPA to take all necessary steps to protect the salmon resources of the State by monitoring and enforcing the State Water Quality Standards, and that the Governor and Legislature see that such enforcement is adequately funded: and

BE IT FURTHER RESOLVED, that the Governor and area legislators create a State policy that clearly gives renewable resources priority over nonrenewable resources and ensures the protection of our salmon stocks.

Oct 28 1984
Date

Leon Braswell
Leon Braswell, Chairman
Nushagak Fish and Game Advisory
Committee

NAKNEK - KVICHAK
FISH AND GAME ADVISORY COMMITTEE RESOLUTION 84-2

ENFORCE STATE WATER QUALITY STANDARDS

Whereas, the Naknek - Kvichak Fish and Game Advisory Committee represents hundreds of commercial and subsistence fishermen in the lower Bristol Bay region; and

Whereas, the annual harvest and continued strength of salmon runs is vital to the the economy and livelihood of these fishermen; and

Whereas, placer mining on the rivers and tributaries of salmon spawning streams often illegally discharges mud and silt into these waterways, killing fish and destroying their habitat; and

Whereas, the State of Alaska and the U.S. Environmental Protection Agency is allowing this illegal destruction of salmon habitat by inadequately monitoring and enforcing the State Water Quality Standards and federal requirements for clean water;

Be it therefore resolved, that the Naknek - Kvichak Fish and Game Advisory Committee urges the Alaska Department of Environmental Conservation and the U.S. EPA to take all necessary steps to protect the salmon resources of the State by monitoring and enforcing the State Water Quality Standards, and that the Governor and Legislature see that such enforcement is adequately funded; and

Be it further resolved, that the Governor and area legislators create a State policy that clearly gives renewable resources priority over nonrenewable resources and ensures the protection of our salmon stocks.

Oct. 29-84
Date

Alvin Aspelund, Chairman, Naknek - Kvichak Fish and Game Advisory Committee

Copy

Yukon Flats Fish & Game Advisory Committee

Enforce Water Quality Laws and Regulations

WHEREAS: Communities represented by the Yukon Flats Fish and Game Advisory Committee depend upon the harvest of fish and game as the main part of their economy;

WHEREAS: fish and wildlife habitat in the areas of these communities is being damaged by mud and turbidity illegally discharged into streams in these areas;

WHEREAS: the harvest of fish and furbearers has been damaged by the discharges of mud and silt;

WHEREAS: productivity of fish is harmed by turbidity and by silt deposited on the bottoms of streams;

WHEREAS: the State of Alaska and the U.S. Environmental Protection Agency have not taken prompt and sufficient action to enforce state and federal laws and regulations designed to protect the water quality of Interior Alaska anadromous fish streams;

BE IT RESOLVED, that the Yukon Flats Fish and Game Advisory Committee hereby requests that the State of Alaska Department of Fish and Game, the Alaska Department of Environmental Conservation and the U.S. Environmental Agency immediately take steps to enforce applicable laws and regulations designed to protect water quality in Interior Alaska's streams; and

BE IT FURTHER RESOLVED, that the Yukon Flats Fish and Game Advisory Committee hereby also requests that the aforementioned agencies begin the task of cleaning up Birch and Beaver Creeks and all other streams in this region damaged by mining impacts.

Added – be put on top priority list.

Don Stamm 10-21-84

Chairman

126p1

MIDDLE YUKON FISH & GAME ADVISORY COMMITTEE

RESOLUTION 84-2

WHEREAS: both the Hogatza River and the streams draining into it, located on BLM land, support a large portion of the Yukon summer chum run; and

WHEREAS: these streams produce a major portion of the summer chum salmon which are harvested for subsistence and commercial use by downstream residents of the Yukon River drainage; and

WHEREAS: the production of such summer chum salmon makes up a major element in the economy of downstream communities on the Yukon River; and

WHEREAS: the 51 active placer mining claims located on these streams are currently discharging or have in the past discharged high levels of sediment and turbidity into these streams, often greatly in excess of state water quality standards and in excess of federal requirements for clean water; and

WHEREAS: sediment and turbidity in these streams damage fisheries habitat and hamper the production of fish; and

WHEREAS: over time, the destruction of fisheries habitat in one stream after another will directly adversely affect the economy of downstream communities; and

WHEREAS: the Central Yukon Plan has the opportunity to regulate or restrict such placer mining activity;

BE IT HEREBY RESOLVED that the Middle Yukon Fish and Game Advisory Committee (otherwise known as the Galena Fish and Game Advisory Committee) recommends that the Bureau of Land Management in its Central Yukon Plan, close the Hogatza River and the streams draining into it to all future mineral exploration and development; and

BE IT FURTHER RESOLVED that the Bureau of Land Management in its Central Yukon Plan establish the Hogatza River and the streams draining into it as Areas of Critical Environmental Concern (ACEC); and

BE IT FURTHER RESOLVED that within the Area of Critical Concern, all existing miners be required to meet state water quality standards and submit annual preseason plans of operation to the BLM.

James D. Easton III 10-20

Chairman Date

Resolution 84- 3

Clean Up Interior Placer Streams

WHEREAS, many clearwater tributary streams of the Yukon River of Interior Alaska support runs of spawning salmon, and

WHEREAS, such streams produce the salmon which are harvested for subsistence and commercial use by downstream residents of the Yukon River drainage; and

WHEREAS, the production of salmon makes up a major element in the economy of downstream communities on the Yukon River; and

WHEREAS, placer mining activity currently is discharging high levels of sediment and turbidity into Interior streams, often greatly in excess of state water quality standards and in excess of federal requirements for clean water; and

WHEREAS, sediment and turbidity in these streams damage fisheries habitat and hamper the production of fish; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency permits the illegal pollution of otherwise clearwater streams through inefficient, inappropriate enforcement of regulations and laws designed to protect water quality; and

WHEREAS, over time, the destruction of fisheries habitat in one stream after another will directly adversely affect the economy of downstrean communities,

BE IT HEREBY RESOLVED that the Middle Yukon Fish and Game Advisory Committee (otherwise known as the Galena Fish and Game Advisory Committee) demands that the State of Alaska and the U.S. Environmental Protection Agency properly and totally meet their legal commitments and requirements to promptly enforce water quality laws and regulations in Interior Alaska placer mining streams, and

BE IT FURTHER RESOLVED that the State of Alaska and the federal government take all necessary actions to clean up and to restore streams presently damaged by illegal discharges of sediment and turbidity and that they take all appropriate action to prevent future damage to these watersheds.

James D. Linton II 11/2

Chairman Date

THE LOWER YUKON FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, The Lower Yukon Fish and Game Advisory Committee represents the fisheries and wildlife interests of the 15 villages of the Lower Yukon area; and

WHEREAS, The placer mining taking place in the upriver areas of the Yukon River between the Koyukon and the Porcupine has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Yukon River believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Lower Yukon Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 8-18-84 DAY OF AUGUST, 1984.

RECEIVED
SEP 13 1984

/S/ John Thompson
Johnny Thompson, Chairman

THE CENTRAL BERING SEA FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, The Central Bering Sea Fish and Game Advisory Committe represents the fisheries and wildlife interests of the 13 villages of the Lower Kuskokwim area; and

WHEREAS, The placer mining taking place in the upriver areas of the Yukon River between Koyukon and the Porcupine, and in the upper Tuluksak River of the Kuskokwim has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Kuskokwim villages believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Central Bering Sea Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 21 DAY OF AUGUST, 1984.

/S/ Jack U. Williams

Jack U. Williams, Chairman

SEP 13 1984

LOWER KUSKOKWIM
FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, THE LOWER KUSKOKWIM Fish and Game Advisory Committe represents the fisheries and wildlife interests of the 13 villages of the Lower Kuskokwim area; and

WHEREAS, The placer mining taking place in the areas of the upper Tuluksak River of the Kuskokwim has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Kuskokwim villages believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Lower Kuskokwim Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 24 DAY OF AUGUST, 1984.

/s/ Chuck Chaliak
Chuck Chaliak, Chairman

Resolution 84-

Enforce Water Quality Laws and Regulations

WHEREAS: Communities represented by the Tanana Fish and Game Advisory Committee depend upon the harvest of fish and game as the main part of their economy;

WHEREAS: fish and wildlife habitat in the areas of these communities is being damaged by mud and turbidity illegally discharged into streams in these areas;

WHEREAS: the harvest of fish and furbearers has been damaged by the discharges of mud and silt;

WHEREAS: productivity of fish is harmed by turbidity and by silt deposited on the bottoms of streams;

WHEREAS: the State of Alaska and the U.S. Environmental Protection Agency have not taken prompt and sufficient action to enforce state and federal laws and regulations designed to protect the water quality of Interior Alaska anadromous fish streams;

BE IT RESOLVED, that the Tanana Fish and Game Advisory Committee hereby requests that the State of Alaska Department of Fish and Game, the Alaska Department of Environmental Conservation and the U.S. Environmental Agency immediately take steps to enforce applicable laws and regulations designed to protect water quality in Interior Alaska's streams; and

BE IT FURTHER RESOLVED, that the Tanana Fish and Game Advisory Committee hereby also requests that the aforementioned agencies begin the task of cleaning up the following streams:

Minook Creek
Goldstream Creek
Chatanika River
Tolovana River

Arthur Eckart
Chairman

Endorsed By Tanana Fish and Game Advisory Committee
October 11, 1984
Chatanika, Alaska

TANANA CHIEFS CONFERENCE, INC.

Tolovana Pollution

Resolution No. 84-13

WHEREAS: The residents of communities of Minto and Nenana make substantial use of the water of the Tolovana River, including the Upper Tolovana River, and its associated environments in the Minto Flats; and

WHEREAS: These residents have harvested fish and game resources from the Tolovana River and its associated environments including the Upper Tolovana River; and

WHEREAS: The waters and associated environment of the Tolovana River have become muddy and polluted during the placer mining season due to mining activities taking place in the headwaters of the Tolovana River; and

WHEREAS: This muddy water has damaged the habitats of water animals, fish and water fowl; and

WHEREAS: Harvests of game and fish resources has been damaged due to degraded water quality; and

WHEREAS: Residents of Minto and Nenana depend upon fish and game harvests as a major element in the economy of their communities;

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors asks that the State of Alaska and the U.S. Environmental Protection Agency take all necessary steps to enforce the state and federal water quality standards, laws and regulations on the Tolovana River Drainage.

BE IT FURTHER RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors urges the Governor and the Alaska State Legislature to make funds and expertise available to develop proper technology which will permit placer mining to continue in a way which results in no discharge of muddy or polluted placering water back into the Tolovana River.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

TANANA CHIEFS CONFERENCE, INC.

Water Quality in Minook Creek

Resolution No. 84-14

WHEREAS: Minook and Little Minook Creeks and associated environments are utilized by residents of Rampart, and of the area generally; and

WHEREAS: the water of Minook Creek and Little Minook Creek is the subject of complaints of residents of Rampart due to high levels of turbidity and mud caused by placer mining discharges upstream; and

WHEREAS: the State of Alaska has regulations to protect water quality in such clear water streams but is generally reluctant to enforce these regulations; and

WHEREAS: the poor water quality interferes with and diminishes the use of Minook Creek and associated environments by the residents of Rampart and the area generally; and

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors requests the State of Alaska to enforce present regulations concerning water in Minook Creek and Little Minook Creek, and

BE IT FURTHER RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors urges the Alaska State legislature and the State administration to provide technical and financial assistance to placer miners so as to help them develop, install and utilize new technology which would permit placer mining to take place while achieving clean water in placering streams.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

TANANA CHIEFS CONFERENCE, INC.

Environmental Effects of Mining Operations
on Birch Creek
Resolution No. 82-28

WHEREAS: Birch Creek is important to the residents living near or around the river; and

WHEREAS: there are mining operations upriver from the residents living and using the river in a traditional manner; and

WHEREAS: the methods the mining operations utilize dirties and clouds the river; and

WHEREAS: this hampers the traditional practices of those living downriver; and

WHEREAS: the methods of the mining operations damages the environmental, aesthetic, and ecological characteristics of the river; and now,

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference Board of Directors direct the staff of Tanana Chiefs Conference to inform the appropriate State, Federal and private agencies of the detrimental methods of mining operations used on Birch Creek.

Submitted by: Theresa McCall

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 18, 1982 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

TANANA CHIEFS CONFERENCE, INC.

Birch Creek Water Quality

Resolution No. 84-26

WHEREAS: the communities of Birch Creek, Circle, and other area residents utilize and depend upon the lands and waters of the lower Birch Creek watershed for harvest of renewable resources including fish and game; and

WHEREAS: such local residents utilize Birch Creek as a primary source of drinking water as well as a source of water for washing, cooking, and laundry; and

WHEREAS: the water quality of Birch Creek is in deplorable condition during summer months due to severe pollution caused by heavy placer mining activity in the upper Birch Creek watershed; and

WHEREAS: the regulations of the State of Alaska designed to protect the water quality are grossly violated on Birch Creek due to placer mining activity; and

WHEREAS: the State of Alaska continues to not enforce its water quality standards on Birch Creek; and

WHEREAS: the degradation of water quality in Birch Creek is resulting in damage to associated fish and wildlife habitats and diminished opportunities of local residents to harvest such resources; and

WHEREAS: the lack of enforcement of its water quality regulations and prevention of management of fish resources on any stream represents significant mismanagement of both the water and the fisheries resources of the State of Alaska; and

WHEREAS: the development and use of water recycling and other new technologies should provide needed answers to allow placer mining to continue in a way that prevents pollution of placering streams such as Birch Creek;

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors request that the State of Alaska and the U.S. Environmental Protection Agency enforce all state and federal water quality regulations and laws in Birch Creek and in other watersheds of Alaska, and

BE IT FURTHER RESOLVED that the State of Alaska, the Alaska State legislature and the Federal Government take all possible steps to clean up the dirty water caused by placer mining activities on the Birch Creek and other watersheds through development of appropriate technologies, and that placer miners receive direction and assistance to bring such technologies successfully into use in the field.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

BERING SEA FISHERMEN'S ASSOCIATION
RESOLUTION NUMBER 5

WHEREAS the Bering Sea Fishermen's Association represents over 1600 commercial salmon and herring fishermen in western Alaska and,

WHEREAS the rapid expansion of the placer mining industry in interior and western Alaska has resulted in a loss of fish populations, spawning and rearing habitat and the deterioration of water quality necessary for continued fish production and,

WHEREAS the Alaska Legislature has shown a reluctance to fund resource agency attempts to regulate, control, monitor and enforce the placer mining industry's activities and,

NOW THEREFORE BE IT RESOLVED that the Bering Sea Fishermen's Association request the Alaska Legislature to appropriate the funds necessary to regulate, control, monitor and enforce placer mining activities and,

BE IT FURTHER RESOLVED that the Association request the Alaska Legislature to adopt legislation that will strengthen current water quality standards to ensure the long-term and continuing production of viable fish populations.

Motion Passed this 31 day of August 1984 in Anchorage, Alaska



HENRY IVANOFF
PRESIDENT - BERING SEA FISHERMEN'S ASSOCIATION

UNITED VILLAGES OF NELSON ISLAND AND VICINITY
RESOLUTION #84-08-01

WHEREAS THE UNITED VILLAGES OF NELSON ISLAND AND VICINITY represents the villages of this area in the Yukon-Kuskokwim Delta of southwestern Alaska; and

WHEREAS in recent years, village fishermen have been able to harvest salmon from the Kuskokwim and Yukon rivers migrating pass the island depending upon wind direction to supplement the marine mammal and herring subsistence diet of our villages; and

WHEREAS the expansion of the placer mining industry on both the Yukon and Kuskokwim Rivers, the lack of monitoring and enforcement of water quality standards by State and Federal agencies, and the concern by villages located on both rivers that their salmon fisheries will be threatened by these activities;

NOW THEREFORE BE IT RESOLVED BY THE UNITED VILLAGES OF NELSON ISLAND AND VICINITY that the Governor and area legislators take steps to make placer miners obey the same environmental laws that commercial fishermen and subsistence harvesters must follow to conserve all resources; and

BE IT FURTHER RESOLVED that the Governor and area legislators take steps to secure funds to allow State resource agencies to monitor and when necessary enforce State water quality laws if violated by placer miners to protect clean streams and our salmon resources.

MOTIONED AND PASSED THIS 26th DAY OF AUGUST, 1984

Michael Albert
CHAIRMAN

RESOLUTION OF KOKECHIK CORPORATION

RESOLUTION # 84-37-02

WHEREAS THE KOKECHIK CORPORATION represents the commercial herring and subsistence fishermen of the three villages of Hooper Bay, Chevak, and Scammon Bay, and

WHEREAS salmon are important to the limited entry permit holders in several of our villages and to all of our villagers for subsistence, and

WHEREAS State biologist believe without verification that migrating salmon taken by our villages are Yukon stock, and where

WHEREAS the expansion of placer mining activity in the Yukon River's tributaries, and the lack of monirting and enforcement by state and Federal resource agencies to protect water quality necessary for salmon reproduction;

NOW THEREFORE BE IT RESOLVED BY THE KOKECHIK CORPORATION that the State of Alaska and the Federal EPA takes all necessary steps to enforce water quality laws through monitoring placer mining operations, and if necessary enforce these regulations to get miner compliance; and

BE IT FURTHER RESOLVED that the Governor and area legislators secure adaquate funding for DEC and ADFG to carry out the monitoring and enforcement of stream water quality to protect successful salmon reproduction.

MOTIONED AND PASSED THIS 27th DAY OF AUGUST, 1984

Joseph V. Ramos

CHAIRMAN

RURAL ALASKA RESOURCES ASSOCIATION
P.O. Box 3-3908
Anchorage, AK 99501

RESOLUTION NO. 84 - 4

ENTITLED: RELIEF FROM PLACER MINING DAMAGE TO WATERSHEDS

WHEREAS, serious water quality problems exist on a number of streams in Alaska due to illegal waste water discharges from placer mining operations; and

WHEREAS, such water quality problems created by placer mining discharges are damaging the water resources, the associated environments and the fisheries and other village resources which are supported by these waters; and

WHEREAS, such water quality problems created by placer mining discharge are currently threatening and possibly damaging the health and the general economic well-being of local residents who live downstream and who utilize the water, the associated environments and the harvestable renewable resources supported by such environments; and

WHEREAS, fisheries management in particular is made difficult or impossible by the clouded condition of water in streams which support fish but which are subject to siltation and turbidity caused by placer discharges upstream; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency have not enforced the water quality laws and regulations which are very frequently violated in placer mining activities; and

WHEREAS, the U.S. Environmental Protection Agency, in proposing Best Available Technology for the placer industry, has proposed weakening standards including for suspended particles and for arsenic; and

WHEREAS, the communities of Tuluksak, Birch Creek, Minto and Rampart are among the communities who have registered complaints about damage to waterways caused by upstream placer mining;

BE IT HEREBY RESOLVED, that the Rural Alaska Resources Association urges the State of Alaska to reject the weakened water quality standards as a part of Best Available Technology; and

BE IT FURTHER RESOLVED, that the Rural Alaska Resources Association urges the Alaska State Legislature, the State of Alaska and the U.S. Environmental Protection Agency to take all possible measures to assist the placer mining industry to develop technology and economic solutions which will allow the industry to operate with clean discharges of waste water; and

BE IT FURTHER RESOLVED, that the Rural Alaska Resources Association urges that the State of Alaska and the U.S. Environmental Protection Agency vigorously pursue the cleaning up of placering streams through enforcement of existing laws and regulations; and

BE IT STILL FURTHER RESOLVED, that Rural Alaska Resources Association supports the efforts of the community of Tuluksak to delay the permit to dredge requested by Northland Gold Dredging.

Jim Kowalsky, Chairman

Date: 4/6/84

MEMORANDUM

RE: Enforcement of the State Water Quality Standards

FROM: Paula Cullenberg, Tanana Chiefs Conference, Inc.

DATE: January 22, 1985

* * * * * * * * * * * * * * * * * * *

The intent of this memo is to document the urgent need for increased funding for monitoring and enforcement of water quality in the state's river and streams as impacted by placer mining. Tanana Chiefs Conference, Inc. feels that the health and continued economic survival (referring to both the comercial and subsistence economy) of Alaska's rural residents is dependent on the protection of clean water. Placer miners, who illegally discharge mud, silt, and toxic chemicals such as mercury and arsenic into the streams are going virtually unregulated, since enforcement of the State Water Quality Standards is minimal at best. That water quality in Alaska has not improved since the standards were adopted in 1972 is indicative that they have never been adequately enforced.

This lack of enforcement has hurt all rural Alaskans who drink, cook with, and wash with the waters flowing downstream from the mines or who depend either as a food source or as a commercial venture, on fish and wildlife, who use the the streams as habitat or spawning sites. Tanana Chiefs Conference, Inc. in the past three years has received numerous complaints from rural residents of dirty water hurting their livelihoods, including residents of Tanana, Rampart, Minto and Birch Creek and Circle. Residents of Minto have noted that Minto Flats, a major hunting, fishing and trapping area has been filling up with silt and mud; the Tolovana River, the Chatanika River and the Goldstream River, all heavily mined streams flow into Minto Flats. The village of Tuluksak, downstream from the Northland Gold Dredge has experienced turbid water for the last 3 years; Fish and Game was unable to make any escapement counts in 1983. The Hogatza River, one of the most productive spawning grounds of Yukon summer chums, has had severe water quality problems when only several of the 51 active mining claims were operating (see enclosed). Turbidity levels in the normally clear streams have reached 1200 NTU's - the State Water Quality Standard for fish protection (supported by a draft Fish and Game report) is 25 NTU's. This last example indicates that water quality is a statewide concern, since summer chums are a mainstay for rural Alaskans living along the entire reach of the Yukon River down to the Bering Sea. A list of fish producing streams that have been adversely impacted by placer mining are enclosed.

Responsibility for protection of water quality and fish and wildlife habitat is held by the Department of Environmental Conservation, the Department of Fish and Game and the Environmental Protection Agency. In 1984, approximately 500 placer miners were in operation in the State. All miners are required to apply for a Tri-Agency permit (DEC, DNR, and F&G) and a National Pollution Discharge Elimination System Permit (NPDES) from the EPA. These permits stipulate certain water quality standards or habitat protection stipulations that a mining operation is required to meet to remain within the law.

Sty1

EPA enforces miners primarily for lack of discharge permits and if they are meeting the settleable solids limit of .7 m./l. Five miners are now being brought before Federal Court for lack of permits. In addition, EPA issued "309 Compliance Orders", an administrative order, that is reviewed and signed during the winter. It basically notifies the mines that they must "comply immediately" with the requirements. In 1984, EPA issued 7-12 Compliance Orders to miners that were operating without settling ponds. EPA has never taken a miner to court for anything other than lack of a discharge permit.

Enforcement by State agencies (F&G and DEC) was directed in 1984 by the Interagency Placer Mining Guidelines. The guidelines specified 15 "priority streams" significant for drinking water and fisheries, to be the focus of the State's enforcement efforts. The procedure is to issue Notice of Violations followed by return visits to measure the increase in compliance. Continued failure to comply or attempt to comply with stipulations may result in court action.

ADF&G, Habitat Division is empowered to enforce its "Habitat Protection Permit." Any mining operation that may impact an anadromous fish stream must receive this permit. This permit stipulates certain habitat protection measures. Unfortunately, all permits issued are based solely on the statutory language (Title 16) since Fish and Game has never promulgated regulations to interpret the statutes. Thus, enforcement of the permits is extremely difficult since it is easy to argue that the stipulations placed on the mines are arbitrary and have no regulatory backing. The Division staff does do compliance investigations and gives miners NOV's. In 1984, the Habitat Division visited approximately 50 of the mines that were permitted by Fish and Game. About 5-7 were cited for non-compliance with the Habitat Protection Permit. Only violations on priority streams were cited. Return visits were made to several of the mines cited. No legal action has ever resulted from Fish and Game compliance investigations.

Since Title 16 regulations do not exist, the only enforceable regulations that placer miners must meet are the State Water Quality Standards. This means that the primary agency responsible for enforcement of the mining industry is DEC. DEC enforces the settleable solids and turbidity standards. The State standard for turbidity is 5 NTU's for all waters in the State except the Chena River which is 25 NTU's.

It is generally accepted that a majority of the mining industry is not in compliance with the standards. If fact, there are still miners who do not apply for the required permits or who operate setting ponds. Both Fish and Game and DEC employees note that "essentially any mine we go to, we could issue a NOV to."

Yet DEC is generally understaffed to perform an adequate number of field inspections. Water samples are taken only at operations that are active during the visit. From the enclosed table, it is clear that for the past four years, less than 10% of the 500 + mines have water samples taken from them by field officers each year. With less than 50% of the mines from 1981-1983 meeting the settleable solids standard, and less than 10% meeting the turbidity standard, the number of field inspections must increase to expect any improvement.

The number of NOV's issued is equally small. Whether or not an NOV is given to a miner is primarily a judgment call by the field officer and does not correspond to any clear, consistent policy. This is confusing to both the mining industry and the general public.

Sty2

The lack of adequate enforcement results from: 1) inadequate staffing, 2) lack of Title 16 habitat regulations, and 3) lack of coordination and direction of the enforcement effort.

For example, Rampart complained to Tanana Chiefs Conference about muddy water in Minook Creek in 1984 for the third year in a row; Minook Creek is Rampart's drinking water source. TCC passed the complaint along to DEC. DEC responded by saying that Minook Creek was not a priority stream and so they could not respond to the complaint. The Habitat Division and EPA did eventually visit Rampart, spoke to the village residents, and visited 6 mines upriver. Despite the fact that two miners were operating and were in violation; one miner was operating at 1,000 NTU's; no NOV's were given, due to a "misunderstanding as to whether NOV's should be given on nonpriority streams." TCC was notified of the visit and told that "no further action was anticipated." Rampart residents continue to drink dirty water.

This example illustrates all three of the above mentioned flaws in the current state enforcement policy. It sends a message to the mining industry that they will probably not be cited; and, if cited, they will probably not be taken to court. Adequate, consistent field presence by enforcement personnel is vital to encouraging serious attempts at compliance by the placer mining industry. One State employee has stated that 70 enforcement personnel would be necessary to provide adequate protection of clean water. TCC does not consider it a radical stance to advocate a gradual move toward clean water in the State.

Requirements necessary to achieve eventual compliance with the State Water Quality Standards include:

1) Increase in enforcement personnel at DEC; i.e., 4 more full-time enforcement personnel specifically for placer mining operations. Adequate funding to support these positions is necessary. (See attached Fiscal Note).

2) Technical and/or monetory assistance to the mining industry enabling them to construct recycling systems leading to zero discharge.

3) Establishment of Title 16 regulations by the Habitat Division, essential before the Habitat Division has real enforcement powers.

4) Directed Attorney General time with definite goals of being available for prosecuting x number of placer miners per year. (See attached Fiscal Note).

5) A goal of visiting 50% of the placer mines in operation each season, and a directed timetable for eventual compliance with all the water quality standards including turbidity with a set goal of reducing the number of violations each year and of meeting the standards within a number of years.

The first and third of these goals can be directly achieved by the Legislature. The other two goals may be mandated by the Legislature. DEC needs to clearly understand that one goal of the Legislature is a move in a positive direction toward protection of clean water.

enclosure

Sty3

PLACER MINING DEC ENFORCEMENT

(Northern Regional Office & Forty Mile District)

	1984	1983	1982	1981
# Mines	500 (1) (40-50) (2)	450	500	500
# Inspections (# Mines)	[58(10)]	175(63)	230(NA) (48(22))	100(62)
# Compliance Inspections	(20) (at 10 mines)	40	NA(11)	32
% Mines Inspected	(20%)	9%	NA(20%)	6%
# Mines meeting EPA Settleable Solids Standard	(16)	19	NA(6)	13
% of mines meeting settleable solids standard	(80%) (3)	47%	NA(55%)	(40%)
# mines meeting turbidity standard	(1)	3	NA(1)	2 (met 25 NTU's)
% mines meeting turbidity standard	(5%)	8%	NA(9%)	7%
# NOV's given out	4(2)	6	11(1)	NA
# Litigations	1	0	(1)	0
# Complaints of dirty water	(10+)	56	14+	41

(1) The State processed almost 800 applications to placer mine for gold. Many were not active; over 150 were recreational.

(2) Data compiled only for the Fortymile area to date for 1984. Numbers in parentheses are only from Fortymile area.

(3) The major increase in the percentage of mines meeting EPA's settleable solids limit is due in a large part to the increase in the standard. The 1984 Settleable Solids Standard was .7 ml/l; 1983, 1982, 1981 the standard was .2 ml/l.

(4) Data available for the Fortymile area only.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
NORTHERN REGIONAL OFFICE/PLACER MINING SECTION
1983 FIELD SEASON

	DATE	DISTRICT	DRAINAGE	DESCRIPTION OF OPERATION	D/D TURBIDITY	SETTLEABLE SOLIDS	% RECYCLE AND # PONDS
ons	5-18	Fbks	None	Not Operating	-	-	No recycle, 1 pond
	5-18	Fbks	Faith	Not Operating	-	-	No recycle, 2 ponds
	5-18	Fbks	Faith	Not Operating	-	-	No recycle, 1 pond
lain	5-18	Fbks	Deep	Not Operating	-	-	No recycle, 3 ponds
	5-18	Circle	Eagle	Not Operating	4/70	No Trace	No recycle, 1 pond
	5-18	Circle	Porcupine	Not Operating	-	-	No recycle, 1 pond
l	5-19	Circle	Porcupine	Not Operating	-	-	No recycle, 1 pond
	5-19	Circle	Bonanza	Not Operating	-	-	No recycle, 1 pond
	5-19	Circle	Porcupine	Not Operating	-	-	No recycle, 1 pond
	5-19	Circle	Mammoth	Not Operating	-	-	No recycle, 2 ponds
	5-19	Circle	Mammoth	Not Operating	-	-	No recycle, 2 ponds
	5-19	Circle	Harrison	Not Operating	-	-	No recycle, 2 ponds
	5-19	Circle	Harrison	Not Operating	-	-	No recycle, No ponds
	5-19	Circle	Mammoth	Not Operating	-	-	No recycle, 3 ponds
	5-19	Circle	Colddust	Not Operating	650	3.6 ml/l	No recycle, 1 pond
	5-19	Circle	Colddust	Not Operating	-	-	No recycle, 4 ponds
	5-20	Circle	Birch	Not Operating	2100	4 ml/l	No recycle, 3 ponds
	5-20	Circle	Butte	Not Operating	80 NTUs	<.1	50% recycle, 7 ponds
).	5-24	Fbks	Engineer	Not Operating	35 NTUs	Trace	No recycle, 3 ponds
h	5-24	Fbks	Faith	Not Operating	-	-	No recycle, 2 ponds
	5-24	Fbks	Deep	Not Operating	-	-	No recycle, 1 pond
	5-24	Fbks	Faith	Not Operating	-	-	No recycle, 3 ponds
yant	6-8	Wiseman	Mastco	Stripping	-	-	No recycle, 2 ponds
	6-14	Fbks	Faith	Stripping	-	-	No recycle, 3 ponds
).	6-20	Fbks	Engineer	Operating	1/4200/1800 (above-1/4 mile-1/2 mile)	0;2.3 ml/l;61 ml/l	No recycle, 3 ponds
ers	6-21	Fbks	Ester	Not Operating	-	-	100% recycle, 3 ponds
	6-23	Fbks	Louis	Operating	4/No-Discharge	-	100% recycle, 3 ponds
Mining	6-27	Fbks	Sumner	Operating	2/2400	8.4 ml/l - verbal warnings	No recycle, 1 pond

R	DATE	DISTRICT	DRAINAGE	DESCRIPTION OF OPERATION	U/D TURBIDITY	SETTLEABLE SOLIDS	% RECYCLE AND # PONDS
Sons	6-27	Fbks	None	Operating	13/1600	1.4 ml/l- install additional ponds - verbal warning	No recycle, 1 pond
k	6-28	Livengood	Wilbur	Not Operating	-	-	No recycle, 4 ponds
Oil	6-29	Fbks	Cleary	Hardrock	-	-	Hardrock Operation
	6-29	Fbks	Fish	Operating	1/220	<.1 ml/l	No recycle, 8 ponds
Sons	7-11	Fbks	None	Operating	6/860	.3 ml/l	No recycle, 3 ponds
Mining	7-11	Fbks	Sumner	Pulled Out	-	-	Pulled Out
int Ventures	7-12	Livengood	Livengood	Operating	zero discharge	zero discharge	Total recycle, 2 pond
ome:y	7-12	Livengood	Livengood	Not Operating	-	-	Total recycle, 3 pnd
flinger	7-12	Livengood	Livengood	Not Operating	-	-	Setting up
	7-20	Fbks	Gilmore	Operating	4/1800	<.1	Total recycle, 6 pond
	7-21	Fbks	Fairbanks	Operating	2/1400	2 ml/l- upgrade ponds	100% recycle, 3 pond
an	7-25	Fbks	Fish	Operating	12/210	<.1 ml/l	No recycle, 8 ponds
in	7-28	Richardson	Caribou	Not Operating	-	-	Setting Up
	8-2	Fbks	Gilmore	Operating	1/1600	<.1	Total recycle, 6 ponds
ok	8-2	Fbks	Fairbanks	Not Operating	-	-	Total recycle, 3 ponds
Nelson	8-17	Fbks	Hope	Operating	3.7/93	No Trace	No recycle, 6 ponds
Minerals	8-23	Livengood	Livengood	Not Operating	11/560	1.2 ml/l verbal warning	Constructing 3 ponds
.O./Patton	8/4-8/24	Attached					
	9-20	Fbks	Deep	Operating	.6/600	<.1 ml/l issued NOV	No recycle, 1 pond
	9-20	Fbks	Faith	Operating	60/55	<.1 ml/l issued NOV	No recycle, 3 ponds
sh	9-20	Fbks	Faith	Operating	4/500	.2 ml/l issued NOV	No recycle, 2 ponds
Nelson	9-20	Fbks	Hope	Pulled Out	-	issued NOV	No recycle, 6 ponds

A partial selected list of streams which, in recent times, have water quality problems related to placer mining, and which contain or support fish:

In the Kantishna, all of Bear Paw drainage except for extreme upper headwaters including these creeks:

Glacier Creek
Caribou Creek
Moose Creek
Eureka Creek
Spruce Creek
Chena River in east or (middle) fork
Portion of South Fork of Koyukuk River
Hogatza River
Chatanika River
Birch Creek
Tolovana River near Minto
Minook Creek near Rampart
American Creek and Fish Lake near Tanana
Tuluksak River in the Y-K Delta
Salmon River in Goodnews Bay Area (Platinum Placer Dredge)
Lower Snake River (Nome area)
George River west of McGrath
Smoke River

Tuluksak City Council
General Delivery
Tuluksak, Alaska 99679
695-6212

Tulkisarmyte IRA Council
General Delivery
Tuluksak, Alaska 99679
695-6313

#2

Rep. Peter Goll
Pouch V
Juneau, Alaska 99811

December 28, 1984

Tuluksak is fighting the mining company (Northland Gold) for Two years. We have find our how dangerous the mining company is dumping pollution into our river and don't want them to operate anymore.

We met with Governor Sheffield, State and Federal Agencies trying to get our message across not to issúe the permit to the mining company. The Elders in Tuluksak and the surrounding villages know our environment. They also know what happens to the environment every season, the change it does. Of all the meeting we had with them and all the money we spend traveling to Anchorage and Juneau, State and Federal Agencies gave the permit to the mining company. Subsistence is so important to us it is our only way to survive in the village. To survive we need our environment to gather the food we eat and the clothes we wear from hunting fur-bearing animals. We are being threaten by the mining company, who is destroying the land and water, which we depend on to survive.

Tuluksak City Council and Tulkisarmute IRA Council on behalf of the people of Tuluksak is asking for your help in looking into this matter and find a way to stop the mining company to operate. Our land and water is so important to us.

We will appreciate your interest and help. Our people and our environment is so important than a piece of gold.

Tuluksak City Council Signiture,

Joe Demantle Sr., Mayor

John Peter, Vice Mayor

Sammy Peter, Secretary

Joshua Phillip, Treasure

John M. Alexie, Member

Noah Andrew, Member

Carl Napoak Sr., Member

Tulkisarmute IRA Council Signiture,

John Napoka Jr., Chairman

Andrew B. Alexie, Vice Chairman

Anna Phillip, Secretary

Jack Kinegak, Treasure

Joe Demantle Jr., Member

Fred Napoka, Member

Peter Waskie, Member

Alaska mayor fights to save her people's past, present

by Paul Dean
Los Angeles Times

LOS ANGELES — On one hand, Anna Phillip believes she cannot lose. Consider the rights and emotions here. They are, she said, the very stuff of today's public mood and conscience.

Phillip, a 27-year-old Eskimo and the young mayor of an ancient village, is fighting a big-city mining company. Its dredging for gold, she contends, has fed arsenic and mercury into an Alaskan river. That in turn, she charges, is poisoning her tiny Tuluksak, sickening its people, halting salmon breeding, killing berries . . . and maybe, one day, if continued, the contamination could throttle the village.

So she came here last month to gain support for her village's environmental battle and for her other battle — to preserve Eskimo culture.

"Eskimos have lived off the land for centuries. If it is destroyed we cannot get it back. If the river dies, so will Tuluksak, where 70 percent of the people follow a subsistence lifestyle . . . People are more important than gold so we're going to fight it until we win. Period." The mining, she emphasizes, will end. Period.

Period? Could be, concedes Chuck Hawley, one of four partners of Northland Gold Dredging Ltd. of Anchorage that mines the Tuluksak River 30 miles upstream from Tuluksak village.

And after three years of protest, examination and litigation, Hawley well recognizes the odds facing any company tangling with people fighting to save their native culture, environment and the ecology.

"We can't win the PR (public relations) battle," he said, "but if we win the legal one we might be able to go ahead. On the merits of the issue, we can't lose. But what do we do about the politics involved?"

Hawley agreed, with resignation, that all victories and sympathies to date have gone to Anna Phillip and her village. Last year, legalities stemming from the Eskimo protest delayed Northland until it was too late to exercise a 1984



Anna Phillip
A fighting mayor

mining operation. Permits for 1985 have been obtained but are frozen by appeals from Phillip's attorneys. If the situation is not resolved before February, Hawley said, another mining season will be lost.

"And if it's not resolved within a couple of years, we're dead," he said. "In effect, we are closed down now and will have to line up a different batch of investors. The others (investors) were tired of seeing their money going out on nothing."

On the other hand, Anna Phillip knows she cannot win it all. She will eventually be defeated in her second fight, a tussle for what little is left of the Eskimo past. "It is these things," she said. She tapped the big, square, buttoned, digital, stainless steel watch on her wrist. "It is calculator watches, designer jeans, television and villagers who don't visit anymore because they're too busy watching 'Dallas' and 'Dynasty.'"

Life in Tuluksak, she said, has become a scramble of two cultures. And the white man's products and services have changed the Eskimo. "I don't want to see an Eskimo village as a museum or an Eskimo as something out of history. I want us to live, to be known, to contribute as a culture.

"It is sad. Deep down I know I cannot stop it . . . but I can maybe slow this change and work to keep the best of our old ways."

Industry first, culture second. Salvation from the former, of course, will mean some preservation of the latter. With mining gone and the river intact, hunting and fishing and salmonberry ice cream will remain as a tradition with the Yupik Eskimos of Tuluksak.

And with both motives inseparable, Anna Phillip came to Los Angeles.

As an Eskimo traditionalist, she spoke to the annual conference of the National Association for the Education of Young Children. Her presentation described Yaariulta, or mud drawings, a form of storytelling that still exists among Eskimo youngsters.

As Mayor Anna Phillip of Tuluksak, she scouted platforms, funds and support to continue her village council's siege of Northland Dredging.

Tuluksak, which is in western Alaska, 50 miles northeast of Bethel, once was a winter camp for the nomadic Yupik. In spring, they rested and prepared for the year at one place. In summer, they fished from another. In winter, they returned to Tuluksak to hunt moose and trap beaver and muskrat.

But Europeans came and brought rifles that killed more easily and more often than the spear. Eskimos sold to fur traders or were recruited by whalers and began seeing the difference between income and subsistence.

Plank homes of a town replaced the sod houses of a camp. The population steadied at 350.

Anna Phillip was born in Tuluksak as the middle youngster of nine brothers and sisters. Father taught her brothers how to trap, fish and survive alone off the land. Mother taught the sisters how to gut and dry salmon and make Eskimo ice cream from sugar and berries — but with Crisco and Wesson oil replacing the seal oil she had once used.

In Bethel, at high school, Anna Phillip noticed other intrusions. She was forgetting or misusing words in her native Yupik. At Seattle Pacific University, in her first year of psychology, the erosion became visible. She started wearing Calvin Klein jeans.

"I even started thinking in English and wanted to do all these modernized things . . . buying a calculator watch and a Minolta camera. That's when I felt the urge to go back to the village."

Phillip went back to Tuluksak, was elected to the City Council at the age of 23. In 1982, villagers began complaining that their river was running muddy.

"When they drank it, they got sick," Phillip said. "Stomachache, sore throat, fevers. At first we thought it might be the flu. Then the water was tested, found to be polluted and we were told not to drink from the river."

Until then, she continued, moose came to the river to drink. Their numbers became smaller. The number of salmon swimming upstream to spawn, she said, dropped off.

Northland, its upstream dredging creating visible pollution, was accused. It denied all charges. The battle was on.

A new mining operation for Northland was announced, one including a 6,000-foot diversion of the Tuluksak. It was agreed to by the company and federal and state governments. The village, it was stated, would be shielded by 47 pages of provisions aimed at preserving water quality and salmon habitat.

The compromise measure, however, brought no endorsement from Tuluksak, which filed an appeal that has blocked Northland's permit from the Bureau of Land Management.

QUICK CLAIM
THESE 14K GOLD WATCHES
FOR UNDER $800.



...as much!

#3

EXECUTIVE SUMMARY

Turbidity is an optical property of water, wherein suspended sediments and other material in the water scatter and absorb light. Turbidity measurements can be used to estimate both the penetration of light into a body of water and the concentration of suspended material in water. The value of water quality standards based upon specific turbidity criteria has been questioned, and the Alaska State Water Quality Standards (18 AAC 70) are currently being reevaluated. This paper attempts to outline relationships between turbidity and a suite of parameters that are most relevant to sustained increases of turbidity in clear-water systems. Specifically, examples from recent studies performed in Alaska, and elsewhere, provide ample illustration that turbidity criteria can be used as reasonable and effective water quality standards which, if implemented, can prevent or ameliorate the following adverse effects caused by suspended sediments in water:

1. Extinction of light in lakes and streams
2. Reduction or loss of primary (plant) production in lakes and streams
3. Reduction or loss of secondary (zooplankton and aquatic insect) production in lakes and streams
4. Reduction or loss of fish production in lakes and streams
5. Reduction in recreational fishing use of streams
6. Reduction in efficiency of fishery management techniques

Furthermore, because turbidity can be directly related to the concentration of suspended sediments in water, with adequate data predictive relationships between turbidity and suspended sediment concentration can be developed. This type of relationship can allow for the use of turbidity standards to address and regulate the direct physical effects of suspended material on aquatic life, which have also been described in available literature.

Productivity in Lakes

Studies conducted by the Alaska Department of Fish and Game (Koenings 1984) on the production of sockeye salmon in lakes provide the following information on clear and naturally turbid (glacial) lakes, i.e. lakes ranging in turbidity from approximately 0 nephelometric turbidity units (NTU) to an average of approximately 52 NTU:

1. Increases in turbidity from 0-1 NTU to approximately 10 NTU cause a dramatic reduction in the depth to which one percent of available surface light penetrates into water. Such compensation depths for clear-water lakes were measured at approximately 16-17 meters, while compensation depths for lakes with turbidity of between 2-10 NTU were measured at only 2-6 meters. The compensation depth for a lake averaging 52 NTU occurred at less than 1 meter. A 5 NTU increase of turbidity can reduce the productive volume of a clear-water lake by approximately 75 percent.

2. Abundance of zooplankton in naturally turbid lakes was observed to be lower than that in clear-water lakes. Moreover, abundance of preferred food items (Cladocera) for juvenile sockeye salmon was observed to be dramatically reduced in turbid lakes.

3. Production of juvenile sockeye salmon and returns of adult sockeye salmon were observed to be lower in turbid lake systems than in clear-water lake systems.

A study conducted by R&M Consultants (1982b) also compares the extinction of light and turbidity in a glacial lake. The results describe a similar dramatic reduction in light penetration with small increases of turbidity above 0-1 NTU.

Productivity in Streams

Studies conducted by the University of Alaska-Fairbanks (LaPerriere et al. 1983, Van Nieuwenhuyse 1983, LaPerriere 1984, Simmons 1984, Wagener 1984) describe the following set of adverse effects associated with human-induced turbidity and sedimentation in clear-water streams:

1. Light penetration is reduced by turbidity, and light extinction is directly related to turbidity.

2. Primary production in streams is reduced or eliminated by turbidity. Calculations derived in this report using equations relating turbidity, light availability, and primary productivity indicate that a turbidity of 5 NTU may reduce primary production in a normally clear-water stream 0.5 meters (1.5 feet) deep by approximately 13 percent; a 25 NTU increase in turbidity over normally clear-water conditions may reduce plant production by 50 percent. These effects may be even more pronounced in deeper streams.

3. Abundance of macroinvertebrates in turbid and sedimented streams is much lower than that in clear-water streams.

4. Abundance of fish (arctic grayling) in turbid and sedimented streams is reduced or eliminated. Also, physiological stress is exhibited by grayling in highly turbid streams.

Observations by the Alaska Department of Fish and Game (Townsend 1983, Ott 1984b) indicate that recreational use of streams for sportfishing is reduced in normally clear-water streams when turbidity increases above 8 NTU, and that aerial survey techniques employed in the management of commercial fisheries are hampered at turbidities of 4-8 NTU and above.

Suspended Sediment Concentration

Turbidity can be directly related to suspended sediment concentration. Therefore turbidity standards can be used to control the direct physical effects of sediment on aquatic life. Using data retrieved from statewide sampling conducted by the U.S. Geological Survey (USGS 1984), we have calculated a general relationship between turbidity and suspended sediment concentration. This relationship indicates that 25 mg per liter is associated with turbidity on the order of 5 NTU and that 100 mg per liter is associated with turbidity on the order of 25 NTU. A regression equation derived by Peratrovich et al. (1982) illustrates a similar relationship for the Susitna River. From recent data compiled from selected streams in interior Alaska (Post 1984, Toland 1984) we have calculated a more specific relationship indicating a one-to-one correspondence between turbidity in NTU and suspended sediment concentration in mg per liter.

Turbidity Standards

Based upon the information summarized in this report, derived from studies conducted in Alaska and elsewhere, the current State Water Quality Standard for turbidity to protect the propagation of fish and wildlife (25 NTU above natural conditions in streams, 5 NTU above natural conditions in lakes) may be sufficient to provide a moderate level of protection for clear-water aquatic habitats. A 25 NTU increase in turbidity in shallow clear-water systems may potentially reduce stream primary productivity by 13 to 50 percent or more, depending on stream depth and ambient water quality, and be associated with an increase in suspended sediment concentration of approximately 25 to 100 mg per liter.

A higher level of protection will require the application of a stricter turbidity standard. The standard presently applied to drinking water is 5 NTU above natural conditions in streams and lakes. A 5 NTU increase in turbidity in clear-water systems may reduce the primary productive volume of lakes by approximately 75 percent, reduce stream productivity by 3 to 13 percent or more, depending on stream depth and ambient water quality, and be associated with an increase in suspended sediment concentration of approximately 5 to 25 mg per liter. The current Interagency Placer Mining Guidelines (State of Alaska 1984) use turbidity of 3 NTU or less as a criterion to specify high priority streams. Application of a 5 NTU above ambient standard would bring total turbidities in these streams to 8 NTU, the level at which recreational fishing may decline and at or above the level at which efficiency of aerial surveys for fishery management are affected.

Alaska State Legislature

House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

MEMORANDUM

To: All Members
House Community and Regional Affairs Committee

From: Representative Peter Goll
Chairman

Date: February 8, 1985

Re: Joint House Community and Regional Affairs
and House Special Committee on Fisheries.
Monday, February 11, 1985 at 3:00 p.m.
Governor's Conference Room

As chairman of House Community and Regional Affairs Committee, I was approached by the Tanana Chiefs Conference and representatives of several communities regarding local control of area resource development.

Resource development, as it effects incorporated and unincorporated communities, is frequently beyond the control of local government. The future of these communities, especially those with subsistence economies, depend on defining local development options.

The three attachments to this memo give a brief background on the questions which may be addressed in this meeting. I hope you will find these cases of basic community self-determination useful in developing positions on the issues facing Alaska's political subdivisions.

Tuluksak City Council
General Delivery
Tuluksak, Alaska 99679
695-6212

Tulkisarmyte IRA Council
General Delivery
Tuluksak, Alaska 99679
695-6313

Rep. Peter Goll
Pouch V
Juneau, Alaska 99811

December 28, 1984

Tuluksak is fighting the mining company (Northland Gold) for Two years. We have find our how dangerous the mining company is dumping pollution into our river and don't want them to operate anymore.

We met with Governor Sheffield, State and Federal Agencies trying to get our message across not to issúe the permit to the mining company. The Elders in Tuluksak and the surrounding villages know our environment. They also know what happens to the environment every season, the change it does. Of all the meeting we had with them and all the money we spend traveling to Anchorage and Juneau, State and Federal Agencies gave the permit to the mining company. Subsistence is so important to us it is our only way to survive in the village. To survive we need our environment to gather the food we eat and the clothes we wear from hunting fur-bearing animals. We are being threaten by the mining company, who is destroying the land and water, which we depend on to survive.

Tuluksak City Council and Tulkisarmute IRA Council on behalf of the people of Tuluksak is asking for your help in looking into this matter and find a way to stop the mining company to operate. Our land and water is so important to us.

We will appreciate your interest and help. Our people and our environment is so important than a piece of gold.

Tuluksak City Council Signiture,

Joe Demantle Sr., Mayor

John Peter, Vice Mayor

Sammy Peter, Secretary

Joshua Phillip, Treasure

John M. Alexie, Member

Noah Andrew, Member

Carl Napoak Sr., Member

Tulkisarmute IRA Council Signiture,

John Napoka Jr., Chairman

Andrew B. Alexie, Vice Chairman

Anna Phillip, Secretary

Jack Kinegak, Treasure

Joe Demantle Jr., Member

Fred Napoka, Member

Peter Waskie, Member

Tanana Chiefs Conference, Inc.

Doyon Building
201 First Avenue
Fairbanks, Alaska 99701

Phone (907) 452-8251

January 21, 1985

Representative Peter Goll
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

For your information, Tanana Chiefs Conference, Inc., is forwarding you copies of 21 resolutions recently passed requesting that the State of Alaska improve its enforcement of the State Water Quality Standards and ensure protection of clean water from placer miners illegally discharging silty and muddy wash water into the State's streams and waterways. The resolutions are from Fish and Game Advisory Committees, the Interior Regional Council, fishermen's associations, and Native organizations including the Alaska Federation of Natives.

Included also, is a memo on DEC, DF&G, and EPA enforcement of the Water Quality Standards. A crucial key to compliance with any regulations is an adequate, consistent field presence. There is no incentive to clean up, if there is no threat from noncompliance.

Tanana Chiefs and groups represented by these resolutions feel that it is time for the mining industry to take responsibility for the damage they do to the economic well being of the other users of Alaska's waterways including commercial fishermen and rural residents who harvest fish and wildlife as a source of food for their families. We know that the Alaska Legislature takes seriously its responsibility to protect the fish and wildlife resources of the State. We look forward to working closely with you on this issue during the session. If you need further information, please contact Paula Cullenberg at 452-8251.

Sincerely,

TANANA CHIEFS CONFERENCE, INC.

William C. "Spud" Williams
President

enclosures

165.1

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:12

Alaska State Legislature

House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: 2/11/85

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Noah Andrew	Tulkisarmute Tuluksak, Ak	Yupiit nation Tulkisarmute - Tuluksak	NO	695-9123
Andrew B. Alexie	Gen. Del.	Tulkisarmute Native Comm.	NO	695-6313
Peter, Moses K.	Gen Del	Tulkisarmute Native Com.	NO	695-9125
Joseph Alexie	Tuluksak	Tuluksak City Council	NO	695-6212
Peter, Sammy J.	Tuluksak	Tuluksak City Council	NO	695-6212
Paula Cullenberg	Box ~~802~~ 83867 Fbks AK	Tanana Chiefs Conference	NO	452-8251
Ann Cony	Juneau	Anch. Daily News	NO	586-1531
Joseph Demontlo Sr	Tuluksak	Mayor	NO	695-6615
Ed Priest	Birch Creek	Council	yes	221 2113
T J Newman	Passport	Village		358-3128
Homer Tobuk	Bettles Field, Ak	Koyukuk River Adv. Comm		
Don Stevens	Stevens Village, Ak	Interior Regional Council	yes	478-9226
Irene Nicholia	Tanana, Ak	Tanana	yes	366-7160
Anna Phillip	Tuluksak AK	Tuluksak	yes	695-6610

Alaska State Legislature

House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE:

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Roscoe M. Silas	Minto, Alaska	Tanana F&GAC	Yes	456-1863
Andy Jimmie	Minto Alaska	Minto IRA Council	yes	798-2114
John Ngaeke Sr.	Tuluksak, AK	Tuluksak IRA Council	Yes	695-6620
Rodger Painter	Juneau	Fisheries committee	NO	
Jim AYERS	Juneau	ADF&G.	NO	54100
BRUCE BAKER	JUNEAU	ADF&G HABITAT DIVISION	NO	465-4105
Steven Behnke	Juneau	ADF+G Division of Subsistence	No	465-4147
RANDY BAYLISS	POUCH O JNU	ADEPT ENV CON	NO	465-2653
KEITH KELTON	POUCH O JNU	ADEC	NO	465-2640
Scott Highleyman	Juneau	Ak Environmental Lobby	NO	586-2345
DAN JOLING	PRESS ROOM	NEWS-MINER, Fairbanks	NO	586-6877
Bruce Scandling	"	Associated Press	NO	586-1515
Bob Charles	Juneau	Rep. Binkley	NO	
Duncan C. Fowler	Pouch W0 Juneau	Ombudsman	NO	465-4976

BIRCH CREEK: ED PRIEST, REPRESENTATIVE

The village of Birch Creek (approximately 50 residents) uses the water of Birch Creek for drinking, cooking and washing. Residents engage in fishing, moose hunting, waterfowl hunting, berry picking and trapping in the area. Birch Creek is normally a clear water stream which supports fish.

There are about 75 placer miners on Birch Creek tributaries, causing it to be extremely muddy in the summer. Fish, muskrats and moose have declined in recent years; residents associate it with discharges from the mining.

RAMPART: TURAK NEWMAN, REPRESENTATIVE

Rampart, population about 80, used to use the normally clear water of Minook Creek as a drinking water source in the summer. Residents fished for grayling in Minook Creek. The clear water from Minook flowed out of the mouth and into the Yukon in front of the village enabling residents to clean their fish in this water.

About 7 miners are located on the tributaries off of Minook Creek. For the last 6-7 years, no one has been able to drink Minook's water or go grayling fishing in it due to mud from placer mining. This summer, it was impossible to tell the difference between Yukon water and the water of Minook Creek.

After 3 years of complaints by Rampart residents, Fish and Game and EPA visited the mines (DEC stated they did not have time). Despite turbidity readings of up to 1000 NTU (the legal limit is 5 NTU), no citations were issued since Minook Creek was not a "priority stream."

TANANA: IRENE NICHOLIA, REPRESENTATIVE

Tanana residents (about 500) traditionally use Fish Lake to hunt, fish and trap. Six Native allottments are located on the lake.

Miners on Boulder Creek and American Creek, Fish Lake's two feeder streams are extremely muddy from mining in the summer. Fish Lake is filling up with silt deposited by these two creeks.

Residents can no longer get across Fish Lake by boat after early summer and have to pole in to shore. Fish and muskrat populations have declined. The water from Fish Creek which drains into the Tanana from Fish Lake is gray in the summer. All of these waterways used to be crystal clear.

The Tozimoran River is also used for fishing, and fish use it to spawn. Mining discharges have made the normally clear stream so muddy that you can no longer see your hand in it.

MINTO: ANDY JIMMIE AND RON SILAS, REPRESENTATIVES

Minto Flats, has for hundreds of years been used by Minto residents (and many Fairbanks residents) for trapping, hunting and fishing. Minto Flats is being filled in by silt discharged by mining activity. Three heavily mined streamed: the Chatanika, the Tolovana and Goldstream all drain mud and silt into Minto Flats.

Residents have noticed a decline in fish and furbearers including sheefish, whitefish, pike, muskrats and mink. Shallow ponds freeze to the bottom in the winter reducing fish overwintering habitat. River camping has become difficult due to lack of drinking water and muck lined shores. All of these streams and lakes were at one time clear and deep.

TULUKSAK: ANNA PHILLIP, REPRESENTATIVE

Northland Gold Dredge would like to rechannel about one mile of the Tuluksak River. The company has a record of repeated water quality and permit violations. Muddy water from the mine have

prevented salmon management in the area and according to village residents, has hurt the fish and wildlife resources.

Tuluksak residents (about 200) are now unable to drink the water of the Tuluksak River during mining season and feel that their hunting and fishing has declined from the impacts of muddy water. The Tuluksak is the spawning ground for three species of salmon. Turbidity on the Tuluksak river has been measured at over 100 NTU while the mine was in operation. The Tuluksak is normally a clear water stream.

BETTLES/ EVANSVILLE: HOMER TOBUK, REPRESENTATIVE

Bettles/Evansville are located on the Koyukuk River. Mines on a number of tributaries have changed from crystal clear to turbid in the summer. Villagers have noted sediment buildup in the bottom of their water bottles used for drinking. The Koyukuk River is downstream from Nolan Creek, which was recently reclassified from "drinking water" to "industrial use".

INTERIOR REGIONAL COUNCIL: DON STEVENS, REPRESENTATIVE (STEVENS VILLAGE)

The Interior Regional Council and five of that region's Fish and Game Advisory Committees have passed resolutions asking for clean water.

Hearing before House Special Committee on Fisheries & Committee on Community & Regional Affairs Juneau 2/11/85

Introduction

Let me begin by stating my name is Jim Kowalsky. I am the Director of Wildlife and Parks for the Tanana Chiefs Conf. Inc. TCC is the non profit regional native Corporation for a Interior Alaska known as the Doyon Region. TCC is a consortium of more than 40 Native Village Government.

Historical Overview

Historically the indigenous peoples of Interior Alaska have made direct use of locally available resources. The streams, lakes and rivers and the environment associated with these waters support a host of resources used by local residents, including water-animals such as beaver and muskrats, waterfowl, resident species of fish as well as anadromous fish, large mammals, smaller mammals, and plants for wood needs.

These uses continue today. It is really important to emphasize that the use of locally available renewable resources by rural native and other people today, as in historic times, is an economic activity. It is common today to think of fishing as fishing and hunting as shooting moose, but not to consider these as economic activities and not to think of these economic activities as a the main part or the centerpiece of an economic system. My main point here is that the annual seasonal round of harvests of game, fish and wood and fibre is part - and the major part in most cases — of the economic system in rural Alaskan communities.

Additionally, it is necessary to stress that the streams lakes, sloughs and rivers are directly used by rural Alaskans, for washing, for cooking, for travel in all seasons, and in many cases, for drinking.

2/11/85

The Problem A Water Quality As it Affects Rural Local Residents

Persons from rural Alaska can explain far better than I how they use the water, the environment, and the resources.

But the major point I would like to stress today is that the present debate if we can call it that between those who use the streams for industrial uses and make them dirty in the process, and those who are now demanding that the state and the federal government enforce the water quality laws and regulations to clean up these streams is not, in our view, a matter between the miners and the conservationists.

Ben Parker, this is a matter of great concern for indigenous, local communities who live downstream of the sources of the dirty water. There is real flesh and blood out there — real, live people live on these waterways. They use the resources of the water and associated land, and these uses are a major element of an economic system. Economic interests of rural communities are being damaged. People are being hurt

Reclassification of Streams

One action which interests using water most likely for industrial types of uses have asked to use is to "reclassify" a stream — that is, to lower the water quality standards for that particular body of water so that a polluting activity, such as that of a placer miner — or any other activity discharging directly back into that stream can be made legal who does not or will not clean up so as to meet present standards — can be made legal.

~~We would prefer that~~ In all instances where local uses are made of that water directly or indirectly — and of the associated resources — we would prefer to see no reclassification. We would prefer to see the laws enforced, and the industry clean up and operate cleanly. In some cases where local uses and users are not affected, reclassification may be an answer, although the State of Alaska would have to enforce those new standards.

However, on this subject, I would like to say that we feel it is most unfortunate that the State of Alaska, and DEC in particular, sees this as a problem with conflicts over placer mining. We strongly differ. By this I mean that this is a problem of water quality. The State spends all of its limit energy and staff on placering and reclassification studys, when it should be spending these resources on enhancing the uses of water for all residents. That is the level — the goal — which the State of Alaska should set.

Currently, due to the policy of non enforcement, which is the only realistic way to describe the state DEC and ADFG presence and activities in this matter (as well as the US EPA) I regret to have to tell you that there is no confidence in the State's ability to address the broad question of water quality.

Further, I'd like to see any discussion of reclassification of streams addressed in the context of all likely and all even remotely possible industrial uses — not in the context of only placering.

2/14/85

Reclamation

Much is said in defense of dirty water about how a particular stream is naturally muddy and turbid, or that the tests showing turbid water were taken in a rainy season during naturally turbid high water — that this is not a condition caused by upstream man made activities.

But we would point out that periods of heavy rain are such that the runoff from the disturbed placering areas surely is washing the sediment off of those disturbed areas into the creeks and downstream.

On federal BLM mining claims a reclamation requirement exists, but BLM is not known to enforce these requirements. We'd like to see reclamation of industrial sites on federal and state lands.

Enforcement

The state does not enforce its water quality regulations. Downstream communities whose interests are damaged are "subsidizing" the placering industry. They bear the costs of damage to their economic activity even though the measurement of these costs are not convenient to measure in city man's terms.

Although DEC and ADFG Habitat Division personnel go through the exercise of enforcement-like maneuvers, the actual upholding of water quality standards — in other words — the "enforcement" of clean water is not achieved. There is in fact a policy to not achieve — to not enforce, in our view.

~~Should the State~~ of Alaska really be on a serious track of orderly and environmentally safe and sound development of its natural resources, regretfully we'd have to say there is no real evidence of it ~~[illegible]~~ in this matter.

We are not trying to shut down the placer mine industry. Far from it. But we do insist that there must be real protection of water resources with results that can be measured not only in turbidity units and other scientific measurements taken over time, but most important - results that can be ~~observed~~ clearly observed by the local ~~[illegible]~~ communities who know the rivers and streams best and who use them year round as their ancestors have - not for 50 years, not for 100 years, but for thousands of years.

There is now a terrible need for leadership in state government to resolve these problems and restore confidence. I would like to say here that, notwithstanding the frustrations and the best efforts of a few, ~~[illegible]~~ the enforcement failure by the two state agencies and the federal government ~~is not only~~ has engendered a lack of confidence on the part of the rural people who live out there and who are directly affected by the results or the lack of results brought about by these failures.

(Paula)

Testing

I would like to urge that complete analysis be made of the water samples which are being collected by ~~[illegible]~~ residents of several rural villages.

6/

The samples are now being analyzed, but only for turbidity and arsenic. DEC has indicated the complete Chemical tests are too expensive to perform. We insist that at least some of Village samples being collected should be completely analyzed by the State of Alaska.

Native Allotments

7/

~~Fish~~

Many Native Allotments are located along rivers and on lakes in areas affected by mining. Generally, these ~~fish~~ allotments which are held in trust or restricted status, are downriver from mining operations. The allotment were granted to Native Alaskans for the purpose of maintaining subsistence hunting and fishing ~~lifestyle~~ economy. In regards to fishing, the use of these allotments has been adversely affected by placer contamination. Fish stocks have been reduced, fishing and trapping opportunities, and in some cases, water access has been made more difficult. The ~~water rights~~ riperian rights of these Native allottees, ~~seem to be~~ as they relate to subsistence fish and game production and opportunities to harvest have been threatened. Generally riperian rights are ~~viewed~~ classed as property rights appurtenant to the property interest. In the case of Native allottees, their rights are subject to a continuing Trust Obligation of the United States, which includes a trust obligation ~~of the~~ to protect the riperian rights of Native allottees. The TCC has raised this issue to the B.I.A. and ~~we~~ believe that we have received concurrance with our understanding and the obligation to protect riperain rights of Native Allottees. of this situation & No body wants to increase federal regulatory presence in Alaska, surely noone however, threats to the Native allottees riperian interests must be protected.

~~We should~~

1/

Conclusion

In conclusion I want to emphasize that this debate over water quality must be elevated and redirected so that the legislature, the Administration, and the Alaskan public clearly understands that when surface waters which are normally clear water bodies are damaged, then the economic interests of real, live Alaskans are damaged - be they local muskrat trappers, fishers who fish for pike, white fish grayling, Commercial fishermen as many as a thousand or more miles downstream, Kuspers & households who make direct use of the water at home or trawling ~~other~~ and staying at trappers, ~~fishermen~~ hunting and fishcamps, and so forth.

AD or Kerry Some questions they would like asked.

QUESTIONS FOR CHAIRMAN GOLL FOR HEARING ON WATER QUALITY

FM: Paula Cullenberg

QUESTIONS FOR VILLAGE RESIDENTS:

[redacted]

-COULD YOU DESCRIBE HOW THE WATER HAS CHANGED OVER THE YEARS AND HOW IT LOOKS NOW?

-COULD YOU DESCRIBE HOW THIS [redacted] AFFECTED YOUR USE OF FISH AND GAME?

-DO OTHER PEOPLE IN YOUR COMMUNITY AND AREA NOTICE THE SAME PROBLEMS WITH WATER?

-DO STATE AGENCIES EVER MAKE INQUIRIES AS TO WATER QUALITY PROBLEMS IN YOUR COMMS.?

-HOW DOES ENFORCEMENT OF WATER QUALITY IN YOUR AREA COMPARE WITH THE WAY THE STATE ENFORCES FISH AND GAME LAWS?

-WHAT WOULD YOU LIKE THE STATE TO DO?

QUESTIONS FOR AGENCIES

FOR DEC:

-DESCRIBE TO COMMITTEE WHAT IS ACTUALLY DONE NOW IN THE ENFORCEMENT PROCESS?

-HOW MANY MINES THAT YOU VISIT ARE BREAKING THE WATER QUALITY STANDARDS?

-HOW MANY WERE CITED? HOW MANY WERE PROSECUTED? DO YOU CONTACT VILLAGES TO SEE IF THEY HAVE PROBLEMS?

-WHY SO FEW CITATIONS?

FOR DEC AND FISH AND GAME:

-ARE YOU PERFORMING ANALYSES OF WATER SAMPLES COLLECTED BY VILLAGE RESIDENTS AND IF SO, ARE YOU ANALYSING FOR TURBIDITY, ARSENIC, OTHER HEAVY METALS OR CONTAMINANTS?

-ARE THE STREAMS THAT RUN THROUGH THESE VILLAGES ON YOUR PRIORITY ENFORCEMENT LIST FOR 1984, for 1985??

-DO YOU INVOLVE THESE RESIDENTS IN YOUR SELECTION OF PRIORITY ENFORCEMENT STREAMS?

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 2/11/85, 3:00pm

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 998

Phone:
(907) 465-4924

Special Committee on Fisheries

MEMORANDUM February 6, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Briefing on Streamside Management, Water Quality and Community Development Options

The Special Committee on Fisheries will be meeting jointly with the House Committee on Community and Regional Affairs 3:00 p.m., Monday, February 11, in the Governor's Conference Room. The purpose of the meeting is to hear testimony by the Tanana Chiefs Conference and representatives from Interior villages on problems associated with the management of local streams.

The briefing session was initiated in response to a request from the Tanana Chiefs Conference and an outpouring of concern from fish and game advisory committees throughout Interior and Western Alaska.

The three attachments should provide background for understanding the concerns of the delegation of Interior villages and local fish and game advisory committees who will be addressing the joint hearing.

Attachment #1 is a packet of resolutions on the issue forwarded to me by the Tanana Chiefs Conference. Attachment #2 is a letter from the village of Tuluksak, along with a news article on the village's situation. Attachment #3 is the executive summary from a recent publication by the Department of Fish and Game concerning the effects of turbidity on fisheries resources.

I have invited representatives of the Departments of Fish and Game, Environmental Conservation and Community and Regional Affairs to respond to questions from the committee. I will schedule a later meeting of the Special Committee on Fisheries to discuss followup to Monday's briefing.

Tanana Chiefs Conference, Inc.

Doyon Building
201 First Avenue
Fairbanks, Alaska 99701

Phone (907) 452-8251

#1

January 21, 1985

Representative Peter Goll
Pouch V
Juneau, Alaska 99811

Dear Representative Goll:

For your information, Tanana Chiefs Conference, Inc., is forwarding you copies of 21 resolutions recently passed requesting that the State of Alaska improve its enforcement of the State Water Quality Standards and ensure protection of clean water from placer miners illegally discharging silty and muddy wash water into the State's streams and waterways. The resolutions are from Fish and Game Advisory Committees, the Interior Regional Council, fishermen's associations, and Native organizations including the Alaska Federation of Natives.

Included also, is a memo on DEC, DF&G, and EPA enforcement of the Water Quality Standards. A crucial key to compliance with any regulations is an adequate, consistent field presence. There is no incentive to clean up, if there is no threat from noncompliance.

Tanana Chiefs and groups represented by these resolutions feel that it is time for the mining industry to take responsibility for the damage they do to the economic well being of the other users of Alaska's waterways including commercial fishermen and rural residents who harvest fish and wildlife as a source of food for their families. We know that the Alaska Legislature takes seriously its responsibility to protect the fish and wildlife resources of the State. We look forward to working closely with you on this issue during the session. If you need further information, please contact Paula Cullenberg at 452-8251.

Sincerely,

TANANA CHIEFS CONFERENCE, INC.

William C. "Spud" Williams
President

enclosures

165.1

KOYUKUK RIVER FISH AND GAME ADVISORY COMMITTEE
RESOLUTION 84-1

ENFORCE WATER QUALITY LAWS AND REGULATIONS

WHEREAS, The Koyukuk River Fish and Game Advisory Committee represents the residents of Game Management Unit 24 including the communities of Huslia, Hughes, Allakaket, Alatna, and Bettles, in all matters concerning conservation, development and use of fish and wildlife resources; and

WHEREAS, We, the people of the Koyukuk River, continue to make direct use of the water of the Koyukuk River for drinking water and other personal uses; and

WHEREAS, We, the residents of the Koyukuk River, also directly rely upon harvest of the fish and game which are supported by the environment of the Koyukuk River; and

WHEREAS, We now have reports that fine, light colored sediment of a chalky-like substance is now depositing at the bottom of jerry cans used for the collection of water from the Koyukuk River for drinking and other personal uses; and

WHEREAS, We also have reports of extremely muddy conditions in the Hogatza ("Hog") River in recent years near Huslia, which is a tributary of the Koyukuk River; and

WHEREAS, Because we rely upon the normally clean water of the Koyukuk River, we have become extremely concerned and very disturbed over the fact that the quality of our water is being allowed to deteriorate due to probable illegal upstream activities, and that state and federal water quality laws and regulations are not being upheld; and

WHEREAS, The Committee is informed of the fact that the U.S. Environmental Protection Agency may soon grant permission to the State of Alaska to legally downgrade the present level of protection for Nolan Creek by reclassifying this stream which is a tributary of the Koyukuk River;

NOW THEREFORE BE IT HEREBY RESOLVED, that the Koyukuk River Fish and Game Advisory Committee requests that the State of Alaska and the U.S. Environmental Protection Agency immediately take all necessary steps to enforce and to maintain the present water quality standards for all waters of the Koyukuk River; and

J1b1

BE IT FURTHER RESOLVED, that the Koyukuk River Fish and Game Advisory Committee requests that the State of Alaska and the U.S. Environmental Protection Agency seek the causes of the deterioration of the water now being collected for personal uses on the Koyukuk River and that they take appropriate steps to clean up the source of this pollution; and

BE IT FURTHER RESOLVED, that the Koyukuk River Fish and Game Advisory Committee requests that the U.S. Bureau of Land Management take all necessary steps to clean up the Hog River and its tributaries including:

1) close this area to new mineral staking,

2) enact and enforce stricter controls for any existing, and any new, placer mining on existing Hog River area mining claims, and

3) strictly enforce regulations which require each miner to restore and reclaim surface areas which have been or which may be in the future, disturbed due to mining activities;

BE IT STILL FURTHER RESOLVED, that the Koyukuk River Fish and Game Advisory Committee strongly opposes any action to reclassify Nolan Creek or any other stream in the Koyukuk River watershed to any standard other than the present standards as of this date.

Homer Jobuke — December 1 1984

Vice Chairman — Date

Koyukuk River Fish & Game Advisory Committee

J1b2

ALASKA FEDERATION OF NATIVES, INC.
1984 ANNUAL CONVENTION

RESOLUTION NO. 84-60

TITLE: ENFORCE WATER QUALITY REGULATIONS

WHEREAS, the harvest of fish and wildlife is vital to the continuation of the rural economy of Alaska Natives; and

WHEREAS, the streams and rivers of Alaska provide habitat for fish and wildlife; and

WHEREAS, rural Alaska Natives also depend on these waters for drinking water, wash water, cooking water, transportation sources and garden irrigation; and

WHEREAS, serious water quality problems exist on a number of streams in Alaska due to illegal discharge of mud and silt from placer mining operations, often greatly in excess of State Water Quality standards and federal requirements for clean water; and

WHEREAS, fish and wildlife habitat are being damaged by the turbidity and the buildup of silt deposited on the bottom of streams by this discharge; and

WHEREAS, the continued decline of Alaska's water quality will severely hurt the economics of rural Alaska Natives residing in downstream communities; and

WHEREAS, the State of Alaska and U.S. Environmental Protection Agency have permitted the increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement of state and federal laws and regulations designed to protect water quality for all users,

NOW THEREFORE BE IT RESOLVED that the Alaska Federation of Natives demand that the State of Alaska and the U.S. EPA immediately take steps to protect water quality in Alaska by enforcing the State Water Quality standards and the federal requirements for clean water and

BE IT FURTHER RESOLVED that the AFN urge the Alaska State Legislature, the Alaska Department of Environmental Conservation, the U.S. Environmental Conservation and the U.S. Environmental Protection Agency to take all possible measures to assist the placer mining industry to develop technology and economic solutions which will allow the industry to operate with clean discharge of waste water, and

BE IT FURTHER RESOLVED that the State of Alaska and the federal government take all necessary actions to clean up and to restore streams currently damaged by illegal discharges of sediment and turbidity and that they take all appropriate action to prevent future damage to these watersheds.

RESOLUTIONS COMMITTEE RECOMMENDATION: DO PASS

CONVENTION ACTION: PASSED

ALASKA FEDERATION OF NATIVES INC. CORPORATE SEAL STATE OF ALASKA

INTERIOR REGIONAL FISH & GAME COUNCIL RDV
c/o ADF&G, DIVISION OF BOARDS, P.O. BOX 3-2000, JUNEAU, ALASKA 99802 PHONE: (907) 465-4110

RESOLUTION 84.4

PROTECT FISH AND GAME HABITAT FROM WATER POLLUTION

ADVISORY COMMITTEES
Clear/Healy
Delta
Eagle
Fairbanks
Galena
Grayling/Anvik/Shageluk/Holy Cross
Koyukuk
McGrath
Ruby
Tanana
Upper Tanana/40-Mile
Yukon Flats

Whereas, The Interior Regional Council represents thousands of subsistence fishermen in the Alaska Interior, and is empowered to make recommendations to the Alaska Boards of Fisheries and Game regarding protection of subsistence users; and

Whereas, The annual harvest and continued strength the salmon and other anadromous fish runs and the annual harvest of wildlife is vital to the rural communities and livelihood of the subsistence users of this region; and

Whereas, The streams and rivers provide essential habitat for fish and wildlife; and

Whereas, Fish and wildlife habitat is being damaged by turbidity, sediments, and silt being illigally discharged into many streams and rivers, often greatly in excess of State Water Quality Standards and Federal Requirements for clean water; and

Whereas, The State of Alaska, Department of Environmental Protection Agency have permitted this increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement;

Be It Resolved, that the Interior Regional Council requests the Alaska Boards of Fisheries and Game to make a formal review of the Department of Fish and Game's Title 16 Regulations to determine if they are adequately protecting fish and wildlife habitat in Alaska's waterways; and

Be It Further Resolved, that the Division of Subsistence, Department of Fish and Game, direct its studies to the impacts of placer mining and poor water quality on subsistence economy.

INTERIOR REGIONAL FISH & GAME COUNCIL ADF&G

c/o ADF&G, DIVISION OF BOARDS, P.O. BOX 3-2000, JUNEAU, ALASKA 99802 PHONE: (907) 465-4110

RESOLUTION 84.5
PROTECT FISH AND GAME HABITAT FROM WATER POLLUTION

ADVISORY COMMITTEES
Clear/Healy
Delta
Eagle
Fairbanks
Galena
Grayling/Anvik/Shageluk/Holy Cross
Koyukuk
McGrath
Ruby
Tanana
Upper Tanana/40-Mile
Yukon Flats

Whereas, The Interior Regional Council represents thousands of subsistence fishermen in the Alaska Interior, and is empowered to make recommendations to the Alaska Boards of Fisheries and Game regarding protection of subsistence users; and

Whereas, The annual harvest and continued strength the salmon and other anadromous fish runs and the annual harvest of wildlife is vital to the rural communities and livelihood of the subsistence users of this region; and

Whereas, The streams and rivers provide essential habitat for fish and wildlife; and

Whereas, Fish and wildlife habitat is being damaged by turbidity, sediments, and silt being illigally discharged into many streams and rivers, often greatly in excess of State Water Quality Standards and Federal Requirements for clean water; and

Whereas, The State of Alaska, Department of Environmental Protection Agency have permitted this increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement;

Be It Therefore Resolved, that the Interior Regional Council urges the Governor, State Legislature, and DEC to take seriously its responsiblity to protect water quality for the residents of Alaska by actively enforcing the State Water Quality Standards and adequately funding these enforcement efforts; and

Be It Further Resolved, that the policy of the State Legislature and Governor gives priority to the protection of renewable resources over non renewable resources in user conflicts

Appendix I.

NUSHAGAK
FISH AND GAME ADVISORY COMMITTEE RESOLUTION

ENFORCE STATE WATER QUALITY STANDARDS

WHEREAS, the Nushagak Fish and Game Advisory Committee represents hundreds of commercial and subsistence fishermen in the Bristol Bay region; and

WHEREAS, the annual harvest and continued strength of salmon runs is vital to the economy and livelihood of these fishermen; and

WHEREAS, placer mining on the rivers and tributaries of salmon spawning streams often illegally discharges mud and silt into these waterways, killing fish and destroying their habitat; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency is allowing this illegal destruction of salmon habitat by inadequately monitoring and enforcing the State Water Quality Standards and Federal requirements for clean water;

BE IT THEREFORE RESOLVED, that the Nushagak Fish and Game Advisory Committee urges the Alaska Department of Environmental Conservation and the U.S. EPA to take all necessary steps to protect the salmon resources of the State by monitoring and enforcing the State Water Quality Standards, and that the Governor and Legislature see that such enforcement is adequately funded: and

BE IT FURTHER RESOLVED, that the Governor and area legislators create a State policy that clearly gives renewable resources priority over nonrenewable resources and ensures the protection of our salmon stocks.

Oct 25 1984
Date

Leon Braswell
Leon Braswell, Chairman
Nushagak Fish and Game Advisory Committee

NAKNEK - KVICHAK
FISH AND GAME ADVISORY COMMITTEE RESOLUTION 84-2

ENFORCE STATE WATER QUALITY STANDARDS

Whereas, the Naknek - Kvichak Fish and Game Advisory Committee represents hundreds of commercial and subsistence fishermen in the lower Bristol Bay region; and

Whereas, the annual harvest and continued strength of salmon runs is vital to the the economy and livelihood of these fishermen; and

Whereas, placer mining on the rivers and tributaries of salmon spawning streams often illegally discharges mud and silt into these waterways, killing fish and destroying their habitat; and

Whereas, the State of Alaska and the U.S. Environmental Protection Agency is allowing this illegal destruction of salmon habitat by inadequately monitoring and enforcing the State Water Quality Standards and federal requirements for clean water;

Be it therefore resolved, that the Naknek - Kvichak Fish and Game Advisory Committee urges the Alaska Department of Environmental Conservation and the U.S. EPA to take all necessary steps to protect the salmon resources of the State by monitoring and enforcing the State Water Quality Standards, and that the Governor and Legislature see that such enforcement is adequately funded; and

Be it further resolved, that the Governor and area legislators create a State policy that clearly gives renewable resources priority over nonrenewable resources and ensures the protection of our salmon stocks.

Oct. 29-84
Date

Alvin Aspelund, Chairman, Naknek - Kvichak Fish and Game Advisory Committee

Copy

Yukon Flats Fish & Game Advisory Committee

Enforce Water Quality Laws and Regulations

WHEREAS: Communities represented by the Yukon Flats Fish and Game Advisory Committee depend upon the harvest of fish and game as the main part of their economy;

WHEREAS: fish and wildlife habitat in the areas of these communities is being damaged by mud and turbidity illegally discharged into streams in these areas;

WHEREAS: the harvest of fish and furbearers has been damaged by the discharges of mud and silt;

WHEREAS: productivity of fish is harmed by turbidity and by silt deposited on the bottoms of streams;

WHEREAS: the State of Alaska and the U.S. Environmental Protection Agency have not taken prompt and sufficient action to enforce state and federal laws and regulations designed to protect the water quality of Interior Alaska anadromous fish streams;

BE IT RESOLVED, that the Yukon Flats Fish and Game Advisory Committee hereby requests that the State of Alaska Department of Fish and Game, the Alaska Department of Environmental Conservation and the U.S. Environmental Agency immediately take steps to enforce applicable laws and regulations designed to protect water quality in Interior Alaska's streams; and

BE IT FURTHER RESOLVED, that the Yukon Flats Fish and Game Advisory Committee hereby also requests that the aforementioned agencies begin the task of cleaning up Birch and Beaver Creeks and all other streams in this region damaged by mining impacts.

Added – be put on top priority list.

Don Stamm 10-21-84
Chairman

126p1

MIDDLE YUKON FISH & GAME ADVISORY COMMITTEE

RESOLUTION 84-2

WHEREAS: both the Hogatza River and the streams draining into it, located on BLM land, support a large portion of the Yukon summer chum run; and

WHEREAS: these streams produce a major portion of the summer chum salmon which are harvested for subsistence and commercial use by downstream residents of the Yukon River drainage; and

WHEREAS: the production of such summer chum salmon makes up a major element in the economy of downstream communities on the Yukon River; and

WHEREAS: the 51 active placer mining claims located on these streams are currently discharging or have in the past discharged high levels of sediment and turbidity into these streams, often greatly in excess of state water quality standards and in excess of federal requirements for clean water; and

WHEREAS: sediment and turbidity in these streams damage fisheries habitat and hamper the production of fish; and

WHEREAS: over time, the destruction of fisheries habitat in one stream after another will directly adversely affect the economy of downstream communities; and

WHEREAS: the Central Yukon Plan has the opportunity to regulate or restrict such placer mining activity;

BE IT HEREBY RESOLVED that the Middle Yukon Fish and Game Advisory Committee (otherwise known as the Galena Fish and Game Advisory Committee) recommends that the Bureau of Land Management in its Central Yukon Plan, close the Hogatza River and the streams draining into it to all future mineral exploration and development; and

BE IT FURTHER RESOLVED that the Bureau of Land Management in its Central Yukon Plan establish the Hogatza River and the streams draining into it as Areas of Critical Environmental Concern (ACEC); and

BE IT FURTHER RESOLVED that within the Area of Critical Concern, all existing miners be required to meet state water quality standards and submit annual preseason plans of operation to the BLM.

[signature] III 10-20

Chairman Date

Resolution 84- 3

Clean Up Interior Placer Streams

WHEREAS, many clearwater tributary streams of the Yukon River of Interior Alaska support runs of spawning salmon, and

WHEREAS, such streams produce the salmon which are harvested for subsistence and commercial use by downstream residents of the Yukon River drainage; and

WHEREAS, the production of salmon makes up a major element in the economy of downstream communities on the Yukon River; and

WHEREAS, placer mining activity currently is discharging high levels of sediment and turbidity into Interior streams, often greatly in excess of state water quality standards and in excess of federal requirements for clean water; and

WHEREAS, sediment and turbidity in these streams damage fisheries habitat and hamper the production of fish; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency permits the illegal pollution of otherwise clearwater streams through inefficient, inappropriate enforcement of regulations and laws designed to protect water quality; and

WHEREAS, over time, the destruction of fisheries habitat in one stream after another will directly adversely affect the economy of downstrean communities,

BE IT HEREBY RESOLVED that the Middle Yukon Fish and Game Advisory Committee (otherwise known as the Galena Fish and Game Advisory Committee) demands that the State of Alaska and the U.S. Environmental Protection Agency properly and totally meet their legal commitments and requirements to promptly enforce water quality laws and regulations in Interior Alaska placer mining streams, and

BE IT FURTHER RESOLVED that the State of Alaska and the federal government take all necessary actions to clean up and to restore streams presently damaged by illegal discharges of sediment and turbidity and that they take all appropriate action to prevent future damage to these watersheds.

Chairman

Date

THE LOWER YUKON FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, The Lower Yukon Fish and Game Advisory Committee represents the fisheries and wildlife interests of the 15 villages of the Lower Yukon area; and

WHEREAS, The placer mining taking place in the upriver areas of the Yukon River between the Koyukon and the Porcupine has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Yukon River believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Lower Yukon Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 8-18-84 DAY OF AUGUST, 1984.

/S/ John Thompson
Johnny Thompson, Chairman

RECEIVED
SEP 13 1984

THE CENTRAL BERING SEA FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-09-01

WHEREAS, The Central Bering Sea Fish and Game Advisory Committe represents the fisheries and wildlife interests of the 13 villages of the Lower Kuskokwim area; and

WHEREAS, The placer mining taking place in the upriver areas of the Yukon River between Koyukon and the Porcupine, and in the upper Tuluksak River of the Kuskokwim has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Kuskokwim villages believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Central Bering Sea Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 21 DAY OF AUGUST, 1984.

/s/ Jack U. Williams

Jack U. Williams, Chairman

SEP 13 1984

LOWER KUSKOKWIM
FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, THE LOWER KUSKOKWIM Fish and Game Advisory Committe represents the fisheries and wildlife interests of the 13 villages of the Lower Kuskokwim area; and

WHEREAS, The placer mining taking place in the areas of the upper Tuluksak River of the Kuskokwim has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Kuskokwim villages believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Lower Kuskokwim Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 24 DAY OF AUGUST, 1984.

/s/ Chuck Chaliak
Chuck Chaliak, Chairman

Resolution 84-

Enforce Water Quality Laws and Regulations

WHEREAS: Communities represented by the Tanana Fish and Game Advisory Committee depend upon the harvest of fish and game as the main part of their economy;

WHEREAS: fish and wildlife habitat in the areas of these communities is being damaged by mud and turbidity illegally discharged into streams in these areas;

WHEREAS: the harvest of fish and furbearers has been damaged by the discharges of mud and silt;

WHEREAS: productivity of fish is harmed by turbidity and by silt deposited on the bottoms of streams;

WHEREAS: the State of Alaska and the U.S. Environmental Protection Agency have not taken prompt and sufficient action to enforce state and federal laws and regulations designed to protect the water quality of Interior Alaska anadromous fish streams;

BE IT RESOLVED, that the Tanana Fish and Game Advisory Committee hereby requests that the State of Alaska Department of Fish and Game, the Alaska Department of Environmental Conservation and the U.S. Environmental Agency immediately take steps to enforce applicable laws and regulations designed to protect water quality in Interior Alaska's streams; and

BE IT FURTHER RESOLVED, that the Tanana Fish and Game Advisory Committee hereby also requests that the aforementioned agencies begin the task of cleaning up the following streams:

Minook Creek
Goldstream Creek
Chatanika River
Tolovana River

Lester Erhart
Chairman

Endorsed By Tanana Fish
And Game Advisory Committee
October 19, 1984
Tanana, Alaska

TANANA CHIEFS CONFERENCE, INC.

Tolovana Pollution

Resolution No. 84-13

WHEREAS: The residents of communities of Minto and Nenana make substantial use of the water of the Tolovana River, including the Upper Tolovana River, and its associated environments in the Minto Flats; and

WHEREAS: These residents have harvested fish and game resources from the Tolovana River and its associated environments including the Upper Tolovana River; and

WHEREAS: The waters and associated environment of the Tolovana River have become muddy and polluted during the placer mining season due to mining activities taking place in the headwaters of the Tolovana River; and

WHEREAS: This muddy water has damaged the habitats of water animals, fish and water fowl; and

WHEREAS: Harvests of game and fish resources has been damaged due to degraded water quality; and

WHEREAS: Residents of Minto and Nenana depend upon fish and game harvests as a major element in the economy of their communities;

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors asks that the State of Alaska and the U.S. Environmental Protection Agency take all necessary steps to enforce the state and federal water quality standards, laws and regulations on the Tolovana River Drainage.

BE IT FURTHER RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors urges the Governor and the Alaska State Legislature to make funds and expertise available to develop proper technology which will permit placer mining to continue in a way which results in no discharge of muddy or polluted placering water back into the Tolovana River.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

TANANA CHIEFS CONFERENCE, INC.

Water Quality in Minook Creek

Resolution No. 84-14

WHEREAS: Minook and Little Minook Creeks and associated environments are utilized by residents of Rampart, and of the area generally; and

WHEREAS: the water of Minook Creek and Little Minook Creek is the subject of complaints of residents of Rampart due to high levels of turbidity and mud caused by placer mining discharges upstream; and

WHEREAS: the State of Alaska has regulations to protect water quality in such clear water streams but is generally reluctant to enforce these regulations; and

WHEREAS: the poor water quality interferes with and diminishes the use of Minook Creek and associated environments by the residents of Rampart and the area generally; and

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors requests the State of Alaska to enforce present regulations concerning water in Minook Creek and Little Minook Creek, and

BE IT FURTHER RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors urges the Alaska State legislature and the State administration to provide technical and financial assistance to placer miners so as to help them develop, install and utilize new technology which would permit placer mining to take place while achieving clean water in placering streams.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1251 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86 1418

TANANA CHIEFS CONFERENCE, INC.

Environmental Effects of Mining Operations
on Birch Creek
Resolution No. 82-28

WHEREAS: Birch Creek is important to the residents living near or around the river; and

WHEREAS: there are mining operations upriver from the residents living and using the river in a traditional manner; and

WHEREAS: the methods the mining operations utilize dirties and clouds the river; and

WHEREAS: this hampers the traditional practices of those living downriver; and

WHEREAS: the methods of the mining operations damages the environmental, aesthetic, and ecological characteristics of the river; and now,

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference Board of Directors direct the staff of Tanana Chiefs Conference to inform the appropriate State, Feceral and private agencies of the detrimental methods of mining operations used on Birch Creek.

Submitted by: Theresa McCall

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 18, 1982 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

TANANA CHIEFS CONFERENCE, INC.

Birch Creek Water Quality

Resolution No. 84-26

WHEREAS: the communities of Birch Creek, Circle, and other area residents utilize and depend upon the lands and waters of the lower Birch Creek watershed for harvest of renewable resources including fish and game; and

WHEREAS: such local residents utilize Birch Creek as a primary source of drinking water as well as a source of water for washing, cooking, and laundry; and

WHEREAS: the water quality of Birch Creek is in deplorable condition during summer months due to severe pollution caused by heavy placer mining activity in the upper Birch Creek watershed; and

WHEREAS: the regulations of the State of Alaska designed to protect the water quality are grossly violated on Birch Creek due to placer mining activity; and

WHEREAS: the State of Alaska continues to not enforce its water quality standards on Birch Creek; and

WHEREAS: the degradation of water quality in Birch Creek is resulting in damage to associated fish and wildlife habitats and diminished opportunities of local residents to harvest such resources; and

WHEREAS: the lack of enforcement of its water quality regulations and prevention of management of fish resources on any stream represents significant mismanagement of both the water and the fisheries resources of the State of Alaska; and

WHEREAS: the development and use of water recycling and other new technologies should provide needed answers to allow placer mining to continue in a way that prevents pollution of placering streams such as Birch Creek;

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors request that the State of Alaska and the U.S. Environmental Protection Agency enforce all state and feceral water quality regulations and laws in Birch Creek and in other watersheds of Alaska, and

BE IT FURTHER RESOLVED that the State of Alaska, the Alaska State legislature and the Federal Government take all possible steps to clean up the dirty water caused by placer mining activities on the Birch Creek and other watersheds through development of appropriate technologies, and that placer miners receive direction and assistance to bring such technologies successfully into use in the field.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

BERING SEA FISHERMEN'S ASSOCIATION
RESOLUTION NUMBER 5

WHEREAS the Bering Sea Fishermen's Association represents over 1600 commercial salmon and herring fishermen in western Alaska and,

WHEREAS the rapid expansion of the placer mining industry in interior and western Alaska has resulted in a loss of fish populations, spawning and rearing habitat and the deterioration of water quality necessary for continued fish production and,

WHEREAS the Alaska Legislature has shown a reluctance to fund resource agency attempts to regulate, control, monitor and enforce the placer mining industry's activities and,

NOW THEREFORE BE IT RESOLVED that the Bering Sea Fishermen's Association request the Alaska Legislature to appropriate the funds necessary to regulate, control, monitor and enforce placer mining activities and,

BE IT FURTHER RESOLVED that the Association request the Alaska Legislature to adopt legislation that will strengthen current water quality standards to ensure the long-term and continuing production of viable fish populations.

Motion Passed this 31 day of August 1984 in Anchorage, Alaska

HENRY IVANOFF
PRESIDENT - BERING SEA FISHERMEN'S ASSOCIATION

UNITED VILLAGES OF NELSON ISLAND AND VICINITY
RESOLUTION #84-08-01

WHEREAS THE UNITED VILLAGES OF NELSON ISLAND AND VICINITY represents the villages of this area in the Yukon-Kuskokwim Delta of southwestern Alaska; and

WHEREAS in recent years, village fishermen have been able to harvest salmon from the Kuskokwim and Yukon rivers migrating pass the island depending upon wind direction to supplement the marine mammal and herring subsistence diet of our villages; and

WHEREAS the expansion of the placer mining industry on both the Yukon and Kuskokwim Rivers, the lack of monitoring and enforcement of water quality standards by State and Federal agencies, and the concern by villages located on both rivers that their salmon fisheries will be threatened by these activities;

NOW THEREFORE BE IT RESOLVED BY THE UNITED VILLAGES OF NELSON ISLAND AND VICINITY that the Governor and area legislators take steps to make placer miners obey the same environmental laws that commercial fishermen and subsistence harvesters must follow to conserve all resources; and

BE IT FURTHER RESOLVED that the Governor and area legislators take steps to secure funds to allow State resource agencies to monitor and when necessary enforce State water quality laws if violated by placer miners to protect clean streams and our salmon resources.

MOTIONED AND PASSED THIS 26th DAY OF AUGUST, 1984

Michael Albert
CHAIRMAN

RESOLUTION OF KOKECHIK CORPORATION

RESOLUTION # 84-37-02

WHEREAS THE KOKECHIK CORPORATION represents the commercial herring and subsistence fishermen of the three villages of Hooper Bay, Chevak, and Scammon Bay, and

WHEREAS salmon are important to the limited entry permit holders in several of our villages and to all of our villagers for subsistence, and

WHEREAS State biologist believe without verification that migrating salmon taken by our villages are Yukon stock, and where

WHEREAS the expansion of placer mining activity in the Yukon River's tributaries, and the lack of monirting and enforcement by state and Federal resource agencies to protect water quality necessary for salmon reproduction;

NOW THEREFORE BE IT RESOLVED BY THE KOKECHIK CORPORATION that the State of Alaska and the Federal EPA takes all necessary steps to enforce water quality laws through monitoring placer mining operations, and if necessary enforce these regulations to get miner compliance; and

BE IT FURTHER RESOLVED that the Governor and area legislators secure adaquate funding for DEC and ADFG to carry out the monitoring and enforcement of stream water quality to protect successful salmon reproduction.

MOTIONED AND PASSED THIS 27th DAY OF AUGUST, 1984

Vincent V. Ramos
CHAIRMAN

RURAL ALASKA RESOURCES ASSOCIATION
P.O. Box 3-3908
Anchorage, AK 99501

RESOLUTION NO. 84 - 4

ENTITLED: RELIEF FROM PLACER MINING DAMAGE TO WATERSHEDS

WHEREAS, serious water quality problems exist on a number of streams in Alaska due to illegal waste water discharges from placer mining operations; and

WHEREAS, such water quality problems created by placer mining discharges are damaging the water resources, the associated environments and the fisheries and other village resources which are supported by these waters; and

WHEREAS, such water quality problems created by placer mining discharge are currently threatening and possibly damaging the health and the general economic well-being of local residents who live downstream and who utilize the water, the associated environments and the harvestable renewable resources supported by such environments; and

WHEREAS, fisheries management in particular is made difficult or impossible by the clouded condition of water in streams which support fish but which are subject to siltation and turbidity caused by placer discharges upstream; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency have not enforced the water quality laws and regulations which are very frequently violated in placer mining activities; and

WHEREAS, the U.S. Environmental Protection Agency, in proposing Best Available Technology for the placer industry, has proposed weakening standards including for suspended particles and for arsenic; and

WHEREAS, the communities of Tuluksak, Birch Creek, Minto and Rampart are among the communities who have registered complaints about damage to waterways caused by upstream placer mining;

BE IT HEREBY RESOLVED, that the Rural Alaska Resources Association urges the State of Alaska to reject the weakened water quality standards as a part of Best Available Technology; and

BE IT FURTHER RESOLVED, that the Rural Alaska Resources Association urges the Alaska State Legislature, the State of Alaska and the U.S. Environmental Protection Agency to take all possible measures to assist the placer mining industry to develop technology and economic solutions which will allow the industry to operate with clean discharges of waste water; and

BE IT FURTHER RESOLVED, that the Rural Alaska Resources Association urges that the State of Alaska and the U.S. Environmental Protection Agency vigorously pursue the cleaning up of placering streams through enforcement of existing laws and regulations; and

BE IT STILL FURTHER RESOLVED, that Rural Alaska Resources Association supports the efforts of the community of Tuluksak to delay the permit to dredge requested by Northland Gold Dredging.

Jim Kowalsky, Chairman

Date: 4/6/84

MEMORANDUM

RE: Enforcement of the State Water Quality Standards

FROM: Paula Cullenberg, Tanana Chiefs Conference, Inc.

DATE: January 22, 1985

* * * * * * * * * * * * * * * * * *

The intent of this memo is to document the urgent need for increased funding for monitoring and enforcement of water quality in the state's river and streams as impacted by placer mining. Tanana Chiefs Conference, Inc. feels that the health and continued economic survival (referring to both the comercial and subsistence economy) of Alaska's rural residents is dependent on the protection of clean water. Placer miners, who illegally discharge mud, silt, and toxic chemicals such as mercury and arsenic into the streams are going virtually unregulated, since enforcement of the State Water Quality Standards is minimal at best. That water quality in Alaska has not improved since the standards were adopted in 1972 is indicative that they have never been adequately enforced.

This lack of enforcement has hurt all rural Alaskans who drink, cook with, and wash with the waters flowing downstream from the mines or who depend either as a food source or as a commercial venture, on fish and wildlife, who use the the streams as habitat or spawning sites. Tanana Chiefs Conference, Inc. in the past three years has received numerous complaints from rural residents of dirty water hurting their livelihoods, including residents of Tanana, Ramoart, Minto and Birch Creek and Circle. Residents of Minto have noted that Minto Flats, a major hunting, fishing and trapping area has been filling up with silt and mud; the Tolovana River, the Chatanika River and the Goldstream River, all heavily mined streams flow into Minto Flats. The village of Tuluksak, downstream from the Northland Gold Dredge has experienced turbid water for the last 3 years; Fish and Game was unable to make any escapement counts in 1983. The Hogatza River, one of the most productive spawning grounds of Yukon summer chums, has had severe water quality problems when only several of the 51 active mining claims were operating (see enclosed). Turbidity levels in the normally clear streams have reached 1200 NTU's - the State Water Quality Standard for fish protection (supported by a draft Fish and Game report) is 25 NTU's. This last example indicates that water quality is a statewide concern, since summer chums are a mainstay for rural Alaskans living along the entire reach of the Yukon River down to the Bering Sea. A list of fish producing streams that have been adversely impacted by placer mining are enclosed.

Responsibility for protection of water quality and fish and wildlife habitat is held by the Department of Environmental Conservation, the Department of Fish and Game and the Environmental Protection Agency. In 1984, approximately 500 placer miners were in operation in the State. All miners are required to apply for a Tri-Agency permit (DEC, DNR, and F&G) and a National Pollution Discharge Elimination System Permit (NPDES) from the EPA. These permits stipulate certain water quality standards or habitat protection stipulations that a mining operation is required to meet to remain within the law.

Sty1

EPA enforces miners primarily for lack of discharge permits and if they are meeting the settleable solids limit of .7 m./l. Five miners are now being brought before Federal Court for lack of permits. In addition, EPA issued "309 Compliance Orders", an administrative order, that is reviewed and signed during the winter. It basically notifies the mines that they must "comply immediately" with the requirements. In 1984, EPA issued 7-12 Compliance Orders to miners that were operating without settling ponds. EPA has never taken a miner to court for anything other than lack of a discharge permit.

Enforcement by State agencies (F&G and DEC) was directed in 1984 by the Interagency Placer Mining Guidelines. The guidelines specified 15 "priority streams" significant for drinking water and fisheries, to be the focus of the State's enforcement efforts. The procedure is to issue Notice of Violations followed by return visits to measure the increase in compliance. Continued failure to comply or attempt to comply with stipulations may result in court action.

ADF&G, Habitat Division is empowered to enforce its "Habitat Protection Permit." Any mining operation that may impact an anadromous fish stream must receive this permit. This permit stipulates certain habitat protection measures. Unfortunately, all permits issued are based solely on the statutory language (Title 16) since Fish and Game has never promulgated regulations to interpret the statutes. Thus, enforcement of the permits is extremely difficult since it is easy to argue that the stipulations placed on the mines are arbitrary and have no regulatory backing. The Division staff does do compliance investigations and gives miners NOV's. In 1984, the Habitat Division visited approximately 50 of the mines that were permitted by Fish and Game. About 5-7 were cited for non-compliance with the Habitat Protection Permit. Only violations on priority streams were cited. Return visits were made to several of the mines cited. No legal action has ever resulted from Fish and Game compliance investigations.

Since Title 16 regulations do not exist, the only enforceable regulations that placer miners must meet are the State Water Quality Standards. This means that the primary agency responsible for enforcement of the mining industry is DEC. DEC enforces the settleable solids and turbidity standards. The State standard for turbidity is 5 NTU's for all waters in the State except the Chena River which is 25 NTU's.

It is generally accepted that a majority of the mining industry is not in compliance with the standards. If fact, there are still miners who do not apply for the required permits or who operate setting ponds. Both Fish and Game and DEC employees note that "essentially any mine we go to, we could issue a NOV to."

Yet DEC is generally understaffed to perform an adequate number of field inspections. Water samples are taken only at operations that are active during the visit. From the enclosed table, it is clear that for the past four years, less than 10% of the 500 + mines have water samples taken from them by field officers each year. With less than 50% of the mines from 1981-1983 meeting the settleable solids standard, and less than 10% meeting the turbidity standard, the number of field inspections must increase to expect any improvement.

The number of NOV's issued is equally small. Whether or not an NOV is given to a miner is primarily a judgment call by the field officer and does not correspond to any clear, consistent policy. This is confusing to both the mining industry and the general public.

Sty2

The lack of adequate enforcement results from: 1) inadequate staffing, 2) lack of Title 16 habitat regulations, and 3) lack of coordination and direction of the enforcement effort.

For example, Rampart complained to Tanana Chiefs Conference about muddy water in Minook Creek in 1984 for the third year in a row; Minook Creek is Rampart's drinking water source. TCC passed the complaint along to DEC. DEC responded by saying that Minook Creek was not a priority stream and so they could not respond to the complaint. The Habitat Division and EPA did eventually visit Rampart, spoke to the village residents, and visited 6 mines upriver. Despite the fact that two miners were operating and were in violation; one miner was operating at 1,000 NTU's; no NOV's were given, due to a "misunderstanding as to whether NOV's should be given on nonpriority streams." TCC was notified of the visit and told that "no further action was anticipated." Rampart residents continue to drink dirty water.

This example illustrates all three of the above mentioned flaws in the current state enforcement policy. It sends a message to the mining industry that they will probably not be cited; and, if cited, they will probably not be taken to court. Adequate, consistent field presence by enforcement personnel is vital to encouraging serious attempts at compliance by the placer mining industry. One State employee has stated that 70 enforcement personnel would be necessary to provide adequate protection of clean water. TCC does not consider it a radical stance to advocate a gradual move toward clean water in the State.

Requirements necessary to achieve eventual compliance with the State Water Quality Standards include:

1) Increase in enforcement personnel at DEC; i.e., 4 more full-time enforcement personnel specifically for placer mining operations. Adequate funding to support these positions is necessary. (See attached Fiscal Note).

2) Technical and/or monetory assistance to the mining industry enabling them to construct recycling systems leading to zero discharge.

3) Establishment of Title 16 regulations by the Habitat Division, essential before the Habitat Division has real enforcement powers.

4) Directed Attorney General time with definite goals of being available for prosecuting x number of placer miners per year. (See attached Fiscal Note).

5) A goal of visiting 50% of the placer mines in operation each season, and a directed timetable for eventual compliance with all the water quality standards including turbidity with a set goal of reducing the number of violations each year and of meeting the standards within a number of years.

The first and third of these goals can be directly achieved by the Legislature. The other two goals may be mandated by the Legislature. DEC needs to clearly understand that one goal of the Legislature is a move in a positive direction toward protection of clean water.

enclosure

Sty3

PLACER MINING DEC ENFORCEMENT
(Northern Regional Office & Forty Mile District)

	1984	1983	1982	1981
# Mines	500 [1] (40-50) [2]	450	500	500
# Inspections (# Mines)	[58(10)]	175(63)	230(NA) (48(22))	100(62)
# Compliance Inspections	(20) (at 10 mines)	40	NA(11)	32
% Mines Inspected	(20%)	9%	NA(20%)	6%
# Mines meeting EPA Settleable Solids Standard	(16)	19	NA(6)	13
% of mines meeting settleable solids standard	(80%) [3]	47%	NA(55%)	(40%)
# mines meeting turbidity standard	(1)	3	NA(1)	2 (met 25 NTU's)
% mines meeting turbidity standard	(5%)	8%	NA(9%)	7%
# NOV's given out	4(2)	6	11(1)	NA
# Litigations	1	0	(1)	0
# Complaints of dirty water	(10+)	56	14+	41

(1) The State processed almost 800 applications to placer mine for gold. Many were not active; over 150 were recreational.

(2) Data compiled only for the Fortymile area to date for 1984. Numbers in parentheses are only from Fortymile area.

(3) The major increase in the percentage of mines meeting EPA's settleable solids limit is due in a large part to the increase in the standard. The 1984 Settleable Solids Standard was .7 ml/l; 1983, 1982, 1981 the standard was .2 ml/l.

(4) Data available for the Fortymile area only.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
NORTHERN REGIONAL OFFICE/PLACER MINING SECTION
1983 FIELD SEASON

	DATE	DISTRICT	DRAINAGE	DESCRIPTION OF OPERATION	D/D TURBIDITY	SETTLEABLE SOLIDS	% RECYCLE AND # PONDS
ons	5-18	Eagle	None	Not Operating	-	-	No recycle, 1 pond
	5-18	Eagle	Faith	Not Operating	-	-	No recycle, 2 ponds
	5-18	Eagle	Faith	Not Operating	-	-	No recycle, 1 pond
tain	5-18	Eagle	Deep	Not Operating	-	-	No recycle, 3 ponds
	5-18	Circle	Eagle	Not Operating	4/70	No Trace	No recycle, 1 pond
	5-18	Circle	Porcupine	Not Operating	-	-	No recycle, 1 pond
l	5-19	Circle	Porcupine	Not Operating	-	-	No recycle, 1 pond
	5-19	Circle	Bonanza	Not Operating	-	-	No recycle, 1 pond
	5-19	Circle	Porcupine	Not Operating	-	-	No recycle, 1 pond
	5-19	Circle	Mammoth	Not Operating	-	-	No recycle, 2 ponds
	5-19	Circle	Mammoth	Not Operating	-	-	No recycle, 2 ponds
	5-19	Circle	Harrison	Not Operating	-	-	No recycle, 2 ponds
	5-19	Circle	Harrison	Not Operating	-	-	No recycle, No ponds
	5-19	Circle	Mammoth	Not Operating	-	-	No recycle, 3 ponds
	5-19	Circle	Golddust	Not Operating	650	3.6 ml/l	No recycle, 1 pond
	5-19	Circle	Golddust	Not Operating	-	-	No recycle, 4 ponds
	5-20	Circle	Birch	Not Operating	2100	4 ml/l	No recycle, 3 ponds
	5-20	Circle	Butte	Not Operating	80 NTUs	<.1	50% recycle, 7 ponds
).	5-24	Eagle	Engineer	Not Operating	35 NTUs	Trace	No recycle, 3 ponds
h	5-24	Eagle	Faith	Not Operating	-	-	No recycle, 2 ponds
	5-24	Eagle	Deep	Not Operating	-	-	No recycle, 1 pond
	5-24	Eagle	Faith	Not Operating	-	-	No recycle, 3 ponds
yant	6-8	Wiseman	Misteo	Stripping	-	-	No recycle, 2 ponds
	6-14	Eagle	Faith	Stripping	-	-	No recycle, 3 ponds
).	6-20	Eagle	Engineer	Operating	1/4200/1800 (above-1/4 mile-1/2 mile)	0;2.3 ml/l;61 ml/l	No recycle, 3 ponds
rs	6-21	Eagle	Ester	Not Operating	-	-	100% recycle, 3 ponds
	6-23	Eagle	Louis	Operating	4/No-Discharge	-	100% recycle, 3 ponds
ining	6-27	Eagle	Sumner	Operating	2/2400	8.4 ml/l - verbal warnings	No recycle, 1 pond

R	DATE	DISTRICT	DRAINAGE	DESCRIPTION OF OPERATION	O/O TURBIDITY	SUSPENDED SOLIDS	% RECYCLE AND # PONDS
Song	6-27	Hoks	None	Operating	13/1600	1.4 ml/l- install additional ponds - verbal warning	No recycle, 1 pond
k	6-28	Livengood	Wilbur	Not Operating	-	-	No recycle, 4 ponds
Oil	6-29	Hoks	Cleary	Bedrock	-	-	Bedrock Operation
	6-29	Hoks	Fish	Operating	1/220	<.1 ml/l	No recycle, 8 ponds
Song	7-11	Hoks	None	Operating	6/860	.3 ml/l	No recycle, 3 ponds
Mining	7-11	Hoks	Sumner	Pulled Out	-	-	Pulled Out
int Venture	7-12	Livengood	Livengood	Operating	zero discharge	zero discharge	Total recycle, 2 pond
pone:y	7-12	Livengood	Livengood	Not Operating	-	-	Total recycle, 3 pond
Clinger	7-12	Livengood	Livengood	Not Operating	-	-	Setting up
	7-20	Hoks	Gilmore	Operating	4/1800	<.1	Total recycle, 6 pond
	7-21	Hoks	Fairbanks	Operating	2/1400	2 ml/l- upgrade ponds	100% recycle, 3 pond
on	7-25	Hoks	Fish	Operating	12/210	<.1 ml/l	No recycle, 8 ponds
in	7-28	Richardson	Caribou	Not Operating	-	-	Setting Up
	8-2	Hoks	Gilmore	Operating	1/1600	<.1	Total recycle, 6 ponds
ok	8-2	Hoks	Fairbanks	Not Operating	-	-	Total recycle, 3 ponds
Nelson	8-17	Hoks	Hope	Operating	3.7/93	No Trace	No recycle, 6 ponds
Minerals	8-23	Livengood	Livengood	Not Operating	11/560	1.2 ml/l verbal warning	Constructing 3 ponds
.O./Patton	8/4-8/24	Attached					
	9-20	Hoks	Deep	Operating	.6/600	<.1 ml/l issued NOV	No recycle, 1 pond
	9-20	Hoks	Faith	Operating	60/55	<.1 ml/l issued NOV	No recycle, 3 ponds
sh	9-20	Hoks	Faith	Operating	4/500	.2 ml/l issued NOV	No recycle, 2 ponds
Nelson	9-20	Hoks	Hope	Pulled Out	-	issued NOV	No recycle, 6 ponds

A partial selected list of streams which, in recent times, have water quality problems related to placer mining, and which contain or support fish:

In the Kantishna, all of Bear Paw drainage except for extreme upper headwaters including these creeks:

Glacier Creek
Caribou Creek
Moose Creek
Eureka Creek
Spruce Creek
Chena River in east or (middle) fork
Portion of South Fork of Koyukuk River
Hogatza River
Chatanika River
Birch Creek
Tolovana River near Minto
Minook Creek near Rampart
American Creek and Fish Lake near Tanana
Tuluksak River in the Y-K Delta
Salmon River in Goodnews Bay Area (Platinum Placer Dredge)
Lower Snake River (Nome area)
George River west of McGrath
Smoke River

--

J4q1

Tuluksak City Council
General Delivery
Tuluksak, Alaska 99679
695-6212

Tulkisarmute IRA Council
General Delivery
Tuluksak, Alaska 99679
695-6313

#7

December 28, 1984

Rep. Peter Goll
Pouch V
Juneau, Alaska 99811

Tuluksak is fighting the mining company (Northland Gold) for Two years. We have find our how dangerous the mining company is dumping pollution into our river and don't want them to operate anymore.

We met with Governor Sheffield, State and Federal Agencies trying to get our message across not to issue the permit to the mining company. The Elders in Tuluksak and the surrounding villages know our environment. They also know what happens to the environment every season, the change it does. Of all the meeting we had with them and all the money we spend traveling to Anchorage and Juneau, State and Federal Agencies gave the permit to the mining company. Subsistence is so important to us it is our only way to survive in the village. To survive we need our environment to gather the food we eat and the clothes we wear from hunting fur-bearing animals. We are being threaten by the mining company, who is destroying the land and water, which we depend on to survive.

Tuluksak City Council and Tulkisarmute IRA Council on behalf of the people of Tuluksak is asking for your help in looking into this matter and find a way to stop the mining company to operate. Our land and water is so important to us.

We will appreciate your interest and help. Our people and our environment is so important than a piece of gold.

Tuluksak City Council Signiture,

Joe Demantle Sr., Mayor

John Peter, Vice Mayor

Sammy Peter, Secretary

Joshua Phillip, Treasure

John M. Alexie, Member

Noah Andrew, Member

Carl Napoak Sr., Member

Tulkisarmute IRA Council Signiture,

John Napoka Jr., Chairman

Andrew B. Alexie, Vice Chairman

Anna Phillip, Secretary

Jack Kinegak, Treasure

Joe Demantle Jr., Member

Fred Napoka, Member

Peter Waskie, Member

Alaska mayor fights to save her people's past, present

by Paul Dean
Los Angeles Times

LOS ANGELES — On one hand, Anna Phillip believes she cannot lose. Consider the rights and emotions here. They are, she said, the very stuff of today's public mood and conscience.

Phillip, a 27-year-old Eskimo and the young mayor of an ancient village, is fighting a big-city mining company. Its dredging for gold, she contends, has fed arsenic and mercury into an Alaskan river. That in turn, she charges, is poisoning her tiny Tuluksak, sickening its people, halting salmon breeding, killing berries . . . and maybe, one day, if continued, the contamination could throttle the village.

So she came here last month to gain support for her village's environmental battle and for her other battle — to preserve Eskimo culture.

"Eskimos have lived off the land for centuries. If it is destroyed we cannot get it back. If the river dies, so will Tuluksak, where 70 percent of the people follow a subsistence lifestyle . . . People are more important than gold so we're going to fight it until we win. Period." The mining, she emphasizes, will end. Period.

Period? Could be, concedes Chuck Hawley, one of four partners of Northland Gold Dredging Ltd. of Anchorage that mines the Tuluksak River 30 miles upstream from Tuluksak village.

And after three years of protest, examination and litigation, Hawley well recognizes the odds facing any company tangling with people fighting to save their native culture, environment and the ecology.

"We can't win the PR (public relations) battle," he said, "but if we win the legal one we might be able to go ahead. On the merits of the issue, we can't lose. But what do we do about the politics involved?"

Hawley agreed, with resignation, that all victories and sympathies to date have gone to Anna Phillip and her village. Last year, legalities stemming from the Eskimo protest delayed Northland until it was too late to exercise a 1984 mining operation. Permits for 1985 have been obtained but are frozen by appeals from Phillip's attorneys. If the situation is not resolved before February, Hawley said, another mining season will be lost.



Anna Phillip
A fighting mayor

"And if it's not resolved within a couple of years, we're dead," he said. "In effect, we are closed down now and will have to line up a different batch of investors. The others (investors) were tired of seeing their money going out on nothing."

On the other hand, Anna Phillip knows she cannot win it all. She will eventually be defeated in her second fight, a tussle for what little is left of the Eskimo past. "It is these things," she said. She tapped the big, square, buttoned, digital, stainless steel watch on her wrist. "It is calculator watches, designer jeans, television and villagers who don't visit anymore because they're too busy watching 'Dallas' and 'Dynasty.'"

Life in Tuluksak, she said, has become a scramble of two cultures. And the white man's products and services have changed the Eskimo. "I don't want to see an Eskimo village as a museum or an Eskimo as something out of history. I want us to live, to be known, to contribute as a culture.

"It is sad. Deep down I know I cannot stop it . . . but I can maybe slow this change and work to keep the best of our old ways."

Industry first, culture second. Salvation from the former, of course, will mean some preservation of the latter. With mining gone and the river intact, hunting and fishing and salmonberry ice cream will remain as a tradition with the Yupik Eskimos of Tuluksak.

And with both motives inseparable, Anna Phillip came to Los Angeles.

As an Eskimo traditionalist, she spoke to the annual conference of the National Association for the Education of Young Children. Her presentation described Yaariulta, or mud drawings, a form of storytelling that still exists among Eskimo youngsters.

As Mayor Anna Phillip of Tuluksak, she scouted platforms, funds and support to continue her village council's siege of Northland Dredging.

Tuluksak, which is in western Alaska, 50 miles northeast of Bethel, once was a winter camp for the nomadic Yupik. In spring, they rested and prepared for the year at one place. In summer, they fished from another. In winter, they returned to Tuluksak to hunt moose and trap beaver and muskrat.

But Europeans came and brought rifles that killed more easily and more often than the spear. Eskimos sold to fur traders or were recruited by whalers and began seeing the difference between income and subsistence.

Plank homes of a town replaced the sod houses of a camp. The population steadied at 350.

Anna Phillip was born in Tuluksak as the middle youngster of nine brothers and sisters. Father taught her brothers how to trap, fish and survive alone off the land. Mother taught the sisters how to gut and dry salmon and make Eskimo ice cream from sugar and berries — but with Crisco and Wesson oil replacing the seal oil she had once used.

In Bethel, at high school, Anna Phillip noticed other intrusions. She was forgetting or misusing words in her native Yupik. At Seattle Pacific University, in her first year of psychology, the erosion became visible. She started wearing Calvin Klein jeans.

"I even started thinking in English and wanted to do all these modernized things . . . buying a calculator watch and a Minolta camera. That's when I felt the urge to go back to the village."

Phillip went back to Tuluksak, was elected to the City Council at the age of 23. In 1982, villagers began complaining that their river was running muddy.

"When they drank it, they got sick," Phillip said. "Stomachache, sore throat, fevers. At first we thought it might be the flu. Then the water was tested, found to be polluted and we were told not to drink from the river."

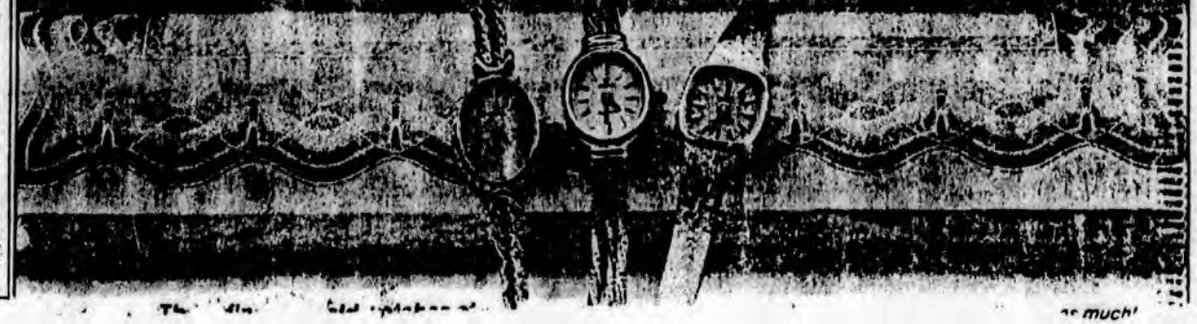
Until then, she continued, moose came to the river to drink. Their numbers became smaller. The number of salmon swimming upstream to spawn, she said, dropped off.

Northland, its upstream dredging creating visible pollution, was accused. It denied all charges. The battle was on.

A new mining operation for Northland was announced, one including a 6,000-foot diversion of the Tuluksak. It was agreed to by the company and federal and state governments. The village, it was stated, would be shielded by 47 pages of provisions aimed at preserving water quality and salmon habitat.

The compromise measure, however, brought no endorsement from Tuluksak, which filed an appeal that has blocked Northland's permit from the Bureau of Land Management.

QUICK CLAIM
THESE 14K GOLD WATCHES
FOR UNDER $800.



as much!

#3

EXECUTIVE SUMMARY

Turbidity is an optical property of water, wherein suspended sediments and other material in the water scatter and absorb light. Turbidity measurements can be used to estimate both the penetration of light into a body of water and the concentration of suspended material in water. The value of water quality standards based upon specific turbidity criteria has been questioned, and the Alaska State Water Quality Standards (18 AAC 70) are currently being reevaluated. This paper attempts to outline relationships between turbidity and a suite of parameters that are most relevant to sustained increases of turbidity in clear-water systems. Specifically, examples from recent studies performed in Alaska, and elsewhere, provide ample illustration that turbidity criteria can be used as reasonable and effective water quality standards which, if implemented, can prevent or ameliorate the following adverse effects caused by suspended sediments in water:

1. Extinction of light in lakes and streams
2. Reduction or loss of primary (plant) production in lakes and streams
3. Reduction or loss of secondary (zooplankton and aquatic insect) production in lakes and streams
4. Reduction or loss of fish production in lakes and streams
5. Reduction in recreational fishing use of streams
6. Reduction in efficiency of fishery management techniques

Furthermore, because turbidity can be directly related to the concentration of suspended sediments in water, with adequate data predictive relationships between turbidity and suspended sediment concentration can be developed. This type of relationship can allow for the use of turbidity standards to address and regulate the direct physical effects of suspended material on aquatic life, which have also been described in available literature.

Productivity in Lakes

Studies conducted by the Alaska Department of Fish and Game (Koenings 1984) on the production of sockeye salmon in lakes provide the following information on clear and naturally turbid (glacial) lakes, i.e. lakes ranging in turbidity from approximately 0 nephelometric turbidity units (NTU) to an average of approximately 52 NTU:

1. Increases in turbidity from 0-1 NTU to approximately 10 NTU cause a dramatic reduction in the depth to which one percent of available surface light penetrates into water. Such compensation depths for clear-water lakes were measured at approximately 16-17 meters, while compensation depths for lakes with turbidity of between 2-10 NTU were measured at only 2-6 meters. The compensation depth for a lake averaging 52 NTU occurred at less than 1 meter. A 5 NTU increase of turbidity can reduce the productive volume of a clear-water lake by approximately 75 percent.

2. Abundance of zooplankton in naturally turbid lakes was observed to be lower than that in clear-water lakes. Moreover, abundance of preferred food items (Cladocera) for juvenile sockeye salmon was observed to be dramatically reduced in turbid lakes.

3. Production of juvenile sockeye salmon and returns of adult sockeye salmon were observed to be lower in turbid lake systems than in clear-water lake systems.

A study conducted by R&M Consultants (1982b) also compares the extinction of light and turbidity in a glacial lake. The results describe a similar dramatic reduction in light penetration with small increases of turbidity above 0-1 NTU.

Productivity in Streams

Studies conducted by the University of Alaska-Fairbanks (LaPerriere et al. 1983, Van Nieuwenhuyse 1983, LaPerriere 1984, Simmons 1984, Wagener 1984) describe the following set of adverse effects associated with human-induced turbidity and sedimentation in clear-water streams:

1. Light penetration is reduced by turbidity, and light extinction is directly related to turbidity.

2. Primary production in streams is reduced or eliminated by turbidity. Calculations derived in this report using equations relating turbidity, light availability, and primary productivity indicate that a turbidity of 5 NTU may reduce primary production in a normally clear-water stream 0.5 meters (1.5 feet) deep by approximately 13 percent; a 25 NTU increase in turbidity over normally clear-water conditions may reduce plant production by 50 percent. These effects may be even more pronounced in deeper streams.

3. Abundance of macroinvertebrates in turbid and sedimented streams is much lower than that in clear-water streams.

4. Abundance of fish (arctic grayling) in turbid and sedimented streams is reduced or eliminated. Also, physiclogical stress is exhibited by grayling in highly turbid streams.

Observations by the Alaska Department of Fish and Game (Townsend 1983, Ott 1984b) indicate that recreational use of streams for sportfishing is reduced in normally clear-water streams when turbidity increases above 8 NTU, and that aerial survey techniques employed in the management of commercial fisheries are hampered at turbidities of 4-8 NTU and above.

Suspended Sediment Concentration

Turbidity can be directly related to suspended sediment concentration. Therefore turbidity standards can be used to control the direct physical effects of sediment on aquatic life. Using data retrieved from statewide sampling conducted by the U.S. Geological Survey (USGS 1984), we have calculated a general relationship between turbidity and suspended sediment concentration. This relationship indicates that 25 mg per liter is associated with turbidity on the order of 5 NTU and that 100 mg per liter is associated with turbidity on the order of 25 NTU. A regression equation derived by Peratrovich et al. (1982) illustrates a similar relationship for the Susitna River. From recent data compiled from selected streams in interior Alaska (Post 1984, Toland 1984) we have calculated a more specific relationship indicating a one-to-one correspondence between turbidity in NTU and suspended sediment concentration in mg per liter.

Turbidity Standards

Based upon the information summarized in this report, derived from studies conducted in Alaska and elsewhere, the current State Water Quality Standard for turbidity to protect the propagation of fish and wildlife (25 NTU above natural conditions in streams, 5 NTU above natural conditions in lakes) may be sufficient to provide a moderate level of protection for clear-water aquatic habitats. A 25 NTU increase in turbidity in shallow clear-water systems may potentially reduce stream primary productivity by 13 to 50 percent or more, depending on stream depth and ambient water quality, and be associated with an increase in suspended sediment concentration of approximately 25 to 100 mg per liter.

A higher level of protection will require the application of a stricter turbidity standard. The standard presently applied to drinking water is 5 NTU above natural conditions in streams and lakes. A 5 NTU increase in turbidity in clear-water systems may reduce the primary productive volume of lakes by approximately 75 percent, reduce stream productivity by 3 to 13 percent or more, depending on stream depth and ambient water quality, and be associated with an increase in suspended sediment concentration of approximately 5 to 25 mg per liter. The current Interagency Placer Mining Guidelines (State of Alaska 1984) use turbidity of 3 NTU or less as a criterion to specify high priority streams. Application of a 5 NTU above ambient standard would bring total turbidities in these streams to 8 NTU, the level at which recreational fishing may decline and at or above the level at which efficiency of aerial surveys for fishery management are affected.

REQUESTS FOR RELIEF FROM WATER POLLUTION AND FOR ACTION THAT RESULTS IN CLEAN WATER

*The State should fund more complete and systematic water samples from its streams and rivers, testing settleable solids, turbidity, and metal contents. The results of these tests should be publicized regularly.

*The streams and their tributaries discussed here should be placed on the list of Priority Enforcement Streams. The public should be involved in determining priority enforcement streams and enforcement policies.

*Placer miners that are monitored and found to be breaking the law should be cited. Enforcement must bring relief, and not be merely a suggestion or a piece of paper. Funding should be available to adequately monitor, cite and complete an enforcement action. Full compliance with the standards should be acheived within a fixed date.

*The State should support a loan or grant program requiring a miner to install technology such as recycling that will result in zero discharge or will meet the Water Quality Standards.

*The miners will be asked to submit a list of their priorities for stream reclassification. The streams would be looked at by DEC to see if they fall within the law.

Respectfully submitted by:

Irene Nicholia, Tanana

Turak Newman, Rampart

Andy Jimmie, Minto

Anna Phillip, Tuluksak

Ed Priest, Birch Creek

Ron Silas, Tanana Fish and Game Advisory Committee

MEMORANDUM

State of Alaska

TO: Richard A. Neve'
Commissioner

DATE: March 12, 1984

FILE NO:

TELEPHONE NO: 465-2653

FROM: Randy Bayliss
Chief
Water Quality Management

SUBJECT: For Your Turbidity Information

Much has been said about how Alaska's water quality standards compare with those of other states. This table is an incomplete summary of the turbidity standards of various states. The source of information sources was not clear on whether some of the states "cold water fish stream" standards were equivalent to "drinking water standards." When you recall that most settling pond discharges run about 4000 JTU's, the differences between 5, 10, and 25 JTU's are of no consequence.

Water Quality
Comparison of State Standards
Allowable Turbidity Increases

FOR COLD WATER FISH STREAMS

25 JTU	10 JTU	5 JTU	+10%	Secchi Std or Equivalent	"No substantial increase..."
Alaska	Arizona	Idaho	California	Hawaii - 5%	Louisiana
Iowa	Arkansas	Washington	Nebraska	New Mexico	Maine
Minnesota	Connecticut				New York
	Deleware				Texas
	Indiana				Michigan
50 JTU	Montana				
	Nevada				
Alabama	New Hampshire				
Florida	North Carolina				
Maryland	Oklahoma				
	Rhode Island				
	Utah				
	Vermont				
	Wyoming				

FOR DRINKING WATER SOURCES

5 NTU	1 NTU	No Increase
Alaska	Colorado	Connecticut
Minnesota		Massachusetts
Rhode Island		Vermont

RB/bb

cc: Chris Noah
Keith Kelton
Jim Palmer
Bill Ross
John Freshman

ALASKA FEDERATION OF NATIVES, INC.
1984 ANNUAL CONVENTION

RESOLUTION NO. 84-60

TITLE: ENFORCE WATER QUALITY REGULATIONS

WHEREAS, the harvest of fish and wildlife is vital to the continuation of the rural economy of Alaska Natives; and

WHEREAS, the streams and rivers of Alaska provide habitat for fish and wildlife; and

WHEREAS, rural Alaska Natives also depend on these waters for drinking water, wash water, cooking water, transportation sources and garden irrigation; and

WHEREAS, serious water quality problems exist on a number of streams in Alaska due to illegal discharge of mud and silt from placer mining operations, often greatly in excess of State Water Quality standards and federal requirements for clean water; and

WHEREAS, fish and wildlife habitat are being damaged by the turbidity and the buildup of silt deposited on the bottom of streams by this discharge; and

WHEREAS, the continued decline of Alaska's water quality will severely hurt the economics of rural Alaska Natives residing in downstream communities; and

WHEREAS, the State of Alaska and U.S. Environmental Protection Agency have permitted the increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement of state and federal laws and regulations designed to protect water quality for all users,

NOW THEREFORE BE IT RESOLVED that the Alaska Federation of Natives demand that the State of Alaska and the U.S. EPA immediately take steps to protect water quality in Alaska by enforcing the State Water Quality standards and the federal requirements for clean water and

BE IT FURTHER RESOLVED that the AFN urge the Alaska State Legislature, the Alaska Department of Environmental Conservation, the U.S. Environmental Conservation and the U.S. Environmental Protection Agency to take all possible measures to assist the placer mining industry to develop technology and economic solutions which will allow the industry to operate with clean discharge of waste water, and

BE IT FURTHER RESOLVED that the State of Alaska and the federal government take all necessary actions to clean up and to restore streams currently damaged by illegal discharges of sediment and turbidity and that they take all appropriate action to prevent future damage to these watersheds.

RESOLUTIONS COMMITTEE RECOMMENDATION: DO PASS

CONVENTION ACTION: PASSED

ALASKA FEDERATION OF NATIVES INC. CORPORATE SEAL STATE OF ALASKA

INTERIOR REGIONAL FISH & GAME COUNCIL

c/o ADF&G, DIVISION OF BOARDS, P.O. BOX 3-2000, JUNEAU, ALASKA 99802 PHONE: (907) 465-4110

RESOLUTION 84.5
PROTECT FISH AND GAME HABITAT FROM WATER POLLUTION

ADVISORY COMMITTEES
Clear/Healy
Delta
Eagle
Fairbanks
Galena
Grayling/Anvik/Shageluk/Holy Cross
Koyukuk
McGrath
Ruby
Tanana
Upper Tanana/40-Mile
Yukon Flats

Whereas, The Interior Regional Council represents thousands of subsistence fishermen in the Alaska Interior, and is empowered to make recommendations to the Alaska Boards of Fisheries and Game regarding protection of subsistence users; and

Whereas, The annual harvest and continued strength the salmon and other anadromous fish runs and the annual harvest of wildlife is vital to the rural communities and livelihood of the subsistence users of this region; and

Whereas, The streams and rivers provide essential habitat for fish and wildlife; and

Whereas, Fish and wildlife habitat is being damaged by turbidity, sediments, and silt being illigally discharged into many streams and rivers, often greatly in excess of State Water Quality Standards and Federal Requirements for clean water; and

Whereas, The State of Alaska, Department of Environmental Protection Agency have permitted this increasing degradation of Alaska's water quality through lack of proper monitoring and enforcement;

Be It Therefore Resolved, that the Interior Regional Council urges the Governor, State Legislature, and DEC to take seriously its responsiblity to protect water quality for the residents of Alaska by actively enforcing the State Water Quality Standards and adequately funding these enforcement efforts; and

Be It Further Resolved, that the policy of the State Legislature and Governor gives priority to the protection of renewable resources over non renewable resources in user conflicts.

Resolution 84-

Enforce Water Quality Laws and Regulations

WHEREAS: Communities represented by the Tanana Fish and Game Advisory Committee depend upon the harvest of fish and game as the main part of their economy;

WHEREAS: fish and wildlife habitat in the areas of these communities is being damaged by mud and turbidity illegally discharged into streams in these areas;

WHEREAS: the harvest of fish and furbearers has been damaged by the discharges of mud and silt;

WHEREAS: productivity of fish is harmed by turbidity and by silt deposited on the bottoms of streams;

WHEREAS: the State of Alaska and the U.S. Environmental Protection Agency have not taken prompt and sufficient action to enforce state and federal laws and regulations designed to protect the water quality of Interior Alaska anadromous fish streams;

BE IT RESOLVED, that the Tanana Fish and Game Advisory Committee hereby requests that the State of Alaska Department of Fish and Game, the Alaska Department of Environmental Conservation and the U.S. Environmental Agency immediately take steps to enforce applicable laws and regulations designed to protect water quality in Interior Alaska's streams; and

BE IT FURTHER RESOLVED, that the Tanana Fish and Game Advisory Committee hereby also requests that the aforementioned agencies begin the task of cleaning up the following streams:

Minook Creek
Goldstream Creek
Chatanika River
Tolovana River

Lester Erhart
Chairman

TANANA FISH & GAME ADVISORY COMMITTEE

FISH LAKE & AMERICAN CREEK

POLLUTION

WHEREAS: The residents of Tanana make substantial use of the waters of the American Creek and Fish Lake; and

WHEREAS: These residents have harvested fish and game resources from American Creek and it's associated environments including Fish Lake; and

WHEREAS: The waters and associated environment of American Creek and Fish Lake have become muddy and polluted during the placer mining season due to mining activities taking place in the headwaters of Fish Lake; and

WHEREAS: This muddy water has damaged the habitats of water animals, fish and water fowl; and

WHEREAS: Harvests of game and fish resource has been damaged due to degarded water quality; and

WHEREAS: Residents of Tanana depend upon fish and game harvests as a major element in the economy of their communitites;

THEREFORE BE IT RESOLVED that the Tanana Fish & Game Advisory Committee asks that the State of Alaska and the U.S. Environmental Protection Agency take all necessary steps to enforce the State and Federal water quality standards, laws and regulations on Fish Lake and American Creek.

BE IT FURTHER RESOLVED that the Tanana Fish & Game Adisory Committee urges the Governor and the Alaska State Legislature to make funds and expertise available to develop proper technology which will permit placer mining to continue in a way which results in no discharge of muddy or polluted placering water back into Fish Lake and American Creek.

CHAIRMEN Lester Erhart

Appendix I

NUSHAGAK
FISH AND GAME ADVISORY COMMITTEE RESOLUTION

ENFORCE STATE WATER QUALITY STANDARDS

WHEREAS, the Nushagak Fish and Game Advisory Committee represents hundreds of commercial and subsistence fishermen in the Bristol Bay region; and

WHEREAS, the annual harvest and continued strength of salmon runs is vital to the economy and livelihood of these fishermen; and

WHEREAS, placer mining on the rivers and tributaries of salmon spawning streams often illegally discharges mud and silt into these waterways, killing fish and destroying their habitat; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency is allowing this illegal destruction of salmon habitat by inadequately monitoring and enforcing the State Water Quality Standards and Federal requirements for clean water;

BE IT THEREFORE RESOLVED, that the Nushagak Fish and Game Advisory Committee urges the Alaska Department of Environmental Conservation and the U.S. EPA to take all necessary steps to protect the salmon resources of the State by monitoring and enforcing the State Water Quality Standards, and that the Governor and Legislature see that such enforcement is adequately funded: and

BE IT FURTHER RESOLVED, that the Governor and area legislators create a State policy that clearly gives renewable resources priority over nonrenewable resources and ensures the protection of our salmon stocks.

Date

Leon Braswell, Chairman
Nushagak Fish and Game Advisory Committee

TANANA CHIEFS CONFERENCE, INC.

Birch Creek Water Quality

Resolution No. 84-26

WHEREAS: the communities of Birch Creek, Circle, and other area residents utilize and depend upon the lands and waters of the lower Birch Creek watershed for harvest of renewable resources including fish and game; and

WHEREAS: such local residents utilize Birch Creek as a primary source of drinking water as well as a source of water for washing, cooking, and laundry; and

WHEREAS: the water quality of Birch Creek is in deplorable condition during summer months due to severe pollution caused by heavy placer mining activity in the upper Birch Creek watershed; and

WHEREAS: the regulations of the State of Alaska designed to protect the water quality are grossly violated on Birch Creek due to placer mining activity; and

WHEREAS: the State of Alaska continues to not enforce its water quality standards on Birch Creek; and

WHEREAS: the degradation of water quality in Birch Creek is resulting in damage to associated fish and wildlife habitats and diminished opportunities of local residents to harvest such resources; and

WHEREAS: the lack of enforcement of its water quality regulations and prevention of management of fish resources on any stream represents significant mismanagement of both the water and the fisheries resources of the State of Alaska; and

WHEREAS: the development and use of water recycling and other new technologies should provide needed answers to allow placer mining to continue in a way that prevents pollution of placering streams such as Birch Creek;

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors request that the State of Alaska and the U.S. Environmental Protection Agency enforce all state and federal water quality regulations and laws in Birch Creek and in other watersheds of Alaska, and

BE IT FURTHER RESOLVED that the State of Alaska, the Alaska State legislature and the Federal Government take all possible steps to clean up the dirty water caused by placer mining activities on the Birch Creek and other watersheds through development of appropriate technologies, and that placer miners receive direction and assistance to bring such technologies successfully into use in the field.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

RURAL ALASKA RESOURCES ASSOCIATION
P.O. Box 3-3908
Anchorage, AK 99501

RESOLUTION NO. 84 - 4

ENTITLED: RELIEF FROM PLACER MINING DAMAGE TO WATERSHEDS

WHEREAS, serious water quality problems exist on a number of streams in Alaska due to illegal waste water discharges from placer mining operations; and

WHEREAS, such water quality problems created by placer mining discharges are damaging the water resources, the associated environments and the fisheries and other village resources which are supported by these waters; and

WHEREAS, such water quality problems created by placer mining discharge are currently threatening and possibly damaging the health and the general economic well-being of local residents who live downstream and who utilize the water, the associated environments and the harvestable renewable resources supported by such environments; and

WHEREAS, fisheries management in particular is made difficult or impossible by the clouded condition of water in streams which support fish but which are subject to siltation and turbidity caused by placer discharges upstream; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency have not enforced the water quality laws and regulations which are very frequently violated in placer mining activities; and

WHEREAS, the U.S. Environmental Protection Agency, in proposing Best Available Technology for the placer industry, has proposed weakening standards including for suspended particles and for arsenic; and

WHEREAS, the communities of Tuluksak, Birch Creek, Minto and Rampart are among the communities who have registered complaints about damage to waterways caused by upstream placer mining;

BE IT HEREBY RESOLVED, that the Rural Alaska Resources Association urges the State of Alaska to reject the weakened water quality standards as a part of Best Available Technology; and

BE IT FURTHER RESOLVED, that the Rural Alaska Resources Association urges the Alaska State Legislature, the State of Alaska and the U.S. Environmental Protection Agency to take all possible measures to assist the placer mining industry to develop technology and economic solutions which will allow the industry to operate with clean discharges of waste water; and

BE IT FURTHER RESOLVED, that the Rural Alaska Resources Association urges that the State of Alaska and the U.S. Environmental Protection Agency vigorously pursue the cleaning up of placering streams through enforcement of existing laws and regulations; and

BE IT STILL FURTHER RESOLVED, that Rural Alaska Resources Association supports the efforts of the community of Tuluksak to delay the permit to dredge requested by Northland Gold Dredging.

Jim Kowalsky, Chairman

Date: 4/6/84

MIDDLE YUKON FISH & GAME ADVISORY COMMITTEE

RESOLUTION 84-2

WHEREAS: both the Hogatza River and the streams draining into it, located on BLM land, support a large portion of the Yukon summer chum run; and

WHEREAS: these streams produce a major portion of the summer chum salmon which are harvested for subsistence and commercial use by downstream residents of the Yukon River drainage; and

WHEREAS: the production of such summer chum salmon makes up a major element in the economy of downstream communities on the Yukon River; and

WHEREAS: the 51 active placer mining claims located on these streams are currently discharging or have in the past discharged high levels of sediment and turbidity into these streams, often greatly in excess of state water quality standards and in excess of federal requirements for clean water; and

WHEREAS: sediment and turbidity in these streams damage fisheries habitat and hamper the production of fish; and

WHEREAS: over time, the destruction of fisheries habitat in one stream after another will directly adversely affect the economy of downstream communities; and

WHEREAS: the Central Yukon Plan has the opportunity to regulate or restrict such placer mining activity;

BE IT HEREBY RESOLVED that the Middle Yukon Fish and Game Advisory Committee (otherwise known as the Galena Fish and Game Advisory Committee) recommends that the Bureau of Land Management in its Central Yukon Plan, close the Hogatza River and the streams draining into it to all future mineral exploration and development; and

BE IT FURTHER RESOLVED that the Bureau of Land Management in its Central Yukon Plan establish the Hogatza River and the streams draining into it as Areas of Critical Environmental Concern (ACEC); and

BE IT FURTHER RESOLVED that within the Area of Critical Concern, all existing miners be required to meet state water quality standards and submit annual preseason plans of operation to the BLM.

[signature] 10-2-

Chairman Date

TANANA CHIEFS CONFERENCE, INC.

Tolovana Pollution

Resolution No. 84-13

WHEREAS: The residents of communities of Minto and Nenana make substantial use of the water of the Tolovana River, including the Upper Tolovana River, and its associated environments in the Minto Flats; and

WHEREAS: These residents have harvested fish and game resources from the Tolovana River and its associated environments including the Upper Tolovana River; and

WHEREAS: The waters and associated environment of the Tolovana River have become muddy and polluted during the placer mining season due to mining activities taking place in the headwaters of the Tolovana River; and

WHEREAS: This muddy water has damaged the habitats of water animals, fish and water fowl; and

WHEREAS: Harvests of game and fish resources has been damaged due to degraded water quality; and

WHEREAS: Residents of Minto and Nenana depend upon fish and game harvests as a major element in the economy of their communities;

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors asks that the State of Alaska and the U.S. Environmental Protection Agency take all necessary steps to enforce the state and federal water quality standards, laws and regulations on the Tolovana River Drainage.

BE IT FURTHER RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors urges the Governor and the Alaska State Legislature to make funds and expertise available to develop proper technology which will permit placer mining to continue in a way which results in no discharge of muddy or polluted placering water back into the Tolovana River.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

TANANA CHIEFS CONFERENCE, INC.

Clean Up Placer Mining Water on Tolovana River

Resolution No. 83-46

WHEREAS: the Tolovana River flows from its headwaters through the Minto Flats; and

WHEREAS: placer mining on the tributaries of the Tolovana River causes the water to be polluted and to be in violation of present State of Alaska Water Quality Standards for Multiple Uses of the water in this river, even with the use of settling ponds at the mine sites; and

WHEREAS: placer mine settling ponds generally fail to settle out the fine clays and sediments which cause polluted, turbid water to be returned into the originally clean streams; and

WHEREAS: the Tolovana/Livengood Mining District has petitioned the State of Alaska Department of Environmental Conservation (DEC) to reclassify the Upper Tolovana River so as to remove all of the applicable water quality standards except those standards for industrial use, thus making the Tolovana an industrial river only;

WHEREAS: the residents of Minto utilize the waters of the Tolovana River and of the Minto Flats generally for multiple purposes, including use of the Tolovana as a prime source of drinking water; and

WHEREAS: the proposed reclassification of the Tolovana River water to a single use Industrial Stream only will harm and damage the Minto residents and interfere with their multiple uses of this water;

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference Board of Directors hereby opposes the reclassification of any portion of the Tolovana River to an Industrial Stream;

BE IT FURTHER RESOLVED that the Tanana Chiefs Board of Directors urges that the U.S. Environmental Protection Agency and the DEC require that placer mines operate with totally closed systems and recycle the placering water rather than to return it into the streams as "Best Practicable Technology."

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 17, 1983 at Fairbanks, Alaska.

Dorothy K. Shockley

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

129c62

TANANA CHIEFS CONFERENCE, INC.

Environmental Effects of Mining Operations
on Birch Creek
Resolution No. 82-28

WHEREAS: Birch Creek is important to the residents living near or around the river; and

WHEREAS: there are mining operations upriver from the residents living and using the river in a traditional manner; and

WHEREAS: the methods the mining operations utilize dirties and clouds the river; and

WHEREAS: this hampers the traditional practices of those living downriver; and

WHEREAS: the methods of the mining operations damages the environmental, aesthetic, and ecological characteristics of the river; and now,

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference Board of Directors direct the staff of Tanana Chiefs Conference to inform the appropriate State, Federal and private agencies of the detrimental methods of mining operations used on Birch Creek.

Submitted by: Theresa McCall

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 18, 1982 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

43a17

TANANA CHIEFS CONFERENCE, INC.

Water Quality in Minook Creek

Resolution No. 84-14

WHEREAS: Minook and Little Minook Creeks and associated environments are utilized by residents of Rampart, and of the area generally; and

WHEREAS: the water of Minook Creek and Little Minook Creek is the subject of complaints of residents of Rampart due to high levels of turbidity and mud caused by placer mining discharges upstream; and

WHEREAS: the State of Alaska has regulations to protect water quality in such clear water streams but is generally reluctant to enforce these regulations; and

WHEREAS: the poor water quality interferes with and diminishes the use of Minook Creek and associated environments by the residents of Rampart and the area generally; and

THEREFORE BE IT RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors requests the State of Alaska to enforce present regulations concerning water in Minook Creek and Little Minook Creek, and

BE IT FURTHER RESOLVED that the Tanana Chiefs Conference, Inc. Board of Directors urges the Alaska State legislature and the State administration to provide technical and financial assistance to placer miners so as to help them develop, install and utilize new technology which would permit placer mining to take place while achieving clean water in placering streams.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 15, 1984 at Fairbanks, Alaska.

Tanana Chiefs Conference, Inc.
Dorothy Shockley
Secretary/Treasurer

2212

UNITED VILLAGES OF NELSON ISLAND AND VICINITY
RESOLUTION #84-08-01

WHEREAS THE UNITED VILLAGES OF NELSON ISLAND AND VICINITY represents the villages of this area in the Yukon-Kuskokwim Delta of southwestern Alaska; and

WHEREAS in recent years, village fishermen have been able to harvest salmon from the Kuskokwim and Yukon rivers migrating pass the island depending upon wind direction to supplement the marine mammal and herring subsistence diet of our villages; and

WHEREAS the expansion of the placer mining industry on both the Yukon and Kuskokwim Rivers, the lack of monitoring and enforcement of water quality standards by State and Federal agencies, and the concern by villages located on both rivers that their salmon fisheries will be threatened by these activities;

NOW THEREFORE BE IT RESOLVED BY THE UNITED VILLAGES OF NELSON ISLAND AND VICINITY that the Governor and area legislators take steps to make placer miners obey the same environmental laws that commercial fishermen and subsistence harvesters must follow to conserve all resources; and

BE IT FURTHER RESOLVED that the Governor and area legislators take steps to secure funds to allow State resource agencies to monitor and when necessary enforce State water quality laws if violated by placer miners to protect clean streams and our salmon resources.

MOTIONED AND PASSED THIS 26th DAY OF AUGUST, 1984

Michael Albert
CHAIRMAN

THE LOWER YUKON FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, The Lower Yukon Fish and Game Advisory Committee represents the fisheries and wildlife interests of the 15 villages of the Lower Yukon area; and

WHEREAS, The placer mining taking place in the upriver areas of the Yukon River between the Koyukon and the Porcupine has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Yukon River believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Lower Yukon Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 8-18-84 DAY OF AUGUST, 1984.

/S/ John Thompson
Johnny Thompson, Chairman

Yukon Flats Fish & Game Advisory Committee

Enforce Water Quality Laws and Regulations

WHEREAS: Communities represented by the Yukon Flats Fish and Game Advisory Committee depend upon the harvest of fish and game as the main part of their economy;

WHEREAS: fish and wildlife habitat in the areas of these communities is being damaged by mud and turbidity illegally discharged into streams in these areas;

WHEREAS: the harvest of fish and furbearers has been damaged by the discharges of mud and silt;

WHEREAS: productivity of fish is harmed by turbidity and by silt deposited on the bottoms of streams;

WHEREAS: the State of Alaska and the U.S. Environmental Protection Agency have not taken prompt and sufficient action to enforce state and federal laws and regulations designed to protect the water quality of Interior Alaska anadromous fish streams;

BE IT RESOLVED, that the Yukon Flats Fish and Game Advisory Committee hereby requests that the State of Alaska Department of Fish and Game, the Alaska Department of Environmental Conservation and the U.S. Environmental Agency immediately take steps to enforce applicable laws and regulations designed to protect water quality in Interior Alaska's streams; and

BE IT FURTHER RESOLVED, that the Yukon Flats Fish and Game Advisory Committee hereby also requests that the aforementioned agencies begin the task of cleaning up Birch and Beaver Creeks and all other streams in this region damaged by mining impacts.

_____

Chairman

126p1

NAKNEK - KVICHAK
FISH AND GAME ADVISORY COMMITTEE RESOLUTION 84-2

ENFORCE STATE WATER QUALITY STANDARDS

Whereas, the Naknek - Kvichak Fish and Game Advisory Committee represents hundreds of commercial and subsistence fishermen in the lower Bristol Bay region; and

Whereas, the annual harvest and continued strength of salmon runs is vital to the the economy and livelihood of these fishermen; and

Whereas, placer mining on the rivers and tributaries of salmon spawning streams often illegally discharges mud and silt into these waterways, killing fish and destroying their habitat; and

Whereas, the State of Alaska and the U.S. Environmental Protection Agency is allowing this illegal destruction of salmon habitat by inadequately monitoring and enforcing the State Water Quality Standards and federal requirements for clean water:

Be it therefore resolved, that the Naknek - Kvichak Fish and Game Advisory Committee urges the Alaska Department of Environmental Conservation and the U.S. EPA to take all necessary steps to protect the salmon resources of the State by monitoring and enforcing the State Water Quality Standards, and that the Governor and Legislature see that such enforcement is adequately funded; and

Be it further resolved, that the Governor and area legislators create a State policy that clearly gives renewable resources priority over nonrenewable resources and ensures the protection of our salmon stocks.

Oct. 29-84
Date

Alvin Aspelund
Alvin Aspelund, Chairman, Naknek - Kvichak Fish and Game Advisory Committee

LOWER KUSKOKWIM
FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, THE LOWER KUSKOKWIM Fish and Game Advisory Committe represents the fisheries and wildlife interests of the 13 villages of the Lower Kuskokwim area; and

WHEREAS, The placer mining taking place in the areas of the upper Tuluksak River of the Kuskokwim has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Kuskokwim villages believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Lower Kuskokwim Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 24 DAY OF AUGUST, 1984.

/s/ Chuck Chaliak
Chuck Chaliak, Chairman

LOWER KUSKOKWIM
FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, THE LOWER KUSKOKWIM Fish and Game Advisory Committe represents the fisheries and wildlife interests of the 13 villages of the Lower Kuskokwim area; and

WHEREAS, The placer mining taking place in the areas of the upper Tuluksak River of the Kuskokwim has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Kuskokwim villages believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska to preserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Lower Kuskokwim Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow state resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood.

MOTIONED AND PASSED THIS 24 DAY OF AUGUST, 1984.

/s/ Chuck Chaliak
Chuck Chaliak, Chairman

THE CENTRAL BERING SEA FISH AND GAME
ADVISORY COMMITTEE

RESOLUTION
#84-08-01

WHEREAS, The Central Bering Sea Fish and Game Advisory Committe represents the fisheries and wildlife interests of the 13 villages of the Lower Kuskokwim area; and

WHEREAS, The placer mining taking place in the upriver areas of the Yukon River between Koyukon and the Porcupine, and in the upper Tuluksak River of the Kuskokwim has no monitoring or enforcement to protect the streams so important to successful reproduction of salmon; and

WHEREAS, The fishermen of the Lower Kuskokwim villages believe that they should have equal rights as the placer miners, and have their economy protected by the State of Alaska through its equal enforcement of clean water quality laws to prevent spoilage of these spawning rivers by placer mining pollution; and

WHEREAS, The fishermen are regulated, monitored, and enforced by the State of Alaska, to conserve the resource, yet nothing is done by the State of Alaska, to regulate, monitor, or enforce placer mining;

NOW, THEREFORE, BE IT

RESOLVED: By the Central Bering Sea Fish and Game Advisory Committee that the Governor of the State of Alaska, and the legislators from this area be asked to regulate, monitor, and when necessary enforce clean water quality laws in the placer mining industry; and

BE IT FURTHER

RESOLVED: That the Governor and the area legislators should seek funds to allow State resource agencies such as Alaska Department of Fish and Game and Alaska Department of Environmental Conservation to monitor the placer mining operations and if pollution occurs, cease the operation before the pollution kills off the salmon fisheries that the area fishermen depend on for their only cash livelihood. and subsistence

MOTIONED AND PASSED THIS 21 DAY OF AUGUST, 1984.

/S/ [signature]
Jack U. Williams, Chairman

Resolution 84-

Clean Up Interior Placer Streams

WHEREAS, many clearwater tributary streams of the Yukon River of Interior Alaska support runs of spawning salmon, and

WHEREAS, such streams produce the salmon which are harvested for subsistence and commercial use by downstream residents of the Yukon River drainage; and

WHEREAS, the production of salmon makes up a major element in the economy of downstream communities on the Yukon River; and

WHEREAS, placer mining activity currently is discharging high levels of sediment and turbidity into Interior streams, often greatly in excess of state water quality standards and in excess of federal requirements for clean water; and

WHEREAS, sediment and turbidity in these streams damage fisheries habitat and hamper the production of fish; and

WHEREAS, the State of Alaska and the U.S. Environmental Protection Agency permits the illegal pollution of otherwise clearwater streams through inefficient, inappropriate enforcement of regulations and laws designed to protect water quality; and

WHEREAS, over time, the destruction of fisheries habitat in one stream after another will directly adversely affect the economy of downstrean communities,

BE IT HEREBY RESOLVED that the Middle Yukon Fish and Game Advisory Committee (otherwise known as the Galena Fish and Game Advisory Committee) demands that the State of Alaska and the U.S. Environmental Protection Agency properly and totally meet their legal commitments and requirements to promptly enforce water quality laws and regulations in Interior Alaska placer mining streams, and

BE IT FURTHER RESOLVED that the State of Alaska and the federal government take all necessary actions to clean up and to restore streams presently damaged by illegal discharges of sediment and turbidity and that they take all appropriate action to prevent future damage to these watersheds.

Chairman

Date

RESOLUTION OF KOKECHIK CORPORATION

RESOLUTION # 84-37-02

WHEREAS THE KOKECHIK CORPORATION represents the commercial herring and subsistence fishermen of the three villages of Hooper Bay, Chevak, and Scammon Bay, and

WHEREAS salmon are important to the limited entry permit holders in several of our villages and to all of our villagers for subsistence, and

WHEREAS State biologist believe without verification that migrating salmon taken by our villages are Yukon stock, and where

WHEREAS the expansion of placer mining activity in the Yukon River's tributaries, and the lack of moniroting and enforcement by state and Federal resource agencies to protect water quality necessary for salmon reproduction;

NOW THEREFORE BE IT RESOLVED BY THE KOKECHIK CORPORATION that the State of Alaska and the Federal EPA takes all necessary steps to enforce water quality laws through monitoring placer mining operations, and if necessary enforce these regulations to get miner compliance; and

BE IT FURTHER RESOLVED that the Governor and area legislators secure adaquate funding for DEC and ADFG to carry out the monitoring and enforcement of stream water quality to protect successful salmon reproduction.

MOTIONED AND PASSED THIS 27th DAY OF AUGUST, 1984

Joseph V. Ramirez
CHAIRMAN

1984

BERING SEA FISHERMEN'S ASSOCIATION
RESOLUTION NUMBER 5

WHEREAS the Bering Sea Fishermen's Association represents over 1600 commercial salmon and herring fishermen in western Alaska and,

WHEREAS the rapid expansion of the placer mining industry in interior and western Alaska has resulted in a loss of fish populations, spawning and rearing habitat and the deterioration of water quality necessary for continued fish production and,

WHEREAS the Alaska Legislature has shown a reluctance to fund resource agency attempts to regulate, control, monitor and enforce the placer mining industry's activities and,

NOW THEREFORE BE IT RESOLVED that the Bering Sea Fishermen's Association request the Alaska Legislature to appropriate the funds necessary to regulate, control, monitor and enforce placer mining activities and,

BE IT FURTHER RESOLVED that the Association request the Alaska Legislature to adopt legislation that will strengthen current water quality standards to ensure the long-term and continuing production of viable fish populations.

Motion Passed this 31 day of August 1984 in Anchorage, Alaska

HENRY IVANOFF
PRESIDENT - BERING SEA FISHERMEN'S ASSOCIATION


COLVILLE RIVER
BROOKS RANGE
MOUNTAINS
KOBUK RIVER
SCHWATKA MTS
WAARING MTS
NOATAK
Valley of Willows
Umiat
Sagwon
Lookout Ridge
Howard Pass
Howard Hills
Survey Pass
Plateau Mtn.
Nakmaktuak Pass
Gull Pass
Arrigetch Pks.
Shishakshinovik Pass
Ivishak Pass
Takahula
Walker Lake
Wiseman
Chandler Lake
Anaktuvuk Pass
Twelvemile Mtn.
Gold Bench
Sixtymile
Evansville (Bettles Field)
Bettles
Shungnak
Shungnak Village
Kalla
Lake Selby
Noluk Lake
Oscars Cabin
Black Jack Cabin
Arctic City
Abandoned
Alatna
Allakaket
Arctic Circle
Old Man S.C.
Hogatza
Cone Mtn.
Hughes
Koyukuk River (Old Cutoff)
Trading Post
Twentyfive Mile Cabin
Huslia
Vincents Camp
Indian R.
Iltopia Cr.
Melozitna S.C.
Melozitna River
Tozitna R.
Ramparts
Livengood
Fort Hamlin
Hess Creek
Twentytwo Mi. S.C.
Tanana
Indian Village
Kallands
Eureka
Baldry Mtn.
Sawtooth Mtn (Brooks Ra.)
Wolverine Mtn.
Caribou Bar
Mudbank Cabin
Fish Cr.
Ninemile River
Tramway Bar
Sithum Pass
Lakes Cabin
Riley Jims
Purcell Mtn.
Lockwood Hills
Winthrop Pt.
Higgins Pt.
Hot Landing
Selawik River
Kugaruk R.
Kobuk River
Salmon R.
Ambler R.
Koyukuk River
Hogatza R.
Kanuti R.
Dall
Dall River
Melozitna River
Little Melozitna R.
Twentymile Cr.
Wild Lake
Delay Pass
Nolan
Big Lake
Chandalar
Horace Mtn
Harvey Mtn
Mt Doonerak
Frigid Crags
Cairn Mtn
Koilotuk Mtn.
Alapah Mtn
Castle Mtn
Chandler
Killik River
Okpikruak R.
Ayiyak R.
Aupuk Cr.
Kurupa River
Etivluk R.
Nigu R.
Aniuk R.
Nuka R.
Killigwa R.
Awuna River
Kigalik R.
Mayoq Cr.
Birthday Pass
Corbon Creek
Meat Mtn
Thunder Mtn
Survey Cr.
Dog Cr.
Jade Cr.
Kobuk Cr.
Ambler River
Shungnak River
Kogoluktuk R.
Reed R.
Araterar R.
Kallarichuk R.
Pah River
Angutikada Pk.
Gabpilo
Nuligaruk R.
Kugaruk R.
Nimiuktuk R.
Kobuk
Inukuk
Hogatza
Batza R.
Dall
Kanuti
Lake Mentanontli
Hess Creek
Fort Hamlin
Stevens
Rampart
Tozitna R.
Middle Fk.
Twentymile
Wolverine Cr.
Baldry Mtn.
Sawtooth Mtn (Brooks Ra.)
Caribou Bar
Mudbank Cabin
Fish Cr.
Ninemile River
Tramway Bar
Sithum Pass
Gold Bench
Twelvemile Mtn.
Wild Lake
Delay Pass
Nolan
Big Lake
Chandalar
Horace Mtn
Harvey Mtn
Mt Doonerak
Frigid Crags
Cairn Mtn
Koilotuk Mtn.
Alapah Mtn
Castle Mtn
Chandler
Killik River
Okpikruak R.
Ayiyak R.
Aupuk Cr.
Kurupa River
Etivluk R.
Nigu R.
Aniuk R.
Nuka R.
Killigwa R.
Awuna River
Kigalik R.
Mayoq Cr.
Birthday Pass
Corbon Creek
Meat Mtn
Thunder Mtn
Survey Cr.
Dog Cr.
Jade Cr.
Kobuk Cr.
Ambler River
Shungnak River
Kogoluktuk R.
Reed R.
Araterar R.
Kallarichuk R.
Pah River
Angutikada Pk.
Gabpilo
Nuligaruk R.
Kugaruk R.
Nimiuktuk R.
Kobuk
Inukuk
Hogatza
Batza R.
Dall
Kanuti
Lake Mentanontli
Hess Creek
Fort Hamlin
Stevens
Rampart
Tozitna R.
Middle Fk.
Twentymile
Wolverine Cr.
Baldry Mtn.
Sawtooth Mtn (Brooks Ra.)

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:13

STATE OF ALASKA
THE LEGISLATURE

POUCH V · STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 1/29/85 8:30 am
" " " " 2/5/85, 8:30 am
" " " " 2/7/85, 8:30 am

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

A G E N D A

Tuesday, January 29, 1985
8:30-10:00 a.m.
209 Behrends

1. Public Hearing on HB 58 (An Act relating to the Fisheries Business Tax)

2. Discussion of Priorities

3. Confirmations of Ernest Carter to Board of Fisheries and Bruce Twomley to Commercial Fisheries Entry Commission

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

November 15 ,1984

MEMORANDUM

TO: Representative Bette Cato

FROM: Sharman Haley
Legislative Analyst

RE: Legislative History of the Raw Fish Tax
Research Request 85-039

The raw fish tax, AS 43.75.010-.140, dates from statehood. The law provides for a tax on raw fish purchases by canneries, cold storages, and other processors. As of 1978, the statute levied a tax of from one to four percent of the purchase price depending on the specific fishery resource and the type of processing facility. Fishermen selling to floating processors outside State jurisdiction were also subject to the tax. Twenty percent of the tax revenues were refunded to the borough and/or first class city in which the facility was located. As you requested, a five-year history of bills affecting the raw fish tax is presented in this memorandum.

1979-1980

Thirteen bills amending the raw fish tax statutes were introduced during the Eleventh Legislature. House Bill 571 and SB 448, identical bills sponsored by Representative Hayes and Senator Kelly respectively, were omnibus tax relief bills suspending the raw fish tax as well as a host of other taxes. These bills saw little legislative action. House Bill 340, introduced by Representative Gardiner, also saw little action. The bill would have tied the reporting and enforcement of regional aquaculture assessments to processor licensing under the raw fish tax statutes. House Bill 227 would have eliminated the distinction between floating and shore-based cold storages, thereby reducing the tax rate on the floating facilities from four percent to one percent. This proposal by Representative Osterback did not move from the House Resources Committee.

House Bill 306, sponsored by the Governor, was a thorough overhaul of the raw fish tax statute. The bill:

- imposed a uniform six percent tax on all processors;
- increased revenue sharing with the local government unit to 33-1/3 percent;

- required that half of the local revenue sharing be spent on docks or other fishery enhancement projects;
- directed an additional 33-1/3 percent of the revenue to the Commercial Fishing and Agriculture Bank; and
- upgraded the bond requirements for salmon exporters.

Bills introduced by Senator Kerttula (SB 132) and Representative Branson (HB 83) also addressed local revenue sharing, raising it to 50 or 60 percent, respectively. The Governor's bill was modified by the Senate Community and Regional Affairs Committee, grafted on to Senator Kerttula's bill number, and enacted into law as Chapter 79 SLA 1979. The legislation deleted all references to "raw fisheries products," replacing the phrase with "fisheries resources." Hence "raw fish tax" is now something of a misnomer; the statutory name is Fisheries Business Tax.

The stated purposes of the act were to:

1) insure that the state is able to continue its efforts toward overall fisheries-related development programs by raising additional revenue to pay for its programs;
2) make the imposition of the fisheries tax more uniform among fisheries businesses; and
3) provide funding for the development of new fisheries.

The tax rates established by Chapter 79 SLA 1979 are as shown in the table below:

	Shore-based Processor	Floating Processor
Canned Salmon	4.5%	5.0%
Developing Commercial Fish Species*	1.0%	3.0%
Other Fisheries Resources	3.0%	5.0%

*Developing commercial fish species are defined in AS 16.05.050(12) as species in a specific region for which the optimum yield harvest has not been reached, a substantial portion of the harvest has been allocated to foreign fishing, or commercial harvest of the species recently developed.

Under Chapter 79, a person who transports or sells a fisheries resource outside the jurisdiction of the State is liable for the tax which would otherwise be paid by the processor.

The legislation provided for 20 percent revenue sharing to local government, and 20 percent to the Commercial Fishing and Agriculture Bank. Second class cities were made eligible for revenue sharing as well as first class cities. The new revenue sharing formula was to begin with calendar year 1980 taxes. The legislation also increased the bonding requirements for salmon exporters to $50,000. The bond covers not only payment of the tax to the State, but also payment to the fishermen for the salmon.

Three pieces of legislation passed in 1980 made corrective amendments to the 1979 enactment. House Bill 192 (enacted as Chapter 155 SLA 1980) corrected the starting date of the new revenue sharing formula to taxes collected for calendar year 1979. The House Judiciary Committee deleted the penalty provisions from the act so as not to duplicate the criminal code. These repealers were offered in CSHB 354, and later incorporated in SB 313 and enacted as Chapter 143 SLA 1980. The House Judiciary Committee also made a corrective amendment suggested by the code revisor deleting the definition of "year". This correction was incorporated into SB 277 and enacted as Chapter 94, SLA 1980.

A bill which was a forerunner of legislation creating the Alaska Seafood Marketing Institute was passed by the legislature in 1980 but vetoed by the governor. The original version of HB 962 provided processors with a tax credit of up to 15 percent of the fisheries business tax liability for donations to a nonprofit corporation organized to improve the quality of and to develop markets for Alaska seafood. The final version, SCSCSHB 962, established a fisheries business tax grant fund financed by appropriations from the legislature. The bill authorized grants to a nonprofit seafood marketing corporation of up to 15 percent of the fisheries business tax paid by members of the corporation in the preceeding year. The governor vetoed the bill due to constitutional problems.

1981-1982

Several amendments to the fisheries business tax statutes were made by the Twelfth Legislature. Senator Eliason introduced SB 200, which would have relieved freezer boats from tax liability if the processors to which they sell were regulated by the statute. His proposal was incorporated into HB 460, which was introduced by the House Resources Committee. House Bill 460 also increased revenue sharing to local governments from 20 to 50 percent of tax revenues starting with tax year 1982. As a transitional measure, revenue sharing was pegged

at 30 percent of 1981 fisheries business taxes. After a complicated passage, SCSCSHB 460 (Fin)am S (efd am H) was enacted as Chapter 117 SLA 1981.

Other fisheries business tax legislation considered but not passed by the Twelfth Legislature included HB 422 by Representative Malone. The bill would have shifted the tax liability from fish processors to fish purchasers. Senator Mulcahy also introduced a bill, SB 523, to clarify the language defining "value" as used in calculating tax liability. Some of this clean-up was accomplished in HB 460.

Representatives Zharoff and Bettisworth proposed in HB 103 to repeal the fisheries business tax entirely. This bill saw no action.

1983-1984

Three pieces of legislation offered in the Thirteenth Legislature would have established a fisheries business tax credit program. None of these proposals were enacted. Senator Ferguson proposed (in SB 191) a rate reduction of one-half percent for businesses that also pay the seafood marketing assessment under AS 16.51.120. Senator Mulcahy proposed (in SB 379) to grant up to a 50 percent credit on tax liability for purchases of equipment used in processing a developing commercial fish species. The Senate Resources Committee Substitute for this bill restricted the credit to equipment for processing bottomfish.

Representative Zharoff also sponsored legislation granting a tax credit of up to 50 percent of the fish tax liability. Under his proposal, credits would have included expenditures for improvement of quality control and upgrading or modernization of processing facilities as well as expenditures for equipment used in processing developing commercial species. The House Special Committee on Fisheries' version of HB 518 generalized the credit to apply to any capital expenditure but restricted its application to shore-based canneries and limited the application of credits to no more than five consecutive years. The bill would have required the Department of Revenue to make an annual report to the legislature describing the expenditures for which the credit was granted and the attendant increases in employment or processing capacity. The bill was in House Rules Committee when the legislature adjourned.

* * * * *

I hope that this memorandum has provided you with the information you sought. If you would like more detailed information regarding any of the measures discussed above or if you have any further questions, please don't hesitate to call me.

SH

* DELIVER TO: TCJNU *
*
*
* ORIGINAL *
* SENT: 01/28/85 TIME: 16:39 *
* SUBJECT: H. SPEC. COMMITTEE ON FISH. *
* PRINT DATE: 01/28/85 TIME: 16:43 *
*

TO: ALL SITES

SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES — T/C DATE/DAY: 2/5 TUES

TYPE: LEGISLATIVE PUBLIC HEARING — TIME: 8:30-9:15 AM

SUBJECT: HB 58: FISHERIES BUSINESS TAX — JNU ROOM # BEHRENDS 209

CHAIRING SITE/PERSON: REP. GOLL/JNU — MODE: 4-WIRE

CONTACT/PHONE #: RODGER PAINTER 465-4925 — BRIDGE # NA

PARTICIPATING SITES

NORTH SLOPE
- ANAKTUVUK PASS
- BARROW
- KAKTOVIK
- POINT HOPE
- WAINWRIGHT

INTERIOR
- DELTA JUNCTION
- FAIRBANKS
- FORT YUKON
- GALENA
- GLENNALLEN

NANA
- AMBLER
- KOTZEBUE
- NOORVIK
- SELAWIK

BRISTOL BAY
- BETHEL
- DILLINGHAM
- ST. PAUL
- SAND POINT
- UNALASKA
- TOGIAK
- TOKSOOK
- NAKNEK
- NEWHALEN

SOUTH CENTRAL
- ANCHORAGE
- * CORDOVA
- HOMER
- SOLDOTNA
- * KODIAK
- MAT-SU
- * SEWARD
- * VALDEZ

NORTON SOUND
- GAMBELL
- HOOPER BAY
- NOME
- SAVOONGA
- SHISHMAREF
- UNALAKLEET

ALL ALASKA

ALL LIO'S

OTHER SITES WELCOME W/ PRIOR NOTIFICATION

SOUTHEAST
- HAINES
- HOONAH
- ** JUNEAU
- KETCHIKAN
- PETERSBURG
- * SITKA
- WRANGELL
- YAKUTAT

OFFNETS: _____

DATE TAKEN/BY: 1/28, DORIS

NOTE: CORDOVA WILL BE DIALED BY JUNEAU.

PUBLICITY:

JNU TROUBLE #'S 586-1062, 465-3836

ANC TROUBLE # 278-9624

SPECIAL TROUBLE # ___-____

XX STANDARD PUBLIC HEARING PROCEDURES

__ SPECIAL INSTRUCTIONS

LOCAL MODERATOR:
START TIME:
END TIME:

** NON-LEG BILLING PH#/ADDRESS

#TESTIFIED: #OBSERVED:
TOTAL:

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 1-28-85

REQUEST
Bill/Resolution No: HB 58
Title: Fisheries Business Tax Credit

Sponsor: Cato & Grussendorf
Requestor: Special Committee on Fish.
Date of Request: January 18, 1985

FISCAL DETAIL
Agency Affected: Department of Revenue
Program Category Affected: Collection and Management
BRU, Program of Subprogram(s) Affected:
Audit Division
Audit Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	2.0	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	3.0	-0-	-0-	-0-	-0-
400 SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
800 MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	5.0	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	5.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	5.0	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: Please see attached.

Prepared By: Martin J. Richard
Division: Audit
Phone: 465-2320
Date: January 18, 1985

Approved by Commissioner: Bruce D. Miller
Agency:
Date:

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Analysis for HB 58

Travel $2.0 - Passage of HB 58 will require the Audit Division to draft regulations and conduct public hearings throughout the state. Our fare and per diem costs are estimated at $2,000 for travel to Ketchikan, Anchorage and Kodiak by one Audit Division employee.

Contractual Services $3.0 - Conducting public hearing requires the presence of a court reporter, and advertising in statewide newspapers. In addition, the bill will make it necessary for the Department to revise its tax forms to request additional information from processors, and prepare annual reports to the legislature. Programming and forms design costs are included in this request.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date

REQUEST
Bill/Resolution No: HB 58
Title: Relating to the Fisheries Business Tax
Sponsor: Cato and Grussendorf
Requestor: House Special Committee on Fisheries
Date of Request: January 18, 1985

FISCAL DETAIL
Agency Affected: Revenue
Program Category Affected:

BRU, Program of Subprogram(s) Affected:

EXPENDITURES/REVENUES: (Thousands of Dollars)

		FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
	OPERATING						
100	PERSONAL SERVICES	-	-	-	-	-	-
200	TRAVEL	-	-	-	-	-	-
300	CONTRACTUAL	-	-	-	-	-	-
400	SUPPLIES	-	-	-	-	-	-
500	EQUIPMENT	-	-	-	-	-	-
600	LANDS & STRUCTURES	-	-	-	-	-	-
700	GRANTS, CLAIMS	-	-	-	-	-	-
800	MISCELLANEOUS	-	-	-	-	-	-
	TOTAL OPERATING	-	-	-	-	-	-
	CAPITAL	-	-	-	-	-	-
	REVENUE	-	(7000.0)	(7000.0)	-	-	-

FUNDING: (Thousands of Dollars)

	GENERAL FUND	-	-	-	-	-	-
	FEDERAL FUNDS	-	-	-	-	-	-
	OTHER	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

POSITIONS:

	FULL-TIME	-	-	-	-	-	-
	PART-TIME	-	-	-	-	-	-
	TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page for analysis.

Prepared By: Robert W. Elliott (Robert W. Elliott)
Phone: 465-2173
Division: Research Section
Date: 1/23/85

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FISCAL NOTE, HB 58
Attachment

Analysis for HB 58:

The above estimates are derived from the Revenue Sources January, 1985, projections for fisheries business taxes, and provide for tax credits effective in FY 86. The estimates reflect the maximum revenue loss the State would experience if all shore-based fisheries business tax returns applied for a 50 percent tax credit, and were subsequently approved by the department. It should be noted that although the fish processors would be the primary beneficiaries of the tax credit, there exists the possibility in certain cases where, if the processors are given a 50 percent credit and the remaining 50 percent is refunded to local governments per AS 43.75.130, the State could eventually not receive any revenues from those fisheries business taxes.

Estimates are duplicated for FY 87 and not shown beyond since price/catch projections are unknown.

REPRESENTATIVE
BETTE CATO
DISTRICT 6
BOX 775
VALDEZ, ALASKA 99686
(907) 835-4568

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4858
(907) 586-2660

Alaska State Legislature

House of Representatives

COMMITTEES

CHAIRMAN
HOUSE TRANSPORTATION

MEMBER
HOUSE COMMUNITY AND REGIONAL AFFAIRS

MEMORANDUM January 21, 1985

TO: Representative Peter Goll
Chairman
House Special Committee on Fisheries

FROM: Representative Bette Cato BC

SUBJECT: House Bill 58

On the 16th of January, I have introduced House Bill 58, "An Act relating to the fisheries business tax" which has been referred to the Resources Committee.

The purpose of this legislation is to provide an incentive to processors to upgrade the quality of their present facilities and equipment in order to enhance the quality or increase the quantity of Alaska's processed seafood. This would be done by directing the Department of Revenue to credit shore-based processors the state's portion (50%) of the fisheries business tax which must be used by the eligible processors for capital improvements.

The Department of Revenue would promulgate regulations for approving applications from the processors detailing their planned uses of the tax credit, which the Department would have 60 days to approve or disapprove. Further, the Department would prepare a report to the Legislature each regular legislative session describing what the credits were used for, and if possible, how employment and the processing capacity of the fisheries were improved.

The history of this bill is detailed in my request to the House Research Agency number 85-039. The members of the Committee would doubtless find this paper helpful in their deliberations.

The Department of Revenue has kindly made available to me mailing labels of all the processors names in the event that the Committee would like to contact them for possible testimony, and have the list for future reference. The labels are in Representative Shultz' office, and a copy of them could be obtained from there.

PROPOSED COMMITTEE SUBSTITUTE

HB 58

Pg 1

* Sec. 2. AS 43.75 is amended by adding new sections to read:

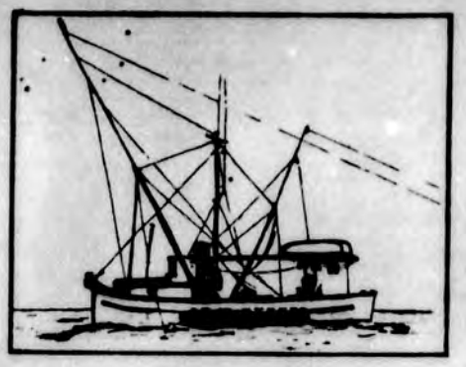
Sec. 43.75.018 FISHERIES BUSINESS TAX CREDIT. (a) A fisheries business is entitled to a credit of not more than 50 percent of the business tax liability under AS 43.75.015 for <u>eligible</u> capital expenditures

<u>related to increasing production efficiency and capacity, increasing product diversity, and improving product quality at</u> (TO) a shore-based fisheries business facility in the state made during the tax year if an applicatation for the credit is approved by the department.

pg 3

(9) "<u>eligible</u> capital expenditures" includes the price paid for <u>the</u> equipment and the costs of improvements made to depreciable property <u>defined</u> ~~designated~~ <u>by the Commissioner of Commerce and Economic Development</u> but does not include expenditures that are deducted entirely for federal income tax purposes in the year in which they accrued or were paid.

0075g



Alaska Trollers Association

REPRESENTING ALASKA POWER TROLLERS

130 Seward St., No. 213
Juneau, Alaska 99801
(907) 586-9400

1/30/85

HOUSE SPECIAL COMMITTEE ON FISHERIES

TESTIMONY OF THE ALASKA TROLLERS ASSOCIATION ON HOUSE BILL NO. 58

This testimony is submitted in regard to House Bill #58 jointly introduced by Representatives Grussendorf and Cato. Although the intent of the Bill is surely to promote construction of Alaska based facilities in the fish processing sector - a laudable goal - we are concerned about unintended side effects of the Bill.

One of the fastest growing new sectors in the Alaskan fishery is direct marketing of salmon and other species from small catcher/processor boats. Many trollers have for some time frozen their catch onboard and/or direct marketed. These developments have resulted in production of high-quality, high-value Alaskan seafood products which service some of the best markets, and which return "top dollar" to Alaskan fishermen and their communities.

House Bill #58, as written, would discriminate heavily against these producers. Tax, figured on grounds price of their production, would be five percent. No tax credit would be available to offset their capital expenditures for vessel improvements (ie. refrigerator systems, cleaning stations, sanitary systems, etc.) The effective tax on catcher/processors would be more than three times that of shore-based facilities.

We believe that the tax differential between small catcher/processors and on-shore processors should be eliminated. Tax credits should be extended to both types of processors, provided that the catcher/processor or floating processor's vessel is registered in Alaska, and is owned by an individual or company whose principal place of business is in Alaska. If you wish to make a distinction between small catcher/processors and floating processors then perhaps the DEC guideline of five tons round weight per day may suffice. In this way the incentive to growth will be extended to all sectors of the industry.

Earl E. Krygier
Executive Director

January 29, 1985

The Honorable Peter Goll
Pouch V
Juneau, Alaska 99811

Dear Peter:

As you know, I attended part of the hearings on the fisheries tax bill. Upon reflection, I have several concerns with the measure as it stands. Unfortunately, I will be in Sitka at the Board of Fisheries hearings when you next consider the bill, and must rely upon this correspondence to raise my concerns with you.

The tax bill as written, would seem to discriminate against resident, small boat processors. These individuals are already taxed at a higher rate (5%) than shore based processors (3%), most of whom are headquartered out of state. If the measure is not expanded to include this group, the bill would seem directly opposed to the interests of the Alaska economy.

As an example, if I sell a fish to Whitney-Fidalgo at 50¢ pr lb., and earn $5.00, that amount and some of the wages paid to labor will be retained within the economy of the state. (Please note that many cannery personnel are seasonal residents). If this measure passes, Whitney-Fidalgo would pay the state an effective rate of 1½% tax on the ex-vessel price.

If, on the other hand, I clean the fish, pack it in boxes (purchased locally), rent a truck (locally) and haul it to the airport (where they employ local labor), and finally send it to California where I am paid $2.00 pr. lb., the $20 I have earned is retained within the economy of the state, (as well as the wages of the local support group). Yet this process, which would have Alaska retaining a far greater proportion of the value of its fisheries production, is to be taxed at a far greater rate than the process mentioned above.

The capital investment credits, would seem to be a direct subsidy to that segment of the fisheries industry which is based in Seattle. While I won't raise objections to that per se, it seems illogical not to extend the same support to resident floating processors. This is especially true in that quality control begins onboard, and such credits might go a long way towards the financing of chilling systems and the like.

The movement towards small boat processing, was largely forced by the low prices offered by out of state corporations. In that the growth of this sector has been successful, both fishermen and the state have benefited. If the tax bill fails to include this group, the legislature will be supporting a continued paradigm of out of state domination of the fisheries, at the expense of small scale Alaskan enterprise.

Thank you for your consideration of these matters.

Sincerely

Neal Gilbertsen

Neal Gilbertsen
Box 1066
Juneau, Alaska 99802







Processors Look to 1985

Down So Long It Looks Like Up

FROM THE TUNA COMPANIES in Southern California to the crab plants along the Aleutian Chain, the West Coast seafood processing industry remained mired in a deep slump as 1984 came to a close, and while 1985 held scattered promise, the objective in many players' minds was mere survival.

"My short-term outlook extends to lunch," says one Alaska operator struggling to utilize high fixed-cost plants that once processed large volumes of king crab. "My long-term outlook extends to the weekend. We're shrunk back as tight as we can get."

If the country at large was mildly anxious about a slowdown in what had been vigorous economic growth, the processors were still trying to cope with a decade — the 1980s — that had offered them unrelenting pain.

Said one operator grimly trying to keep his ship afloat, "There's no such thing as making profits anymore," and the comment seemed to typify the plight of the industry as a whole. Resource dislocations, a dollar that discouraged exports while it drew a flood of product into the United States, and a hotly competitive domestic market driven exclusively by price, all figured in the processors' malaise.

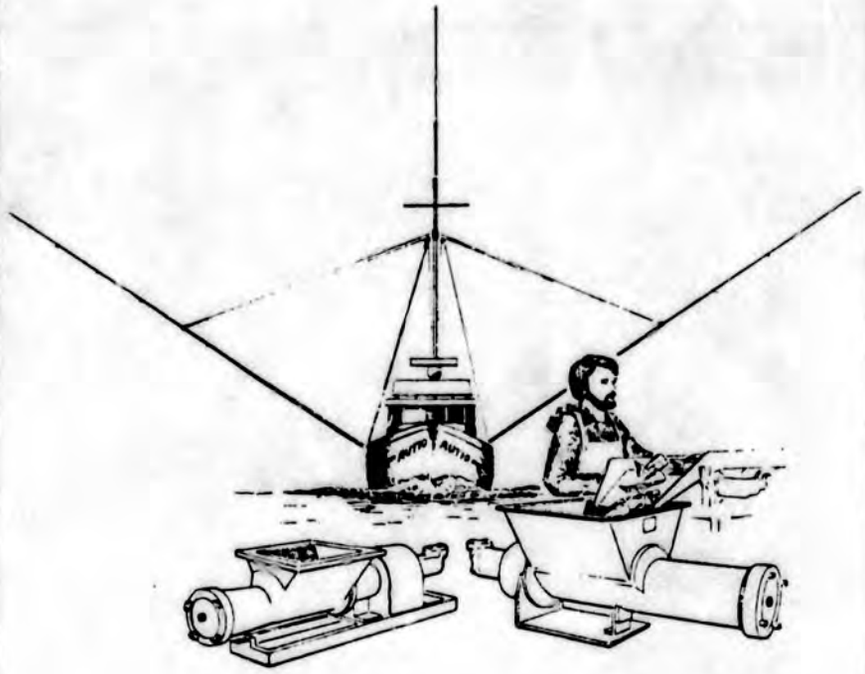
■ A small load of crab ready for processing. The shortage of every species of crab has hurt many processors and forced them either to cut back operations or to look at other species.

OCEAN TRANSPORTATION
OF
REFRIGERATED CARGOES

SUNMAR SHIPPING, INC.

Circle No. 31 on Reader Service Card.

Those who know... specify AUTIO
GRINDERS



Autio's equipment for the fish industry includes: Fish & crab shell grinders, pumps, baggers, and bait grinders. The grinders are available in several sizes and in both electric and hydraulically driven models. Our satisfied customers include most of the largest processors in the U.S.

AUTIO company
SPECIALIZED EQUIPMENT FOR THE FOOD INDUSTRY

Rt. 4, Box 480
Astoria, Oregon 97103 USA

(503) 458-6191
TWX 910 466 8010
AUTIO ASTO

Circle No. 32 on Reader Service Card.

With traditional strongholds under pressure, says an observer, "everybody's looking for the new niche, but it never appears. That means you've got to do things better just to stay in business, but you reach a point where you can't get any better." Still, he says, if the overall climate has been negative, there are positives worth noting as well. "There is lots of doom and gloom but it's not entirely so, and you've got to paint both sides of the picture."

San Diego Depression

Certainly 1984 yielded no more poignant story than that which occurred in Southern California where the tuna era came perilously close to an end. San Diego may still rank as the world's tuna capital, speculates Bumble Bee's Mike McGowan, but it is a distinction that reflects the past rather than the future. With no more canneries in the border city, fewer boats are coming to call and the tuna trend is inevitably offshore. Where is the next tuna capital, McGowan muses, perhaps Samoa, perhaps Bangkok?

It has been the flood of imported product, primarily from Thailand, that has precipitated the tuna industry's latest crisis, the one that finally overwhelmed the California plants. While most of the domestic industry anxiously sought tariff relief to stem the tide of water-packed product, Bumble Bee took the opposite tack at the behest of parent Castle & Cooke, the international trading firm.

For Castle & Cooke, that the tuna woes came hard on the heels of the Alaska king crab collapse where it had also been a major player, and as the company had closed the doors on its crab subsidiary, it was actively seeking to divest itself of Bumble Bee. Bumble Bee's future remained in doubt, with an internal management group the likely takeover candidate. The company's Hawaii plant had joined the San Diego facility in mothballs, at least temporarily, and processing operations continued only in Puerto Rico.

The San Diego fleet was also riddled with casualties despite the reappearance of an abundant resource in the Eastern Pacific as the world's largest ocean returned to normal in the wake of El Nino.

"I don't know where the industry is going," says McGowan. "I've given up crystal ball gazing."

At Terminal Island, counterpart Ed Ryan, spokesman for Starkist, notes the obvious aftereffects of the tuna industry's failure to obtain tariff relief: the closure of Starkist's mainland facility and the substantial number of

boats going out of business.

"There will be an onslaught of imports after January 1," he predicts, and estimates a final 1984 import total of between 8 million and 8.25 million standard cases, with Thailand accounting for 4 million to 4.5 million. In 1985, he says, "I figure the total will reach 9 million easy."

Ryan sees more pitfalls ahead for the industry in 1985, although he anticipates that his own company will be "somewhat better off because we took the gulp on Terminal Island in '84 and got rid of the dead loss situation."

Right now, he says, the big concern is for the boats, and he cites the possibility of strikes and tie-ups in view of prices driven down by the imports. In the market, however, he predicts strong sales activity with an early lenten season, and with the values that exist.

"There's no question that people are buying a lot of tuna," he says. "Prices of $.59 and $.69 a can move a lot of fish."

Santa Barbara Bullishness

Up north in Santa Barbara, Seafood Specialties spokesman Mike Wagner cites a far different experience. "1984 was a good year, an excellent year," he says, and lists three causal factors.

First has been swordfish, with the gillnet fleet "racking them in" and sale prices holding well. And, according to Wagner, the fishermen are "really competitive now in terms of taking care of the fish. The product is gorgeous."

He describes angel shark as the second factor behind his bullishness. After working at it for many years, he says, he's now able to place angel shark all over the country, and this onetime incidental nuisance has become a moneymaker.

The third positive, he says, has been the combination of "lots of little things."

"During the winters of 1982 and 1983, we really got hit hard . . . we just survived," he says, "but during the winter of 1984, we're pulling out of debt." El Nino brought tropical species with it, he says, fish like yellowfin tuna, yellowtail, opa and luvar. "They've given us something to sell along with the standard snapper, sole and shark."

It's not like life is all roses, however. "My biggest complaint," says Wagner, "is that the industry is really changing fast now and you've got to stay up or you're out of business."

Easy to clean • Slings from boats • Fork lift rotation



Tough polyethylene isothermic seafood transport containers

S, M, L, XL (500-2,200 lb. capacity) • Inexpensive • Rugged • Lightweight • USDA & FDA approved.

Tests prove after 10 days 77% of original ice still frozen lasting over 1 month. Preserves #1 Grade A quality.

DIAL (619) CAN-FISH 24 hrs.

WAHOO INDUSTRIES, INC. 1540 Frazee Road San Diego, CA 92108

Circle No. 33 on Reader Service Card.

MOST IMPORTANT NEWS IN 20 YRS. TO ICE USERS

MORRIS AND ASSOCIATES

Introduces the "Power Saver" - Saves Thousands $ in Electrical Cost $

ICE-MASTER ICE MAKER



Models available 2 to 90 tons

The 1985 model Morris "ICE-MASTER" ICE MAKERS are now available for forward-looking leaders in the vegetable, seafood, and food processing industries. The new models reflect over 36 years of engineering research and development by America's leading designer and builder of Ice Making Equipment.

This know-how has paid off in the design of the 1985 Morris Ice Makers and *the dramatic reduction in their cost of operation* . . . so important when electric cost continues to increase an average of 15% per year.

The 1985 Morris-designed "ICE-MASTER" ICE MAKERS *assure an operating savings of from one-third to one-half* compared with any other units on the market. This latest "state of the art" equipment from Morris features the original "Double Tube" design originated by Morris many years ago.

Call or write for the money-saving details today. Make us Prove It! If you use ice you cannot afford to wait . . . especially at today's electric and water costs, one of your largest overhead expenses.

P.O. Box 1046 • Raleigh, N.C. 27602 • (919) 779-1250 • TX 377-2214

Circle No. 34 on Reader Service Card.

KARAT ROPES
Made in Norway

Smaller Diameter, Greater Strength, Less Drag, Floats, 90% stronger than Polypro, 25% stronger than Nylon.

Dia	Approx.Wt./600 ft.	Approx. Tensile
3/8"	20.4 lbs.	4000 lbs.
15/32"	29.4 lbs.	5800 lbs.
9/16"	40.2 lbs.	8000 lbs.

600' coils in stock

Call or write for literature & sample.

National TOLL FREE NUMBER 1-800-752-0202

Everett Marine & Fishing Supply
1220 80th S.W., Everett, WA 98203
206-743-7004

EVERETT Marine & Fishing SUPPLY

Circle No. 35 on Reader Service Card.

SEAWOLF

EQUIPPED WITH:

Hood quilted with 4mm foam.

Reflection strips on chest, shoulders, back and hood.

Detachable, inflatable built in lung.

Detachable safety harness in waterproof tunnel.

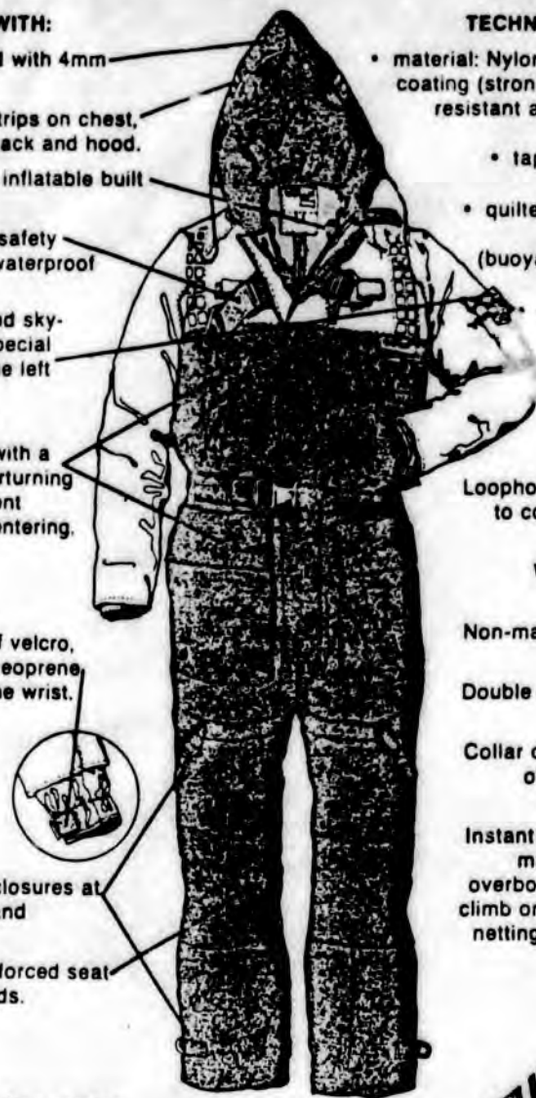
Lightstick and sky-blazers in special pocket on the left sleeve.

Chest- and legpockets with a double waterturning flap to prevent water from entering.

By means of velcro, adjustable neoprene closure at the wrist.

Adjustable closures at the ankles and upperlegs.

Special reinforced seat and kneepads.



TECHNICAL FEATURES:

- material: Nylon with a neoprene coating (strong, waterproof and resistant against oil, grease and gasoline),
- taped seams (100% waterproof),
- quilted with a very soft closed cell foam (buoyancy and to avoid hypothermia),
- safety colour: red with a white top (easy to trace at night) and red collar.

Loopholes in all pockets to connect lines for a knife, etc.

Whistle on line in outside pocket.

Non-magnetic sliders on frontzip.

Double waterturning flap over frontzip.

Collar closure by means of velcro and non-magnetic D-ring.

Instant draining, when a man who has gone overboard and wants to climb on board again, by netting in the underpart of the legs.

Call us for a free catalog or come in to see our full line of Imhoff waterproof clothing at:

Sailor's Choice Outer Wear Inc.
2144 Westlake Ave. (at Boat World) • Seattle, WA
(206) 281-7792
Vancouver B.C. office (604) 984-6762

Imhoff of Holland

Circle No. 36 on Reader Service Card.

He cites the appearance of lots of little "peddlar trucks" on the California scene, low overhead operations that outbid the traditional processors for fish, then undersell them in the marketplace. To fight the trend, he says, traditional processors have to get more competitive, but that's "hard to do when you're sitting on facilities that can handle big loads."

"I'm scaling down," he says. "I've had to turn down big loads from guys I want to buy from, but I have to compete with the peddlars."

Another change that has affected the industry is the growing importance of air freight, according to Wagner. The airlines want the business, he says, and they're cheaper than trucks.

"I can ship a container to Seattle [by air] for $53," he says. "That's a real positive."

Monterey Malaise

The optimism fades to the north. Monterey Seafood's Phil Tringale says simply, "1984 stunk." El Nino devastated the bay's squid resource, and it hasn't come back.

What about the future? The biologists aren't optimistic about next year's squid prospects, says Tringale, and that promises to prolong the pain for Monterey processors and the bay's lampara fleet.

Fortunately, he says, there was a good run of mackerel which went into cans and helped pay the bills, but mackerel "isn't a moneymaker."

What to do when your bread and butter disappears? "We're diversifying," Tringale says.

Santa Rosa Regret

At Point St. George Fisheries in Santa Rosa, Les Amundsen shares the uncharitable view of 1984. "It has been a very poor year so far," he says. "Every fishery has been disappointing.

"In salmon, they wouldn't let us catch or buy when they were there. Shrimp — we got a little production at the end of the year, but the market is terrible because of the Norwegian imports. We don't know if we can move what we put up.

"Bottomfish is the same old story. It's never a moneymaker, it just helps cover overhead." Black cod came on late and turned out to be a good market, he continues, but it started out very poorly.

The Dungeness crab situation was muddled, according to Amundsen. The coast had just settled on a price, but production was spotty and the meat market was weak in view of all the available substitutes — artificial

LUNDE MARINE INTRODUCES RAYTHEON'S NEW RAYNAV-550



Raytheon Marine Company is pleased to introduce the smallest, most automatic Loran C receiver... the Raynav 550. This unit provides all the features, performance, and accuracy of bigger Loran C units but at a fraction of the cost!

Raytheon's RAYNAV-550 Loran-C Navigator

Outstanding features include:
- Compact size (measures only 6 x 6 x 4 inches)
- Large, easy-to-read, easy-to-use backlit LCD keyboard
- 50 waypoints
- Auto ASF automatically corrects time delay errors for greatest lat/long accuracy
- Automatic magnetic correction factor converts true bearing data to magnetic bearing
- Automatic waypoint sequencing selects next waypoint "coming" and "going"
- Yacht racing "countdown" timer built in
- Automatic display of distance and bearing to next waypoint
- Speed over ground, Velocity to destination, Velocity along route, and Time to go
- Standard autopilot (NMEA 0180) and color video plotter outputs
- 8 notch filters to block interference
- All this for less than $900.

LUNDE MARINE ELECTRONICS, INC.

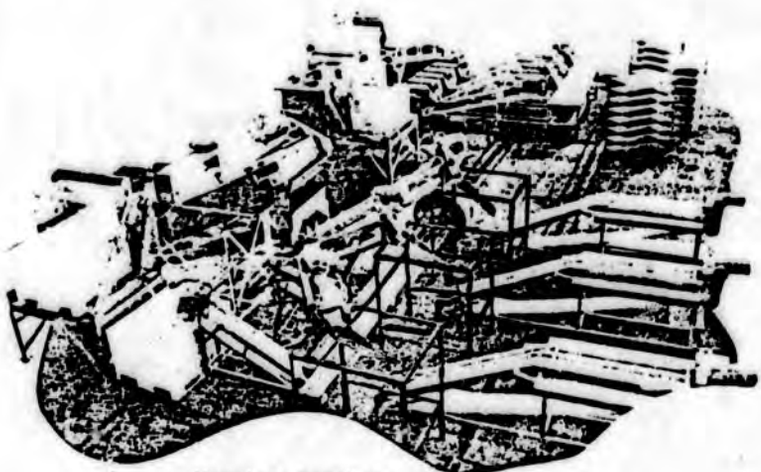
RAYTHEON

5415 24th Ave. N.W. Seattle, WA 98107 (206) 789-3011
Telex 15-2793 Cable: Lunde-Sea Dutch Harbor: (907) 581-1419

Circle No. 38 on Reader Service Card.

You name it, we do it

We've been designing and fabricating seafood processing equipment for nearly forty years. Whether your project is big or small, talk to Flohr first.



Heading, grading & packing line for farm raised salt water shrimp

Flohr Metal Fabricators, Inc.

3920 6th Avenue N.W. P.O. Box 70469
Seattle, Washington 98107
(206) 633-2222

Quality metal fabrication through the skills of individual craftsmen.

Circle No. 39 on Reader Service Card.

product, Korean snow crab. Chilean product. The whole-crab market had been firm for both frozen and fresh product, he says, then the Alaskans started trying to move their brine frozen inventories and the market softened.

"It's quite a gamble," he says of the Dungeness season. "The processors are very cautious. There's so many boats and so much gear, it's going to hit us all at once."

Crescent City Survival

In Crescent City, Eureka Fisheries' Ken Butler looks for improved Dungeness production in 1985, but admits that not all fishermen share his view. Few companies are in a position to freeze much crab and gamble on the market, he says, although Eureka will put up frozen product.

"I'm optimistic," he says. "I'd like to think there will be more product although it's just a gut feeling."

He cites an improving picture for groundfish at year end, with an aggressive market "when we have fish." And, the company has maintained its interest in whiting, he says, and has discovered "a little bit more interest, a little bit more excitement" in the market with product moving to the East Coast and the Midwest for the first time.

The big surprise in 1984 was the appearance of more shrimp at the end of the season, according to Butler. "We got a real spurt, and it was nice size, too. We had only 55,000 pounds up to August 26, and we ended up with over 500,000. Of course, we still have the inventory. We can't compete with the Norwegians."

What has to happen for a successful 1985? "I'd like to see the companies make money so the fishermen can make money," Butler says. "We've been hammered for four years."

"I'm as gloomy as the weather right now," he continues, looking out at an inclement California day. That provokes a comment on the approach of Dungeness operations: "This place looks like a little Dutch Harbor now. There are probably over 200 boats here, and 40,000 or 50,000 pots."

Seattle Surprises

In Seattle, Icicle's Mark Sandvik says 1984 "brought some good things, although the overall climate has been negative. We're an export oriented industry, and the strong dollar presents real problems."

Nonetheless, he cites a surprisingly aggressive Japanese presence in 1984,

and a European market that was more active than anticipated. There was big Alaskan salmon production, without correspondingly high yields in British Columbia and along the Lower 48 coast, he says.

"From our standpoint, production went well and sales were better than anticipated volume-wise, although margins were squeezed for us and for the fishermen. There are two ways to go in a climate like this. You can raise prices or squeeze costs, but the strong dollar has taken away the upside, so we're squeezing."

As for 1985, Sandvik doesn't see major changes. "We keep looking for the dollar to weaken, for the king crab to come back and for canned salmon to pick up," he says.

If Sandvik represents the point of view of a big Alaska processor, Ted Otness of Alaska Fresh speaks for a smaller company that was once entirely dependent on crab. "Right now," he says, "my attitude is that the golden nugget won't materialize so we have to be very cautious. We don't have the luxury of being careless. We keep our eyes open for opportunities and try to capitalize when we see them."

"We've gone from a winter company to a summer company. We used to do king crab primarily, but now we're into salmon, halibut, Dungeness and black cod. The crab problems have made us a much broader company. Maybe it's a good thing, and we're in it for the long term.

"Of course, it's no fun. We much more enjoyed being crab processors."

At Seawest Industries of Edmonds, Washington, Darryl Pedersen is a processor for whom the crab collapse has produced an unwelcome degree of financial stress. "The industry hasn't been able to adjust to current economics, especially in shellfish," he says. "Costs are too high, without enough volume. The fishermen are desperate and they have to demand too high a price.

"The processor winds up taking the financial risk up front, which consistently hasn't worked. We speculate and the market continually dies on us. The export opportunities are nil, and not only can't we export but the strong dollar forces others to export from their countries into this one."

What hurts, he says, is having high fixed-cost facilities operating at 20 percent of capacity, when "nobody has been able to cut operating costs by 80 percent." The market has become fractured and values have changed, according to Pedersen, who says, "Price is the only consideration now. Fishermen and processors are losing money, and the consumer is convinced he's paying too much."

Alaska Alternative

For the operators of catcher-processors, 1984 has been a transition year, according to Trans-Pacific's Mike Nordby. In crab, this mode of operation has largely replaced the shorebased industry in Alaska, and while the production declines have been severe, he says, there is also less competition in the marketplace for the companies whose vessels can pursue the remaining stocks.

And, according to Nordby, there are signs that the main production area of bygone years — Bristol Bay — will again yield a harvestable stock in 1985. In the marketplace, he says, after two years of steady price increases that constricted sales opportunities, prices have fallen sharply as failing shorebased companies have sold off their inventories. That development has its downside, he says, but the upside is increased demand not only at the restaurant level but among supermarkets that turned their backs on



Modeled by Catherine E. Hancock

Hancock

Cod-End Tripper

Designed to be the best Tripper on the market. Made from high strength Manganese bronze with a ½" stainless bolt holding the spike. Heavy spike head for hitting with a soft hammer. Fairing guard over the head and nut of bolt. Eight (8) cam wedges on the inside of body. Finished smooth all over. For use with ⅝" or ¾" braided or hard lay line. Weight 5 lbs. Postage paid anywhere in the USA.

$30.

Hancock Marine
300 River St.
Fall River, Ma. 02720
Phone: 617-678-0301

Established in 1935

Circle No. 40 on Reader Service Card.

■ Crates of just-canned salmon. Tuna packers could only wish that their industry was as robust as the salmon industry in 1984.

king crab several years ago.

Throughout this transition period, he says, "catcher-processors have established themselves as the dominant force in production and the most stable force in the market. We've withstood the resource declines, and now we look forward to rebuilding stocks and a market that shows renewed interest in the product."

The growing fleet of catcher-processors also supports the growing production of North Pacific whitefish, and Nordby describes more transitions under way in this segment of the industry. The market has been hit with "tremendous oversupplies" of fillet products, he says, with surging Canadian imports and the strong dollar at work, along with weakness in the European fillet and saltfish markets that has provoked all North Atlantic producers to target upon the U.S. consumer.

On the local scene, he comments, there has been an increase in Alaskan whitefish production as more players have entered the game, along with a decline in Pacific cod abundance that has necessitated a shift in emphasis to Alaskan pollock, a resource that is vast but virtually unknown to the American consumer.



FRED THOMAS

■ Cannery workers pack salmon. The Alaska salmon industry was one bright spot for processors in 1984, and should continue that way in 1985.

Canadian Calculation

Life is little simpler for Canadian processors today, says Peter Browne of Quality Fish in Vancouver. "Our biggest problem is the strength of the U.S. dollar," he says, with the Canadian dollar pegged to its U.S. counterpart and other currencies weak.

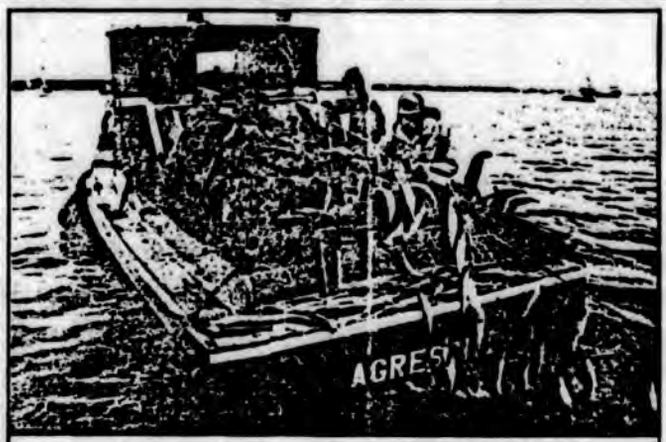
"Our problem is exactly the same as that of U.S. processors," he continues — the difficulty of exporting into Europe, Japan and other countries. "Of course," he says, "in salmon, the U.S. has an advantage because Alaska supplies 50 percent of the world's salmon while we supply 13 percent so their unit costs are lower. As for 1985, I can't speculate on currency values, although I hope the U.S. dollar weakens, and falling interest rates should help."

And so the bright spots are few and far between for processors along the entire coast. The name of the game is to cut costs, diversify and hope, and life can only get better for those who've been able to hang on.

by John Sabella



Circle No. 42 on Reader Service Card.



HIGHLINERS VS GREENHORNS

What team do you want to be on?

You can tell a lot about people by the clothes they wear. On a fishing vessel, it's easy to spot the HIGHLINERS. They're wearing Grunden of Sweden foul weather gear. GREENHORNS don't. Anyone who knows anything about being on the water wears Grundén of Sweden, made especially for the professional. It keeps you comfortable in the worst of weather. Freezer tested to -100°F, it won't get stiff in the cold. And the fullness of cut gives you complete body coverage and total mobility.

COFISH INTERNATIONAL, INC.

Specialist in protective clothing in the U.S.A. for: Grunden of Sweden foul weather clothing / Polar Flex insulated work gloves, flotation jackets and vests / More of Norway thermo pile garments. Available at quality retailers in all major fishing ports.

P. O. Box 13, East Haddam, CT 06423 USA
Tel. 203-873-9500/9266 Telex 710-420-0530

Circle No. 43 on Reader Service Card.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

January 31, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Fisheries Business Tax Revenue Sharing Figures

Attached are the revenue sharing figures for the Fisheries Business Tax requested at the last Fisheries Committee meeting by Representative Jenkins. The revenue sharing with local communities is designed to offset the impact of providing services to processing plants. The tax credits granted by HB 58 would not affect revenue sharing.

SHARED REVENUE FY 84 SPREADSHEET

			Fisheries
1	MUA635	Anchorage Municipality	6670736
2	CBJ496	Juneau	3916461
3	CIS599	Sitka	21803110
4	BBB699	Bristol Bay Borough	936600724
5	FNS462	North Star Borough	69844
6	HAB944	Haines Borough	5200357
7	KPB465	Kenai Peninsula Borough	57442803
8	KGB466	Ketchikan Gateway Borough	21041660
9	KIB128	Kodiak Island Borough	709694434
10	MAB586	Matanuska-Susitna Borough	9000
11	NSB460	North Slope Borough	
12			
13	CIA323	Akhiok	
14	CIA322	Akiachak	
15	CIA321	Akiak	
16	CIA072	Akutan	10227813
17	CIA693	Alakanuk	
18	CAL596	Aleknagik	
19	CAL597	Allakaket	
20	CIA143	Ambler	
21	CAP063	Anaktuvok Pass	
22	CIA275	Anderson	
23	CIA461	Angoon	
24	CIA062	Aniak	31250
25	CIA057	Anvik	
26	CIA565	Atmautluak	
27	COA027	Atqasuk	
28	CIB781	Barrow	
29	CIB819	Bethel	1862737
30	CBM320	Brevig Mission	
31	CBU595	Buckland	
32	CIC132	Chauthbaluk	
33	CIC319	Chefornak	
34	CIC202	Chevak	
35	COC272	Chignik	23530824
36	CCP269	Clarks Point	8750
37	CCB210	Cold Bay	876480
38	CIC801	Cordova	47591610
39			
40			
			360301583

COLUMN - WRITE

© WILSON JONES COMPANY G7512 GREEN

		9 Fisheries	10	11
1	CIC492 Craig	120499		
2	CID317 Deering			
3	CDJ475 Delta Junction			
4	CID836 Dillingham	10703868		
5	CID072 Diomede			
6	CEA594 Eagle			
7	CIE061 Eek			
8	CIE316 Ekwok			
9	CIE593 Elim			
10	CIE322 Emmonak	2231150		
11	CIF635 Fairbanks	8350		
12	CFY463 Fort Yukon			
13	CIF201 Fortuna Ledge	24685		
14	CIG271 Galena	1250		
15	CIG231 Gambell			
16	CIG315 Golovin			
17	CGB110 Goodnews Bay			
18	CIG200 Grayling			
19	CIH871 Haines	20448		
20	CHC590 Holy Cross			
21	CIH724 Homer	7942680		
22	CIH254 Hoonah	1790149		
23	CHB589 Hooper Bay			
24	CIH520 Houston			
25	CIH314 Hughes			
26	CIH852 Huslia			
27	CIH230 Hydaburg	1000000		
28	CIK111 Kachemak (rec'd FY84 Rec. 1/9/85: void. 1/10/85			
29	CIK464 Kake	3073900		
30	CIK313 Kaktovik			
31	CIK197 Kaltag			
32	CIK927 Kasaan			
33	COK301 Kasigluk			
34	CIK891 Kenai	21535692		
35	CIK709 Ketchikan	14115108		
36	CIK060 Kiana			
37	CKC059 King Cove	32242264		
38	CIK196 Kivalina			
39	CIK229 Klawock	858900		
40				
		95665985		

COLUMN - WHITE ®

© WILSON JONES COMPANY 67812 GREEN

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1252 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86 1417

Shared Revenue FY 84 Spreadsheet Page Three

		8 Fisheries	9	10	11
1	CIK312 Kobuk				
2	CIK916 Kodiak	55984483			
3	CIK311 Kotlik				
4	CIK679 Kotzebue	314347			
5	CIK195 Koyuk				
6	CIK228 Koyukuk				
7	CIK088 Kupreanof				
8	CIK133 Kwethluk				
9	CLB218 Larsen Bay	2748606			
10	CIL199 Lower Kalskag				
11	CIM310 Manokotak				
12	CMC599 McGrath				
13	CIM109 Mekoryuk				
14	CMV111 Mountain Village				
15	CIN308 Napaskiak				
16	CIN291 Nenana	128521			
17	CNS226 New Stuyahok				
18	CIN521 Newhalen				
19	CIN194 Newtok				
20	CIN309 Napakiak				
21	CIN853 Nightmute				
22	CIN085 Nikolai				
23	CIN936 Nome				
24	CIN174 Nondalton				
25	CIN227 Noorvik				
26	CNP676 North Pole				
27	CNU598 Nuiqsut				
28	CIN314 Nunapitchuk				
29	NCC026 Nulato				
30	COH108 Old Harbor				
31	CIO469 Ouzinkie				
32	CIP644 Palmer				
33	CIP470 Pelican	6370694			
34	CIP181 Petersburg	38903549			
35	CIP194 Pilot Station				
36	CIP307 Platinum				
37	CPH224 Point Hope				
38	CPA471 Port Alexander	31647			
39	[illegible]				
40					
		104481847			

COLUMN - WRITE

© WILSON JONES COMPANY 67512 GREEN

		8	9	10	11
		Fisheries			
1	CPH306 Port Heiden				
2	CPL107 Port Lions				
3	CIQ193 Quinhagak	63750			
4	CIR225 Ruby				
5	CRM305 Russian Mission				
6	Saint George	1070179			
7	CSM472 Saint Marys	3450			
8	CIS192 Saint Michael				
9	CSP331 Saint Paul				
10	CSP978 Sand Point	7571768			
11	CIS106 Savoonga				
12	CIS583 Saxman				
13	CIS191 Scammon Bay				
14	CIS058 Selawik				
15	CIS624 Seldovia	625			
16	CIS366 Seward	9504044			
17	CIS190 Shageluk				
18	CIS189 Shaktoolik				
19	CSP522 Sheldon Point				
20	CIS105 Shishmaref				
21	CIS188 Shungnak * Held Per R & B				
22	CIS396 Skagway				
23	CIS564 Soldotna	1250			
24	CIS187 Stebbins				
25	CIT855 Tanana				
26	CIT473 Teller				
27	CIS272 Tenakee Springs				
28	CIB301 Thorne Bay	1250			
29	CIT854 Togiak	5770128			
30	CTB223 Toksook Bay				
31	CIT305 Tuluksak	1250			
32	CIT186 Tununak	1250			
33	CIU258 Unalakleet	3750			
34	CIU215 Unalaska	30396621			
35	CIU198 Upper Kalskag				
36	CIV 401 Valdez	2329996			
37	CIW222 Wainwright				
38	CIW185 Wales				
39	CIW159 Wasilla				
40					
		55816211			

COLUMN - WRITE

© WILSON JONES COMPANY 07512 GREEN

			8	9	10	11
			Fisheries			
1	CWM304	White Mountain				
2	CIW474	Whittier	162115			
3	CIW559	Wrangell	294888			
4	CIY479	Yakutat	3201608			
5						
6						
7						
8						
9						
10		Total Page 5	3658611			
11		Total Page 4	55816211			
12		Total Page 3	104481847			
13		Total Page 2	95668935			
14		Total Page 1	360301593			
15						
16						
17		Grand Total	619927197			
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						

© WILSON JONES COMPANY G7812 GREEN

RAW FISH SHARES
FY80 Thru FY84

Fiscal Yr.	Gross Receipts	Penalty/Interest NSF checks Refunds	Posted to State *	Net	% Shared	Amount Shared	Retained by State
FY84	19,181,148.29	141,578.85	6,641,025.50	12,898,543.94	50%	6,199,271.97	6,199,271.97
FY83	20,709,031.70	185,322.55	6,859,016.39	13,724,682.86	50%	6,862,341.43	6,862,341.43
FY82	23,014,131.52	51,646.17	4,026,992.01	18,935,493.34	30%	5,680,648.00	13,254,845.34
FY81	21,032,183.83	174,581.31	4,460,282.52	16,397,280.00	20%	3,279,476.00	13,117,904.00
FY80	14,716,893.39	37,989.75	2,915,418.64	11,683,485.00	20%	2,336,697.00	9,346,788.00
Totals	98,653,378.73	531,058.63	24,982,734.96	73,139,585.14		24,358,434.40	48,781,150.74

* Posted State means those amounts the state retained because processors indicated they were outside all cities and boroughs during processing.

Ms. Sandi Cesarini, Sea hawk Seafoods, Valdez telephoned my office and wished the following information and comments dealing with issues raised at the Special Committee on Fisheries teleconference to be given to committee members:

1. Several floating processors have expressed concerns that HB 58 only provides a tax credit for shore based processors, however floating processors presently have advantages and credits not available to shore based processors.

   a. Under the Federal Income Tax system floating processors are eligible to defer 50% of their tax liability. They must provide a plan for capital improvement expenditures to the Department of Internal Revenue to enable them to deduct this tax deferrment off their income for the year. In other words they may take the credit up front which provides them with a real capital advantage over shore based processors. This tax deferred money is also eligible for a partial investment credit.

   b. The fact that floating processors are able to move their processing plant provides them with a definite advantage over shore based processors. With fish runs varying each year the floating processors are almost assured of continual "good" catches as they are able to move to where the fish are being caught. A shore based processor on the other hand is limited to one area, if there is a poor catch in that area the shore based processor suffers.

   c. While shore based processors remain on land in one area they also contribute to the local economy through payment of property taxes, municipal rates (water & sewer), electricity and they also provide a great deal of the employement in the community.

2. In answer to the suggestion of eliminating the raw fish tax completely Ms. Cesarini feels:

a. This would severely hurt the cities in which the shore based processors live. Ms. Cesarini states that the shore based processors do not wish to gain at the expenses of the communities in which they live.

b. If the raw fish tax was eliminated the end result would be that the shore based processors would have this extra money. HOWEVER, this additional money would now be taxable by the federal government as income received. The tax rate for many shore based processors is high and this additional income would be taxed at this rate (estimated 42%)
Ms. Cesarini feels that the processors would benefit more by being eligible to receive a tax credit up to 50% of their business tax liability for capital immprovement expenditures. As HB 58 allows processors to carry this tax credit forward within the five year period this would benefit shore based processors considerably more than the elimination of the fish tax.

3. In answer to the suggestion of a 25% tax credit.

Several shore based processors have expressed their feelings of this idea. They believed the intent of HB 58 was to introduce a bill that would relieve the pressure on the fish processing industry. A 25% tax credit would not be sufficient to make any measurable impacts on the already suffering industry. HB 58 proposes to offer assistance to shore based processors for the next 5 years to enable them to improve and expand their operations. Due to the pressures the industry is currently experiencing many processors cannot make the improvements necessary to upgrade their facilities which is necessary if they are to survive and the pressures on the industry are to be relieved.
Processors feel if this was the intent and purpose of the bill, why start to put limits on it.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

January 26, 1985

SECTIONAL ANALYSIS OF HB 58
"An Act relating to the fisheries business tax"

Section One: Amends existing fisheries business tax statutes to replace the word "cannery" with "fisheries business."

Section Two: Establishes a program allowing a seafood processing company to claim a credit on up to half of its fisheries business tax liability. The 50 percent cap will ensure that revenue sharing to local communities will not be affected by the tax credits. To qualify for a tax credit, a seafood processor must invest in capital expenditures related to a shore-based facility in Alaska. The credits are limited to five consecutive years, and must be initiated within the 1985-1989 tax years. Thus, the tax credit program will sunset by 1994. Credits for capital investments exceeding the 50 percent cap in a single tax year may be carried forward to a subsequent tax year within the five-year limit. Buyer's of seafood facilities for which a tax credit had been claimed will not qualify for credits on those particular capital improvements. The Department of Revenue is given authority to adopt regulations for administering the program and is directed to act on applications within 60 days of receipt.

This section also provides for an annual report to the legislature on the benefits and utilization of the tax credit program.

Section Three: Provides that the tax credits will not affect revenue sharing with local communities.

Section Four: Defines "capital expenditures."

Section Five: Repeals the tax credit program June 30, 1994.

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION LOCAL 200

307 SOUTH FRANKLIN STREET, JUNEAU, ALASKA 99801 • (907) 586-6642

LARRY COTTER
President

JAY BROWNE
Vice President

MIKE ELLERS
Secretary-Treasurer

January 23, 1985

The Honorable Peter Goll
Alaska House of Representatives
Pouch V
Juneau, Alaska

Re: HB 58

Dear Representative:

Following discussions with Representative Cato and members of the fishing community I have decided that I am in full support of HB 58.

In an earlier letter to you I espoused a view that Alaska would be better off with a revamped fisheries business tax based upon a graduated scale than a tax credit approach as outlined in HB 58. However, I am now of the opinion the tax credit approach is a critical ingredient in providing Alaskan seafood processing companies a means through which their facilities can be modernized. And of course, modernization will play a crucial role in the development of a domestic bottom fish industry.

At the same time, I continue to believe a graduated fisheries business tax would provide added stimulus to seafood processing companies to engage in the processing of underutilized species. And I would strongly urge legislation along these lines be implemented.

In summation, I view these two approaches -- the tax credit for investment approach and the graduated tax approach -- as a meaningful combination of positive taxation which will yield a significant benefit to all Alaskans.

I look forward to speaking further with you on this in the future.

Very truly yours,

Larry Cotter
President

cc: The Honorable Ben Grussendorf
The Honorable Betty Cato
The Honorable Fred Zharoff

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

MEMORANDUM February 6, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Proposed Amendment to HB 58

The Office of Commercial Fisheries Development in the Department of Commerce and Economic Development has suggested that the committee might want to consider the following amendment to HB 58.

Add the following language to line 15, page 2, of the committee work draft:

has been approved or if the property is the subject of a sale or transfer between fisheries businesses having substantially common ownership.

This amendment is aimed at preventing companies from selling equipment or property to subsidiaries from taking advantage of the tax credit program.

PLANT: 105 MARINE WAY P.O. BOX 647, KODIAK, AK (907) 486-5740
HEAD OFFICE: FISHERMEN'S TERMINAL C-3 BLDG. ROOM 121, SEATTLE, WA 98119 (206) 285-2412 TELEX: 32-1295

alaska fresh seafoods, inc.

MARCH 31, 1983

DEAR SIRS,

ENCLOSED, YOU WILL FIND OUR 1982 FISHERIES TAX RETURN AND OUR 1982 SEAFOOD MARKETING ASSESMENT RETURN, ALONG WITH OUR CHECK IN THE AMOUNT OF $174,392.89 FOR BOTH OF THE RETURNS.

LET US TAKE THIS OPPRITUNITY TO EXPLAIN OUR POSITION AS TO THE CURRENT METHOD OF TAXING THE FISHING INDUSTRY.
FIRST, WE ARE A SMALL PROCESSOR AND WE HAD TO BORROW THE MONEY FOR THESE TAXES. WE ARE SURE YOU WILL AGREE OUR $174,392.89 IS QUITE A TIDY SUM. THIS CAUSES AN EXTREME HARDSHIP ON US ESPECIALLY WITH THE STATE OF THE FISHERIES IN SUCH AN ECONOMIC DEPRESSION.
SECOND, IF THE CURRENT METHOD OF COLLECTING TAXES CONTINUES, AS IT IS, IT MAKES IT VIRTUALLY IMPOSSIBLE FOR US AS A SMALL PROCESSOR TO BE ABLE TO EXPAND INTO THE DEVELOPING FISHERIES THAT THE STATE NEEDS SO BADLY IF THE FISHING INDUSTRY IS TO SURVIVE IN ALASKA.
THIRDLY, BECAUSE OF THE BURDEN CAUSED BY THE CURRENT METHOD OF TAXING THE PROCESSORS, YOU WILL FIND FEWER PROCESSORS TO TAX EACH YEAR. THIS OF COURSE WILL LIMIT YOUR TAX BASE WHICH WILL CAUSE MORE TAXING AND FINIALLY RESULT IN THE STRANGLATION OF THE WHOLE INDUSTRY.

WE WILL OF COURSE, CONTINUE TO PAY OUR TAXES. BUT, WE WOULD LIKE TO STRONGLY RECOMMEND A RE-EVALUATION OF THE ALASKA FISHERIES BUSINESS TAX AND THE FISHERIES MARKETING ASSESMENT. HOPEFULLY, THIS WOULD BE DONE WITH THE IDEA OF LESSENING THE BURDEN ON THE FISHERIES INDUSTRY.

YOURS TRULY,

David M. Woodruff

DAVID M. WOODRUFF
VICE PRESIDENT,
ALASKA FRESH SEAFOODS, INC.

CC: GOVERNOR, WILLIAM SHEFFIELD
HONORABLE BOB MULCHY
HONORABLE FRED ZAROFF

DW:jg

Mail to:
Department of Revenue
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

STATE OF ALASKA
DEPARTMENT OF REVENUE
ALASKA FISHERIES BUSINESS RETURN
AS 43.75.011 - 14

ONE RETURN PER PLANT OR VESSEL

Name (Person, firm or corporation)		E.I.N. or S.S. Number
ALASKA FRESH SEAFOODS, INC.		911043499
Mailing Address		**Fisheries Business License No.** / **Tax Year**
BOX 647		82-046 / 82
City, State, Zip Code	**Daytime Telephone Number**	**Location of Operation**
KODIAK, AK 99615	(907) 486-5749	KODIAK

Enter totals from Schedule A and/or Schedule B as indicated below and multiply by the appropriate percentages.

	TOTAL VALUE			TAX DUE	OFFICE USE ONLY
1. Canned Salmon - Shore-Based Business Schedule A; line 9, column (9A)	$ 0	Multiply by 4½% (.045)	1	$	
2. Other Shore-Based-Established Species Schedule A; line 9, column (9B)	$5,164,037	Multiply by 3% (.03)	2	$154,942.92	
3. Floating Business-Established Species Schedule A; line 9, column (9C)	$ 0	Multiply by 5% (.05)	3	$	
4. Shore-Based - Developing Species Schedule B; line 7, column (7A)	$760,037	Multiply by 1% (.01)	4	$ 7,600.37	
5. Floating Business-Developing Species Schedule B, line 7, column (7B)	$ 0	Multiply by 3% (.03)	5	$	
6. TOTAL TAX (Add Tax Due column, lines 1 through 5)			6	$162,543.29	
7. Enter amount of any prepayments of estimated tax ($25.00 license fee is not a prepayment)			7	$ 0	
8. Balance due or (overpayment) (Subtract line 7 from line 6)			8	$	
9. Penalty for late filing (5% per 30 day period not to exceed 25%)			9	$	
10. Interest (12% a year)			10	$	
11. TOTAL DUE WITH THIS RETURN (Add lines 8 through 10)			11	$162,543.29	

NOTICE: If the fisheries business covered by this return is a shore-based fisheries business which floats, from 04-575 Vessel Itinerary must be completed and attached to this return.

ALLOCATION OF REVENUE. Please provide the information requested below to allow for allocation of revenue to local governments. If the return is for a vessel, complete the schedule on the right, showing the amount of the taxes allocated to each location. Please see the general instructions for further information.

Vessel Location	A, B or C	% of Tax Due Allocated Line 1	Line 2	Line 3	Line 4	Line 5	Dollar Amount Allocated Per Location

Name of Cannery, Plant, Vessel or Business

Physical Location of Cannery, Plant or Business

Check only one: A. ☐ Within incorporated city limits
B. ☐ Outside city but within organized borough
C. ☐ Outside all cities or boroughs

I declare under penalty of perjury that this return (including all accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.

Signature of Taxpayer: X [signature] Date: X 3-31-83

Signature of Agent: Date:

This return must be filed with your payment on or before March 31, 1983. Make your remittance payable to the:

DEPARTMENT OF REVENUE
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

Please attach as appropriate to this return, Schedules A - G and form 04-575 Vessel Itinerary.

Office Use Only

04-574 (Rev. 1082)

Department of Revenue
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

ALASKA FISHERIES BUSINESS RETURN
SCHEDULE B. DEVELOPING COMMERCIAL FISH SPECIES

Fisheries Bus. Lic. No. 82-046

Developing commercial fish species are taxed at a lower rate than established species. Use this schedule only to report fish and shellfis species that have been designated as "developing" by the Alaska Department of Fish and Game. A list of these species is printed on the bac of this schedule. To report fish species that do not appear on the list of developing species, use Schedule A.

Please read the instructions and definitions on the back before completing this schedule.

DO NOT INCLUDE ESTABLISHED COMMERCIAL FISH SPECIES SEE SCHEDULE A	A. SHORE-BASED FISHERIES BUSINESS		B. FLOATING FISHERIES BUSINESS	
	Pounds	Total Value	Pounds	Total Value
1. Fisheries resources processed that were taken in company-owned or company-subsidized boats operated by employees of the fisheries business or in boats operated under lease or other arrangement. Complete a Schedule C for each column entry.		(1A) $		(1B) $
2. Fisheries resources processed that were purchased by your company from fishermen qualifying for exclusion from payment of the tax. Enter Total Pounds and Total Value from Schedule D in the appropriate column.		(2A) $		(2B) $
3. Fisheries resources processed that were purchased by your company except those resources included on line 2. Complete a Schedule C for each column entry.	261,935	(3A) $ 760,037		(3B) $
4. Fisheries resources that your company custom processed for someone other than a licensed fisheries business. List the name of the person/company owning the product which was custom processed. Attach Schedule E, Owner's Statement of Value, for each person/company you list.				
(a)		$		$
(b)				
(c)				
(d)				
(e)				
(f)				
(g)				
(h)				
(i)				
5. Fisheries resources that were custom processed for your company. List the name of the company that processed the resource. Complete a Schedule C for each column entry.				
(a)		$		$
(b)				
(c)				
(d)				
(e)				
(f)				
(g)				
(h)				
(i)				
6. Other fisheries resources transported outside the taxing jurisdiction of Alaska for subsequent processing or sale, or sold outside the taxing jurisdiction of Alaska. List the name of the person/company that purchased the product. Complete a Schedule C for each column entry.				
(a)		$		$
(b)				
(c)				
(d)				
(e)				
(f)				
7. TOTALS. Add categories 1-6. Enter (7A) on page 1 of the Return, line 4. Enter (7B) on page 1, line 5.		(7A) $ 760,037		(7B) $

Department of Revenue
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

ALASKA FISHERIES BUSINESS RETURN
SCHEDULE A. ESTABLISHED COMMERCIAL FISH SPECIES

Fisheries Bus. Lic. No. 82-046

IMPORTANT. Before completing this schedule, please read the list of Developing Commercial Fish Species printed on the back of Schedule B. Any fishery resource processed that is included on this list is taxed at a lower rate and must be reported on Schedule B.

CUSTOM PROCESSORS. Use Schedule A only to report those established commercial fish species which you custom processed for someone other than a licensed fisheries business. You are not liable for the tax on fisheries resources you custom processed for another licensed fisheries business. You must, however, report on Schedule F those resources that you custom processed for another licensed fisheries business.

GENERAL INSTRUCTIONS

Before completing this form, please read carefully each category as described on lines 1-7. This will help you determine which categories apply to your fisheries business.

Make your entries in column A only for salmon canned at a shore-based cannery. For fisheries resources other than canned salmon which were processed at a shore-based fisheries business, make your entries in column B. For fisheries resources processed on a floating fisheries business, make your entries in column C.

If this return is for a shore-based fisheries business which floats, form 04-575 Vessel Itinerary must be completed. Make your entries as a shore-based business only if the vessel was anchored in one spot and did not move from that anchorage for any reason during the entire calendar year.

DEFINITIONS OF VALUE - 15 AAC 75.300

VALUE means the actual price paid for the fisheries resource by the fisheries business, including indirect consideration such as fuel, supplies, or gear, whether paid at the time of purchase of the fisheries resource or tendered as a deferred, delayed, or advance payment, except that VALUE means the market value of the fisheries resource if the fisheries resource is taken in company-owned or company-subsidized boats operated by employees of the fisheries business or in boats which are operated under lease or other arrangement.

MARKET VALUE means the prevailing value paid for fisheries resources of like kind and quality by fisheries businesses in the same market area to fishermen who own their vessels.

If you CUSTOM PROCESSED a fisheries resource for someone other than a licensed fisheries business, you are liable for payment of the tax. List the VALUE of the resource as reported to you on the Owner's Statement of Value, Schedule E.

NOTE: Each entry you make in a Total Value column must be supported by a schedule C, D or E as appropriate that shows, in addition to other items, the species that are included in that entry. For lines 1, 3, 5, 6 and 7, complete a Schedule C for each entry. For line 2, attach a Schedule D for each entry. For line 4, attach a Schedule E for each entry.

DO NOT INCLUDE DEVELOPING COMMERCIAL FISH SPECIES SEE SCHEDULE B	A. SALMON CANNED AT A SHORE-BASED CANNERY		B. SHORE-BASED FISHERIES BUSINESS (DO NOT INCLUDE SALMON CANNED AT A SHORE-BASED CANNERY)		C. FLOATING FISHERIES BUSINESS	
	Pounds	Total Value	Pounds	Total Value	Pounds	Total Value
1. Fisheries resources processed that were taken in company-owned or company-subsidized boats operated by employees of the fisheries business or in boats operated under lease or other arrangement. Complete a Schedule C for each column entry.		(1A) $		(1B) $		(1C) $
2. Fisheries resources processed that were purchased by your company from fishermen qualifying for exclusion from payment of the tax. Enter Total Pounds and Total Value from Schedule D in the appropriate column(s).		(2A) $		(2B) $		(2C) $
3. Fisheries resources processed that were purchased by your company except those resources included on line 2. Complete a Schedule C for each column entry.		(3A) $	3,437,088	(3B) $5,164,764		(3C) $
SUBTOTALS. Add lines 1-3 in each column. Enter subtotals on the back of this Schedule A, line 8.		(A) $		(B) $5,164,764		(C) $

04-574 A (1/8)

DEVELOP. DO NOT INCLUDE COMMERCIAL FISH SPECIES SEE SCHEDULE B	A. SALMON CANNED AT A SHORE-BASED CANNERY		B. SHORE-BASED FISHERIES BUSINESS (DO NOT INCLUDE SALMON CANNED AT A SHORE-BASED CANNERY)		C. FLOATING FISHERIES BUSINESS	
	Pounds	Total Value	Pounds	Total Value	Pounds	Total Value
4. Fisheries resources that your company custom processed for someone other than a licensed fisheries business. List the name of the person/company owning the product which was custom processed. Attach Schedule E, Owner's Statement of Value, for each person/company you list.						
(a)		$		$		$
(b)						
(c)						
(d)						
(e)						
(f)						
(g)						
(h)						
(i)						
5. Fisheries resources that were custom processed for your company. List the name of the company that processed the resource. Complete a Schedule C for each column entry.						
(a)		$		$		$
(b)						
(c)						
(d)						
(e)						
(f)						
(g)						
(h)						
6. Salmon exported in the round. List the name of the person/company that purchased the salmon. Complete a Schedule C for each column entry.						
(a)		$		$		$
(b)						
(c)						
(d)						
7. Other fisheries resources transported outside the taxing jurisdiction of Alaska for subsequent processing or sale, or sold outside the taxing jurisdiction of Alaska. List the name of the person/company that purchased the resource. Complete a Schedule C for each column entry.						
(a)		$		$		$
(b)						
(c)						
(d)						
8. Enter amounts from Schedule A, Subtotals (from other side) in the appropriate columns.		(A) $		(B) $		(C) $
9. TOTALS. Add categories 4-8. Enter (9A) on page 1 of the Return, line 1. Enter (9B) on page 1, line 2. Enter (9C) on page 1, line 3.		(9A) $		(9B) $ 5,164,764		(9C) $

Department of Revenue
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

ALASKA FISHERIES BUSINESS RETURN
SCHEDULE C. FISHERIES RESOURCES PROCESSED BY SPECIES

Fisheries Bus. Lic. No. 82-046

Complete as many Schedules C as necessary to support the appropriate Total Value column entries made on Schedules A and B. For Schedule A, separate Schedules C are required for lines 1, 3, 5, 6 and 7. For Schedule B, separate Schedules C are required for lines 1, 3, 5 and 6.

For example, if you canned King, Coho and Chum Salmon as a shore-based cannery, and all of the salmon were purchased fresh at the dock, you correctly made an entry on Schedule A at line 3, column A. That entry would be supported by this Schedule, showing detailed information about each of the three species of salmon you processed.

For line category entries made on Schedule A, line 5, or Schedule B, line 5, you must provide a separate Schedule C for each person or company that custom processed for your company.

For line category entries made on Schedule A, lines 6 and 7, or Schedule B, line 6, you must provide a separate Schedule C for each person or company that purchased the resource which was transported unprocessed out of Alaska's taxing jurisdiction.

For example, if you transported unprocessed fisheries resources out of Alaska's taxing jurisdiction and sold them to companies A and B, company A's name would appear in the box requesting "Name of Person or Company" in the first schedule below. The information for the species which were purchased by company A would then appear in the corresponding spaces. The next schedule would then be completed for the resources sold to company B.

NOTE FOR SCHEDULE B ENTRIES: Herring, shrimp, and certain species of crab are considered to be developing species only in certain areas. Additionally, shrimp are "developing species" in some areas only when caught with pot gear. For these species only, you must list the area where caught. For shrimp, you must also list the type of gear used.

THIS FORM CONTAINS FIVE SCHEDULES C. USE ADDITIONAL PAGES AS NECESSARY.

First complete the boxes immediately below by transferring information directly from Schedule A or Schedule B. For each species included in the totals you enter below, provide the information requested in the boxes to the right.

This Schedule supports the entry made at: SCHEDULE	LINE	COLUMN
A	3	B

Name of Person or Company (for Schedule A, lines 5, 6 or 7 only, and Schedule B, lines 5 or 6 only)

TOTAL POUNDS (From Schedule A or B entry)
3,437,088 lbs

TOTAL VALUE (From Schedule A or B entry)
$5,164,764

SPECIES OF FISHERIES RESOURCE	AREA WHERE CAUGHT AND TYPE OF GEAR AS APPLICABLE TO SCHEDULE B	TOTAL POUNDS OF THAT SPECIES	AVERAGE VALUE PER POUND	TOTAL VALUE FOR THAT SPECIES
KING CRAB		811,979	3.504	2,845,520
DUNGENESS CRAB		732,377	.749	547,791
TANNER CRAB		716,915	1.62	1,161,540
KING SALMON		476	.666	317
RED SALMON		202,492	.938	189,987
PINK SALMON		191,300	.259	49,500
CHUM SALMON		578,024	.438	253,020
COHO SALMON		195,841	.559	109,458
HALIBUT		7,684	.99	7,631

First complete the boxes immediately below by transferring information directly from Schedule A or Schedule B. For each species included in the totals you enter below, provide the information requested in the boxes to the right.

This Schedule supports the entry made at: SCHEDULE	LINE	COLUMN
B	3	A

Name of Person or Company (for Schedule A, lines 5, 6 or 7 only, and Schedule B, lines 5 or 6 only)

TOTAL POUNDS (From Schedule A or B entry)
261,9351bs

TOTAL VALUE (From Schedule A or B entry)
$760,037

SPECIES OF FISHERIES RESOURCE	AREA WHERE CAUGHT AND TYPE OF GEAR AS APPLICABLE TO SCHEDULE B	TOTAL POUNDS OF THAT SPECIES	AVERAGE VALUE PER POUND	TOTAL VALUE FOR THAT SPECIES
SCALLOPS		237,922	3.147	748,741
BLACK COD		1,900	.95	1,805
PACIFIC COD		18,400	.304	5,592
CLAMS		3,713	1.05	3,899

ALASKA DEPARTMENT OF REVENUE
Audit Division
Pouch SA
Juneau, Alaska 99811

SEAFOOD MARKETING ASSESSMENT RETURN

AS 16.51.160

DUE DATE:
MARCH 31
following the
assessment y

Name (Person, Firm or Corporation)	Assessment Year	This return is an:
ALASKA FRESH SEAFOODS, INC.	1982	
Mailing Address	**Employer's I.D. or Social Security No.**	XX Original Return
BOX 647	911043495	
City, State, Zip Code	**Daytime Telephone Number**	☐ Amended Return
KODIAK, ALASKA 99615	907) 486-5749	

Add all values entered in the TOTAL VALUE column from each Alaska Fisheries Business Return filed for the assessment year (page1, lines
Enter each total in column C below.

A. Fisheries Business License Number	B. Location of Operation or Vessel Name	C. Value of Seafood Products	Office Use C
82-046	105 MARINE WAY, KODIAK, AK	$ 5,924,801	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	

1. Total value of seafood products listed in column C. (If less than $50,000, skip lines 2 - 5, sign the return and file it on or before the due date.)	1.	$ 5,924,801	
2. Multiply the value entered on line 1 by .2% (.002)	2.	$ 11,849.60	
3. Penalty for late filing (5% per 30 day period not to exceed 25%)	3.	$	
4. Interest (12% a year)	4.	$	
5. Total assessment (Add lines 2 through 4)	5.	$ 11,849.60	

I declare under penalty of perjury that this return, including any accompanying statements, has been examined by me and to the best of my knowledge and belief is true, correct and complete.

Signature of Processor	Date
X [signature]	X 3-31-83
Signature of Agent	Date

File this return o
before March 31, wit
assessment due (lin
Make your remit
payable to the
Department of Rev

Thank you.

04-578 (12/82)

Alaska State Legislature

House of Representatives

Special Committee on
~~Community & Regional Affairs~~
Fisheries

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

8:30 - 9:15 teleconference
9:15 - 10:00 public

HEARING DATE: 02/05/85 HB58: Fisheries Business Tax

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Geneva Lucille DAVENPORT	P.O. BOX 211283	GOLL *	NO	6-1255
JOHN SVENSSON	305 6th #1 JUNEAU	RAINBOW SEA FOODS		6-2580
Shirley Armstrong	Anchorage	Aid Roger Jenkins	No	465-4453
Royce Weller	Juneau	DOR	YES	465-2300
Steve Kettel	" "	DOR	YES	" "
Cass Parsons	319 Seward St.	United Fishermen of Ak.	Yes	6-2820
Janet A. Fries		Rep. Heumann	NO	
Catherine Waller	Pouch D	Dept. Commerce	no	2504
Reed Strops	Suite 218 #2 Marine Way	Chugach Fisheries	No	6-3561
HOWARD WAYNE	JUNEAU	REP. SUND	NO	4919
Wendy Chamberlain	Juneau	Rep Cato	No	4858
Karl Ohls	Juneau	Sen. Zharoff	No	3473
DICK REYNOLDS	JUNEAU	DEPT. OF COMMERCE	NO	2163
Alfred A Owen	West Point via Kodiak	Kodiak Alaskan Seafoods Inc	yes	Baranof Rm 819

```
*****************************************************************
*                                                               *
* DELIVER TO: [illegible]NU                                     *
*                                                               *
*                                                               *
* ORIGINAL                                                      *
* SENT            02/05/85  TIME: 09:29                         *
* FROM            LIOKOD                                        *
* SUBJECT         HOUSE FISHERIES HB 58 T/C                     *
* PRINT DATE:     02/05/85  TIME: 09:29                         *
*                                                               *
*****************************************************************
```

*** FINAL T/C STATS ***

DATE: ____FEBRUARY 5, 1985_____
SITE: ____KODIAK LIO_____
SPONSOR: HOUSE SPEC. COMMITTEE ON FISHERIES_____
SUBJECT: _____HB 58 - BUSINESS FISHERIES TAX_____
LOCAL MODERATOR: ___LORNA STEELMAN_____

****

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

1. EILEEN TORMALA, CRUSADER FISHERIES, BOX 692, KODIAK, 4863147
2. KEN ALLREAD, WESTERN AK. FISHERIES, BOX 2360, KODIAK, 486-4112
3. RAY SPAGNOLA, URSIN SEAFOODS, BOX 492, KODIAK, 486-5724
4. SLIM JOR DENSEN, BOX 2502, KODIAK, 486-5607
5. JEROME SELBY, KOD. IS. BOROUGH, 7 10 MILL BAY RD., KODIAK, 486-5736
6. JOHN SEVIER, 521 MILL BAY RD., KODIA K, 486-3234
7. DAVE WOODRUFF, 105 MARINE WAY, KODIAK, 486-5746

****

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

1. A. IRVING TORMALA, CRUSADER FISHERIES, BOX 692, KODIAK, 486-3147

****

TESTIFIED: ___7_____ TIME START: 8:30AM
OBSERVED: ___1_____ TIME END: 9:10AM
TOTAL: ___8_____

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/05/85 TIME: 09:31
FROM: LIOSOL
SUBJECT: FINAL STATS
PRINT DATE: 02/05/85 TIME: 09:32

FINAL T/C STATS

DATE: TUES., FEB. 5, 1985
SITE: SOLDOTNA
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: HB 58: FISHERIES BUSINESS TAX
LOCAL MODERATOR: TIM

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

TESTIFIED: 0
OBSERVED: 0
TOTAL: 0

TIME STARTED: 8:30A
TIME ENDED: 9:15A

DELIVER TO: TCJNU

ORIGIN:
SENT: 02/05/85 TIME: 11:37
FROM: TCMAT
SUBJECT: SPEC. CMTE ON FISHERIES
PRINT DATE: 02/05/85 TIME: 11:38

*** FINAL T/C STATS ***

DATE: FEB. 5, 1985
SITE: SEWARD LTC
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: PROCESSORS
LOCAL MODERATOR: JACKIE CAMPBELL

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
MELODY JORDAN/ICICLE SEAFOODS	BOX 8--SEWARD	99644

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE

TESTIFIED: -1-
OBSERVED: -0-
TOTAL: -1-

TIME START:
TIME END:

```
*****************************************************************
*
* DE[illegible] TO INU                                          *
*                                                               *
*                                                               *
* ORIG[illegible]                                                *
* SEN[illegible]          02/05/85  TIME: 12:34                  *
* FROM                TCHOM                                     *
* SUBJE[illegible]        FINAL STATS-FISH. TAX                  *
* PRIME [illegible]TE     02/05/85  TIME: 12:36                  *
*                                                               *
*****************************************************************
```

*** FINAL T/C STATS ***

DATE _____FEBRUARY 5, 1985_____
SITE _____HOMER_____
SPONSOR _____HOUSE SPECIAL COMM. ON FISHERIES_____
SUBJECT _____HB 58 FISHERIES BUSINESS TAX_____
LOCAL MODERATOR: __JEAN SCHROEDER_____

****

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

1.BEBE BICE\ICICLE SEAFOODS\SEWARD FISHERIES, 842 FISH DOCK ROAD,
HOMER, AK. 99603 PH. 235-8107

****

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

****

TESTIFIED: ___1_____ TIME START: 8:30_____
OBSERVED: ___0_____ TIME END: 9:15_____
TOTAL: ___1_____

****

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/05/85 TIME: 09:14
FROM: TCANC
SUBJECT: FISHERIES T-C STATISTICS
PRINT DATE: 02/05/85 TIME: 09:14

*** FINAL T/C STATS ***

DATE: FEB. 5, 1985 - TUESDAY
SITE: ANCHORAGE
SPONSOR: HOUSE SPECIAL COMM. ON FISHERIES
SUBJECT: HB 58
LOCAL MODERATOR: DAVID J

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE

TESTIFIED: 00
OBSERVED: 00
TOTAL: 00

TIME START: 8:30
TIME END: 9:15

```
**********************************************************
*                                                        *
* DELIVER TO: LTCJ                                       *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          02/05/85  TIME: 09:01                   *
* FROM:          LIOKOD                                  *
* SUBJECT:       HB 58 T/C HOUSE FISHERIES               *
* PRINT DATE:    02/05/85  TIME: 09:02                   *
*                                                        *
**********************************************************
```

TO: BILL/JUNEAU
KODIAK

PARTICIPANT LIST #3

TO TESTIFY:

7) DAVE WOODRUFF

EOM

```
**********************************************************
*                                                        *
* DELIVER TO: LTCJ                                       *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          02/05/85  TIME: 08:45                   *
* FROM:          LIOKOD                                  *
* SUBJECT:       HB 58 T/C HOUSE FISHERIES               *
* PRINT DATE:    02/05/85  TIME: 08:45                   *
*                                                        *
**********************************************************
```

TO : BILL-TCJNU

FRO KODIAK

HERE TO PARTICIPATE IN THIS MORNINGS HOUSE SPECIAL COMMITTEE ON FISHERIES TELECONFERENCE ARE THE FOLLOWING PEOPLE:

TO TESTIFY FROM KODIAK:

2) KEN ALLREAD
3) RAY SPAGNOLA
4) SLIM JORDENSEN
5) JEROME SELBY

```
**********************************************************
*                                                        *
* DELIVER TO: LTCJ                                       *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          02/05/85  TIME: 08:47                   *
* FROM:          LIOKOD                                  *
* SUBJECT:       HB 58 T/C HOUSE FISHERIES               *
* PRINT DATE:    02/05/85  TIME: 08:49                   *
*                                                        *
**********************************************************
```

TO: BILL/JUNEAU
FR: LORNA/KODIAK

PARTICIPANT LIST #2

TO TESTIFY:

6) JOHN SEVIER

EOM

****
*
* DELIVER TO: LTCJ
*
*
* ORIGINAL
* SENT:
*
* PRINT DATE: 02/05/85 TIME: 08:41
*
****

TO: TCJNU
FROM: HOMER Homer

PARTICIPANT LIST #1

TO TESTIFY:
1. BEBE BICE, ICICLE SEAFOODS\SEWARD FISHERIES, 842 FISH DOCK ROAD, HOMER, AK. 99603 PH. 235-8107

REPRESENTATIVE
PETER GOLL

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4925

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

MEMORANDUM February 4, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: Investment Tax Credits

The Department of Revenue responded to our request to supply materials relating to the effectiveness of tax credits in stimulating economic development by supplying numerous articles and reports. Representative Hurley's staff plowed through the voluminous materials and was kind enough to identify information relating to the effectiveness of tax credits.

Attached are copies of the pages flagged by Representative Hurley's staff with pertinent comments highlighted. The entire volume of materials was too large to duplicate in its entirety; the materials will be made available to any committee member upon request.

SUMMARY AND RECOMMENDATIONS

State tax policy is in disarray: states compete for footloose firms by offering expensive tax holidays; households are in revolt against rising property tax burdens; cities demand state aid for social services; and the federal government mandates costly programs that must be paid for with state funds. By-passed by the federal grant programs spawned by the recent recession, state officials have been trapped in a reactive role and have been left out of the urban policy debate. The present state tax structure reflects the hasty application of band-aids rather than the considered surgery that is necessary to meet current economic problems.

This paper examined how the structure of state and local taxes can best be adapted to meet these problems. It approached the problem from a broad perspective, analyzing not only business taxes, but also the state/local fiscal structure and personal taxes, since these issues also influence the local pattern of development. The paper's conclusions, summarized below, should help local policy makers in the difficult tasks that confront them.

WHAT SHOULD A STATE ECONOMIC DEVELOPMENT STRATEGY LOOK LIKE?

Taxes are only one factor among many—and a relatively minor one—that affect state economic development. The quality of the local labor force, transportation facilities, energy prices, and population growth all contribute to shaping local development. In fact, population growth may be the single most important factor. Households are not only drawn by local job openings but also by an attractive residential and recreational environment. This implies that:

An economic development strategy must aim at attracting skilled workers as well as factories. Concentrating on industrial parks and business tax incentives at the expense of residential amenities will meet with only limited success.

As the distribution of jobs and people change in response to technological change and other market forces, as well as to public sector policies, underlying market conditions change. Wages and land prices are driven up in growth areas, while costs fall in slower growing

regions. The future is not an indefinite extension of the past. A loss of manufacturing jobs may be counterbalanced by an increase in service industry employment. The lesson is that:

An economic development strategy must recognize changing local comparative advantage, and not attempt to wind the clock back. For the Northeast, and for many urban areas, manufacturing can no longer be the main engine of growth.

Most local employment growth occurs through the birth of new firms and the expansion of existing, small companies. Very little growth (or decline) results from the inmigration (or outmigration) of firms. Taxes play only a minor role in the location decisions of migrating companies. Therefore:

An economic development strategy must focus on the overall economic climate, and not waste resources on special incentives for a few favored firms. It must encompass a broad range of policies, including training programs, infrastructure development, and capital mobility as well as a balanced tax structure.

Finally, the relatively small role played by taxes does not imply that state governments are powerless to influence growth and development. Positive and coordinated leadership and a minimum of red tape are important considerations.

WHAT GUIDELINES SHOULD A STATE EMPLOY TO IMPROVE ITS TAX STRUCTURE?

The primary purpose of taxes is to raise revenues to pay for local services. This must be achieved with as little disruption as possible to businesses and households, as fairly as possible, and at the lowest possible administrative cost. The following guidelines should help in the formulation of local fiscal policy.

Efficiency

- The overall burden of taxes should reflect the local preference for public services.
- The tax structure should not encourage undesirable reactions by taxpayers, such as business or household relocation.

Equity

- The greater a taxpayer's resources, the greater his tax payments should be.
- Taxpayers with similar resources should incur similar tax burdens, all other things being equal.
- The tax burden for taxp related to the value of publ

Administrative Cost

- The tax should be simple
- The tax revenue should b
- The tax revenue should g services grows.
- The tax revenue should b

These guidelines cannot necessarily compatible. An i at a loss of equity, for examp offs to be made explicitly a

There are also constraints can pursue these goals. Fir structure of fiscal federalism of the federal and local gov their desire to maintain so limited by the fact that ther who pays for specific taxes hold behavior.

WHAT SHOULD STATES DO ABOUT THE STATE/LOCAL FISCAL STRUCTURE?

among their component juri of recent court decisions con government in its recent gr federal grants that enabled n mid-1970s recession more-o be expected to step into th source of local government r payers' revolt. It is increasing raise revenues.

There are several steps that fiscal structure:

- *Encourage metropolitan* central cities with their relat needed fiscal relief. Althoug can provide some incentive

higher grants—a policy that the federal government should follow.

■ *Retarget state revenue sharing grants.* At present, most state aid is distributed on the basis of population, which minimizes its redistributive impact. Aid can be better targeted to needy areas.

■ *Introduce or expand state-financed circuit breakers.* These are an effective way to provide relief to low-income households. To be as equitable as possible, these should be extended to renters and place an upper income limit on eligibility. Federal assistance should be provided, perhaps using the state portion of General Revenue Sharing.

■ *The progressivity of state taxes should be increased in those states with regressive systems.* This can be done either by switching from regressive to progressive taxes or increasing the progressivity of present taxes. However, a sudden and sharp increase in progressivity may encourage the outmigration of high-income households.

■ *States should continue to lobby for increased federal aid for programs targeted to the poor.*

WHAT SHOULD STATES DO ABOUT BUSINESS TAXES?

There is a popular myth that a reduction in the level of state business taxes will produce a flood of new development. The truth is very different. The level of business taxes has very little impact on the local growth rate or on the interstate location decisions of firms. To some extent, intrastate differences in business taxes contribute to the movement of firms away from high-taxing central cities to less heavily taxed suburbs and non-metropolitan areas. Payroll taxes exacerbate the problem of unemployment, particularly among the less-skilled. Investment may be deterred by high local taxes. Some policies which may improve the efficiency and equity of the present business tax structure include:

■ *States should resist the temptation to cut business taxes in order to stimulate development.* Reduced business taxes have little effect on location or investment decisions. While states should ensure that their taxes are not greatly out of line with those of their neighbors, a stronger case can be made for reducing personal taxes to encourage development by attracting skilled workers than for business tax cutting.

■ *States should take steps to reduce interjurisdictional differences in tax rates.* The relevant steps are described above.

■ *States should review their allocation formulas for firms operating in more than one state.* Several states have formed a tax compact to ensure that multi-state companies pay taxes on their full tax base. While other states should follow suit, this will necessitate a simplification of interstate tax legislation and a move toward a more standardized definition of tax base. Federal legislation will be necessary for this.

■ *Some states should co their business taxes.* The nue, is simpler to admini much as traditional busi

■ *States should consider of the burden of the prop land.* This would reduce the property tax, and d delays urban redevelopm difficulties in such a shift

WHAT SHOULD STATES DO ABOUT TAX INCENTIVES?

promise to expand. Ther have had much influence These misplaced energie redirected in several way

■ *With federal assistanc programs they offer.* Th that offer such incentives mulas. States should con climate, not on bribing a

■ *States should act to red tion.* This can be done b prohibition, or through g

■ *The exemption of the i and from state and muni taxes should be replaced*

■ *If states are to use tax i subsidies.* Wage subsidies can be targeted to the har tax credits against payrol is one of the few policies

■ *States should rely mor the reduction of red tape manipulation.*

WHAT SHOULD STATES DO ABOUT PERSONAL TAXES?

rates tend to reduce the r

Table 13
State Revenue from Selected Business Taxes
FY 1977

Tax	Revenue ($ Millions)
Business property taxes (state & local)	32916.0
Corporate net income	7259.7
Licenses	6897.0
Severance	2028.7
Unemployment insurance (FY 1975)	5135.0
Motor vehicle fuel sales	8660.0

SOURCE: U.S. Bureau of the Census, *Governmental Finances 1976-77*, Washington, D.C., 1978, and data presented in Tables 14 and 22.

$100 billion. Yet there are no Congressional committees overseeing these large "programs." At the state level, even less is known. The only states which systematically prepare a thorough annual review of state and local tax expenditures are California, Wisconsin, and Maryland. Other states should follow suit.

With these caveats, we can still make some general observations (Table 14). There are large differences among states in unemployment compensation payments, expressed as a percent of total wages. These differences arise because of differences in local wage rates, benefit levels, turnover rates, and unemployment rates and duration. In Colorado and Texas, employer contributions average less than 0.2 percent of the total wage bill, but top 2 percent in Alaska and Rhode Island. Since wages are about one-third of total costs in manufacturing (two-thirds of value added), these variations will be much more important than the difference between corporate tax rates of 4 and 8 percent since corporate income rarely tops 10 percent of gross sales.

The discussion in this chapter yields several conclusions concerning the impact of business taxes:

■ First, contrary to popular belief, interstate variations in business income taxes have had little impact on the location and relocation of businesses. Firms have not fled South to escape from high corporate tax rates in the North. High rates may deter new investment—but not by a great deal.

■ Second, more import
income taxes are *intrast*
Business has expanded r
areas in part because of h
taxes may have deterred
may benefit from shifting
improvements.
■ Third, payroll taxes ha
ment, and have probably
■ Fourth, the corporate i
lated to ability to pay. H
value of services received
source. Some states may
value added.
■ Fifth, the allocation of t
firms is inequitable. Son
inequity. Others should f
■ Finally, there is no re
tax levels. In fact, household
of the increase in state ex
excessively high taxes ma
perhaps from simplifying t
states should focus on pe

EFFICIENCY

present level and structur
high tax levels in some
reduced unemployment a
dictional differences in tax
firms away from high taxi
in the Northeast. Third, it
and therefore discourage

These beliefs are widely
business community has le
business to personal taxes.
special tax incentives to s
We shall see that there is
claims, and that the third e
which has received little att
buting to unemployment a

Overall Tax Levels

bated as heatedly and wi

d Business Taxes

Revenue ($ Millions)
32916.0
7259.7
6897.0
2028.7
5135.0
8660.0

Finances 1976-77, Washington, D.C., 22.

ional committees overseeing
.el. even less is known. The
a thorough annual review of
ornia, Wisconsin, and Mary-

e some general observations
nong states in unemployment
percent of total wages. These
in local wage rates, benefit
t rates and duration. In Colo-
average less than 0.2 percent
in Alaska and Rhode Island.
costs in manufacturing (two-
will be much more important
tax rates of 4 and 8 percent
ercent of gross sales.
veral conclusions concerning

rstate variations in business
the location and relocation
o escape from high corporate
ter new investment—but not

- Second, more important than *interstate* variations in business income taxes are *intrastate* variations in business property taxes. Business has expanded more rapidly in suburban or even exurban areas in part because of high taxes in central cities. Those same high taxes may have deterred investment and development. Some areas may benefit from shifting some of the tax burden onto land and off improvements.
- Third, payroll taxes have exacerbated the problem of unemployment, and have probably affected low income employment.
- Fourth, the corporate income tax is equitable inasmuch as it is related to ability to pay. However, it is not necessarily related to the value of services received, nor is it a predictable or stable revenue source. Some states may benefit by shifting toward a tax related to value added.
- Fifth, the allocation of business income among states for multistate firms is inequitable. Some states have taken steps to reduce this inequity. Others should follow.
- Finally, there is no reason for states to strive to cut business tax levels. In fact, households rather than business have paid for most of the increase in state expenditures since World War II. States with excessively high taxes may gain from reducing their disparities, and perhaps from simplifying their tax structure. But if taxes are to be cut, states should focus on personal rather than business taxes.

EFFICIENCY

Proponents of business tax cuts raise three efficiency arguments against the present level and structure of business taxes. First, they argue that high tax levels in some states deter business activities leading to reduced unemployment and lower investment. Second, interjurisdictional differences in tax rates have contributed to the movement of firms away from high taxing locales—particularly large central cities in the Northeast. Third, it is argued that business taxes fall on capital and therefore discourage new investment.

These beliefs are widely held. Their persuasive presentation by the business community has led to a general shifting of tax revenues from business to personal taxes, and to a general pressure on states to offer special tax incentives to stimulate investment and attract business. We shall see that there is no evidence to substantiate the first two claims, and that the third effect is relatively weak. However, in an area which has received little attention—payroll taxes—tax policy is contributing to unemployment among the unskilled.

Overall Tax Levels

Do high state taxes deter economic development? Few topics have been debated as heatedly and with less empirical foundation. Many state

:t Bureau of New York City
1 a somewhat unique position.
n move to either New Jersey or
:t with the city. Both states have
re—in part, one assumes, to try
:ss. The study, which examined
porate profits tax in 1966, con-
l left New York City in response
increase in local taxes would
nt. Unfortunately, it is difficult
)dus of manufacturing from the

ils within a metropolitan area
:banization process is that part
:flected in land prices. Land
:, all other things being equal,
hile land in high taxing locales
ıpare the tax savings with the

talization of property tax dif-
central city/suburban differ-
Fuller and Towles, 1978; and
sta, and Stocker (1978) point
:r incentives . . . These actions
are not always fully capitalized
ss is limited by imperfections in
paucity of available sites or
individual sites, and require-
:nd other land use restrictions,
:he market."
:may be greater for firms with
:nd to be large manufacturing
facilities and other features
le may, therefore, be induced
)ile sectors. However, the few
: to gain a degree of political
minimize the extent to which
ıtion rents.
:ny studies of industrial loca-
t their region on the basis of
:t growth, availability of raw
. and the quality of the labor
:ation and skills of the labor
: of unionization. Compared
. shrink in importance.

Of course, irrefutable evidence is hard to find. It is difficult to determine why a company chooses a particular location. Rigorous econometric models rarely have appropriate or accurate data to work with, and questionnaires are only as reliable as their often biased respondents.

The near unanimity of findings from all sources gives some credibility to the basic proposition that tax rates have not been important. Schmenner (unpublished) concludes that "cities and towns need neither fear that high tax rates alone will drive out all industry nor rejoice that low tax rates guarantee rapid industrial development." Schmenner also points out that analyzing the relationship between taxes and location is confounded because the causation runs two ways. While industry may be marginally attracted by low tax rates, a heavy local concentration of industry can lead to a low tax rate because of the size of the base.

There are other aspects of the business tax structure that may also influence location decisions. From the point of view of computing taxable income, land cannot be treated as a depreciable asset. This encourages firms to avoid areas where land prices are high and may decline. The bias is toward suburban areas where prices are low and expected to rise. This bias is reinforced by the fact that capital gains are taxed at a lower rate than corporate income. This shelters rapid appreciation from taxes, encouraging location at the urban fringe. Fulton (1971, p. 10) illustrates this process with the case of a company that:

> 10 years ago acquired a very large site on Route 128 near Boston. Before the company could complete its plans for construction on the new site, it received—and accepted—an offer for a small portion of the property at what constituted a substantial profit. This was the first of many such transactions, all with increasing profitability, to the point where the company was realizing greater profits in land sales than in manufacturing. As a result, when another division of the same company planned expansion in the Chicago area, the company insisted on the acquisition of 100 acres, even though the utmost requirement for the proposed facility was only 10 acres.

Business Taxes and New Investment

The fact that the corporate income tax falls upon the net income from capital makes it quite progressive (see below) but also encourages the substitution of labor for capital, and discourages new investment. We do not know how powerful these tendencies are. Labor is also heavily taxed through such payroll taxes as unemployment insurance and social security. And capital receives a multitude of special allowances such as investment tax credits and depreciation allowances above the true depreciation rate.

sales.

ion of Income for Tax Assessmen'.

e corporate income tax, but also a .or-
ible tax, a financial corporations tax,
privilege tax.

they treat depreciation:
ipment but does tax depreciation.
rchased but does not tax depreciation

nd depreciation.

78); and testimony before the House
owell Harris, George Peterson, Philip
rinted by the Committee in *Rebirth of*
shington, D.C., 1976.

cost of a home: today, it is 25 percent

6

WHAT SHOULD STATES DO ABOUT TAX INCENTIVES?

A direct result of the belief that business taxes really matter has been the proliferation of special tax incentives designed by states and localities to attract new businesses and to encourage expansion and new investment among existing firms. There are no reliable estimates as to how much in tax receipts are currently foregone under these programs. Smokestack chasing is *de rigeur* for states that adopt an aggressive development program. However, the clear conclusion of this chapter is that, for the most part, *firms are rewarded for doing what they would have done even in the absence of the incentive.* The fixation of states and localities on attracting manufacturing firms by whatever fiscal means possible has arisen from the belief that a new firm will yield a fiscal surplus—that is, its contribution to local tax revenues outweighs the costs of providing public services to the firm and its employees (Groves and Riew, 1963; and Kee, 1968). More recent studies, however, have shown that a new firm is not an unmixed blessing. Even in a community with relative high unemployment, 100 new jobs does not reduce local unemployment by 100. At least 50 of those slots are likely to be filled by new inmigrants who will require schooling, streets, sewers, and water. Other jobs might be filled by those not previously in the labor force. Secondary employment—retail and services—will also make demands for public services and do not necessarily yield a fiscal surplus. In fact, Gerweck and Epp (1976) show that secondary employment impacts may halve the net fiscal surplus resulting from a new factory. *When the state abates or exempts local taxes to induce a firm to move in, the net benefits may well become negative.*

The adoption of tax incentives tailored to the wishes of the few Fortune 500 companies that move is based on the mistaken belief that there is a fixed stock of manufacturing jobs in the nation and that the only way a state can improve its relative position is to steal from other states. The behavior is analagous to that of the homeowner who tries to maintain a green lawn by stealing his neighbors turf—at great effort —every time his own land turns brown. It is much easier and more productive to water regularly and apply fertilizer. We should reiterate the conclusions from earlier chapters. There are very few footloose firms. If growth is to be accelerated, then it must come from increasing the local company birth rate or from expansion in existing local companies, especially small firms. *Development efforts must focus upon*

on expensive incentives to a few

designed not only to attract foot-
ge existing firms to expand their
ocally. However, as we argued in
siness income and property taxes
stment decisions, and, therefore,
ard for purchasing additional
h impact. In fact, we will argue
from capital to create jobs is per-
to reduce the cost of labor. If a
o generate employment, and we
ir effectiveness, it should try to
by introducing wage subsidies.
ness incentives is a large under-
variety. For example, we argued
louble weighting of out-of-state
mpacts should be considered as
of the financial services, tax
ovided by states for firms. The
personal and corporate income
ntees that property taxes will not
n of new manufacturing equip-
celerated depreciation. Special
stry, state funds for research and
dding on federal procurement
from tax exempt revenue bond
r local development efforts. The
ainly upon tax incentives, but
asures are also briefly discussed.
campaigns by states and cities
etition has become.[2] New York
ing business the business any
o claims to be "Fund City", and
cording to its $500,000 a year
mission advises, "When the old
, CUT OUT FOR TEXAS."
t in magazines alone, and the
mped by 40 percent in the first

as often been cast as the old and
its economic base from the ag-
belt. The truth is very different.
nt states—a cut-throat regional
eceipts and places established

factories at a disadvantage relative to the brash newcomers. Ohio and Pennsylvania rival for Volkswagen, while steel companies languish. Firms leave New York State for adjacent Connecticut, New Jersey, and Pennsylvania. Most of the states offering twenty or more special programs (cf. Table 18) are in the Northeast.[3] In fact, public pressure for such measures is most intense in states where the economic development rate has been slower than the national average. A recent survey by the Advisory Commission on Intergovernmental Relations (1977) suggests that public support for tax incentives for business is closely related to local economic fortunes and prospects.

Question: Some states have passed laws which give special tax breaks or other incentives to industries that will locate facilities or expand present operations in that state. Do you favor or oppose such a policy?

		Percent of Respondents by Region			
	Percent of Total U.S.	Northeast	North Central	South	West
Favor	50	57	48	52	42
Oppose	36	30	38	30	49
No Opinion	14	13	13	18	9

SOURCE: ACIR, *Changing Public Attitudes on Government and Taxes*, Washington, D.C., 1977.

If this wasteful competition is to cease, state officials must educate their constituents about the futility of these programs.

EFFICIENCY

Do tax incentives work? Do they attract new firms and encourage new investment? There is no evidence that these concessions have had any significant effect on local growth.[4] Tax concessions are ineffective precisely because state and local taxes are, themselves, relatively unimportant as location determinants.

The tax battle is not only waged between states, but between counties and municipalities within a state. County officials offered a new bicarbonate plant a 12 year property tax break for moving to Seneca County, Ohio, yet the corporation's controller was quoted as saying, "The tax abatement was a nice kicker on the end, but we chose Ohio mainly because of its strategic location for distribution and market growth."[5]

Weinstein (1977, p. 75) concludes that:

> Taken as a whole, these incentives probably represent a serious misallocation of resources. In the main the government is subsidizing firms

for performing activities they would have undertaken in any case. Furthermore, when one considers that any incentive designed to reduce a company's state or local tax bill will increase that firm's federal tax liability—the superfluity of tax incentives becomes even more apparent. The result is a form of reverse revenue sharing in the amount of 48 cents on the dollar.

Even if local investment expanded by 2 percent as a result of a local investment tax credit, this still means that 98 percent of credits are flowing to firms that would have invested anyway.

Not only are tax incentives ineffective, they are also costly. Harrison and Kanter (1976) estimate that the ten tax incentives offered by Massachusetts cost at least $100 million a year, revenues that could be used to reduce residential taxes or improve local services. In just over a year, New York City has exempted $461 million in properties from $44 million in taxes. St. Louis has exempted nearly $1 billion worth of real estate—half the city's property tax base. By the early 1980s, Michigan's incentives may cost $50 million in state revenues and $30 million in local revenues.

Of course, to determine whether a measure is worthwhile, it is important to compare its benefits with its costs. A local development incentive does not have to be very effective to be worthwhile if its costs are negligible. The few studies that have compared the costs and benefits of fiscal incentives do not provide a very optimistic picture, although they do show that, under some conditions, fiscal incentives may be cost effective. Morgan and Hackbart (1974) concluded that if locally accruing benefits are not less than 50 percent of value added in a local plant and not less than 5 percent of the investment is a result of an incentive, then that incentive may be cost effective from the viewpoint of the state, although, as we argued in Chapter 2, there is no guarantee that the nation as a whole is not worse off.

What of the few firms that may respond to some kind of fiscal incentive?[6] Are they the type of firm that can assist meeting local development goals? In an important article, Harrison and Kanter (1976) argue that the type of firm most likely to respond are firms in highly competitive industries, for whom small differences in costs make the difference between success and failure. Yet, they argue:

> . . . these are the industries that in general pay lower wages, offer worse working conditions, provide less stable employment, and make it more difficult for labor to organize. Thus, incentives that lower costs of doing business appear to be policy instruments—if they work at all—that are most likely to "goose" the sector of the economy with the least desirable jobs, while providing windfall profits to the segments of the business community that needs them the least (p. 59).

In short, tax incentives
might have is not necessar

EQUITY

centive will tend to go to
these firms will be earning
firms had no federal tax l
had federal tax liabilities
incentives take the form o

Second, why should a ne
able firm that is well est
should be aware that this
firms, by placing them a
competitors locating in o

A third equity problem

**Cumulative Distri
for Corporati
i**

Sector
All Industries
Agriculture
Mining
Contract Construction
Manufacturing
Transportation and Communication and Utilities
Wholesale and Retail
Fire
Services

SOURCE: Robert Tannenwald,
Committee on Appro
ington, D.C., October

e undertaken in any case.
incentive designed to reduce
rease that firm's federal tax
comes even more apparent.
ng in the amount of 48 cents

ercent as a result of a local
at 98 percent of credits are
d anyway.
hey are also costly. Harrison
tax incentives offered by
year, revenues that could be
e local services. In just over
l million in properties from
ed nearly $1 billion worth of
base. By the early 1980s,
n in state revenues and $30

easure is worthwhile, it is
costs. A local development
to be worthwhile if its costs
mpared the costs and bene-
very optimistic picture, al-
conditions, fiscal incentives
art (1974) concluded that if
50 percent of value added
of the investment is a result
cost effective from the view-
d in Chapter 2, there is no
ot worse off.
nd to some kind of fiscal
at can assist meeting local
ele. Harrison and Kanter
ely to respond are firms in
small differences in costs
failure. Yet, they argue:

y lower wages, offer worse
loyment, and make it more
es that lower costs of doing
t they work at all—that are
omy with the least desirable
e segments of the business
)).

In short, tax incentives are ineffective, and what little impact they might have is not necessarily desirable.

EQUITY

Not only are tax incentives inefficient, they are also inequitable. First, the incentive will tend to go to large and financially healthy firms, since these firms will be earning a taxable income.[7] Nearly 50 percent of all firms had no federal tax liability in 1971, and 95 percent of all firms had federal tax liabilities of less than $25,000 (Table 19). Unless the incentives take the form of credits, most firms will not be influenced.

Second, why should a new company pay less in taxes than a comparable firm that is well established in the state? State policy makers should be aware that this program may harm their well established firms, by placing them at a competitive disadvantage with newer competitors locating in other tax cutting states.

A third equity problem is that state and local officials often weave

Table 19
Cumulative Distributions of Income Tax Liabilities for Corporations Filing Income Tax Returns in 1971, by Sector

Sector	Income Tax Liability		
	0	Below $10,000	Below $25,000
All Industries	49.0	90.5	94.8
Agriculture	53.3	94.2	97.8
Mining	61.2	86.6	91.8
Contract Construction	50.9	91.0	95.3
Manufacturing	48.4	82.4	87.8
Transportation and Communication and Utilities	53.1	90.6	94.5
Wholesale and Retail	43.1	88.7	94.2
Fire	47.3	92.1	95.9
Services	56.5	95.7	98.1

SOURCE: Robert Tannenwald, "Federal Tax Approaches to Regional Development," in Committee on Appropriations, *Patterns of Regional Change*, U.S. Senate, Washington, D.C., October 1977, p. 697.

together a special "development package" for a particular firm that is considering moving in, threatening to move out, or considering a major expansion. Naturally, officials can only do so if the firm is large. Programs can rarely reach down to small firms, even though past experience suggests that such firms are the main source of employment expansion.

A final equity issue is that almost all incentives are offered to the owners of capital; few are offered to labor. We have argued that payroll taxes and minimum wage laws have priced low-skilled labor out of jobs. It is possible to imagine that the long run impact of tax incentives might be to encourage the substitution of capital for labor and therefore to *reduce* the number of jobs, while enhancing the aggregate returns to the ownership of capital. If this impact is explicitly understood, enthusiasm for present tax incentives may diminish.

ADMINISTRATIVE COST

The effectiveness of tax incentives might be greater if they were targeted toward smaller firms, which are the main engines of local growth (Schmenner, 1978). However, while it is administratively simple to identify and approach the relatively few large companies that are considering relocation, the market of small firms is impossibly large. There is a much higher failure rate among small firms, and thus the risk of providing a financial assistance/tax incentive package to these firms is high, and the overall administrative cost is likely to be much higher.

OTHER BUSINESS INCENTIVE PROGRAMS

As Table 19 graphically shows, the menu offered to the lucky few businesses to arouse the interest of development officials is not limited to tinkering with the tax structure. The enterprising firm can enjoy low leases on publicly-built facilities, low interest rate loans, cash grants, and publicly-trained employees. Are these other measures more effective than tax incentives?

Our overall answer is that most of these programs are not of major importance to influencing company decisions. We can only touch on these programs briefly in this paper.[9]

Tax Exempt Bonds

A major problem with state and local efforts to attract or retain industry is that they rely upon tax expenditures—tax exemption of bond interest payments, for example—and that these are very inefficient ways of channeling subsidies to industry. The federal tax structure has exempted the interest from state and local bonds, as well as bonds sold by local public development corporations, from federal income tax.

State and local authoriti
exemption to local income
form of capital market su

First, only a part of th
state treasuries actually go
is a subsidy to high income
subsidy at between 25 per
Morris (1976) estimates th
the federal treasury $4.8 l
effectively reduced state
bondholders—those with
would have been satisfied
sidy of $1.3 billion. Total s
were approximately $10.5

Second, the market for
vestors turn to alternative
have had to compete with
purchased 90 percent of n
1975. The lowering of the
sonal income in 1976 ma
buyers. Pollution control
grew from only $100 mill
when state and local gove
debt.

Third, the interest on st
than on taxable issues. T
municipal bonds by banks
much more attractive. Th
investors to absorb these s
municipals rose from 62 pe
January 1968 to 73 percen
between 1973 and 1975. A
leads to more rapid increas
borrowing costs. Soarin
investments.

Local Credit Agencies

able funds, or because of l
nationwide, and althoug
(Straszheim, 1969), it is no
The belief in a "credit-gap
practices that provide subs
able through industrial dev
corporations, or state ind

STATEMENT OF ROBERT EISNER, PROFESSOR OF ECONOMICS, NORTHWESTERN UNIVERSITY

Mr. Eisner. Thank you, Mr. Chairman.

I am delighted to be here. This is a subject I have been concerned with for a long time. I hope I am not trapped by any previous statements which may reveal inconsistencies today.

I should preface my statement by warning you I have been critical and usually opposed to the investment tax credit from its very inception and from its support through very many administrations of different political persuasions.

The investment tax credit constitutes the second largest "tax expenditure" in President Carter's budget for 1980, coming to some $18.46 billion, of which $15.37 billion is for corporations and $3.09 billion is for noncorporate business. The further revenue loss in future years will be larger, primarily because of growth in expenditures for eligible equipment, due considerably to inflation. It is hence most appropriate that this subcommittee focus on the investment tax credit as it initiates a study of selected tax expenditures.

The investment tax credit was conceived in the early days of the Kennedy administration's efforts to get the economy "moving again," and it was well-night aborted before delivery in 1962. The business community had been generally lobbying for massive new increases in tax-deductible depreciation. The tax credit was advanced as a device to spur business investment with a lesser loss in tax revenue.

In its original form, the investment credit was designed to offer a high incentive on marginal investment, that is, investment beyond a substantial base, rather than a lesser reduction in taxes for all capital spending, most of which would have taken place without the credit. As it finally came out of the legislative process in 1962, the high marginal or incentive effect was gone, the credit was restricted to equipment, excluding buildings, and further "liberalization" of depreciation came along in the 1962 "guidelines" anyway.

The investment tax credit then went through various vicissitudes. These included: changing interrelations with allowable tax depreciation; suspension and reinstitution in 1966–67; abandonment in 1969; reenactment in 1971; and an increase for the period 1975 through 1980 from 7 to 10 percent—from 4 percent for public utilities. The credit has now been made "permanent" at 10 percent and has been further liberalized in several respects.

Despite its now substantial history, the effects of the investment credit in stimulating business expenditures for equipment must properly remain in question. While business welcomes the tax reduction it appears to entail, queries as to its effect in stimulating investment draw overwhelmingly negative responses. In cost cases, we are told, firms buy little or no additional equipment as a consequence of the tax credit.

Economic analysis of the consequences of the investment tax credit, along with those of other possible tax incentives for business investment, has usually involved essentially, and sometimes only, an examination of the effects of these credits on the after-tax rate of return on new investment, or alternately its effect on the after-tax cost or "rental price" of new investment, on the assumption that other things are unchanged or unaffected. The results for investment are then assumed

or deduced from the presumed connection between investment and its after-tax yield or cost.

In major, large-scale econometric models, the investment tax credit has usually entered into such a cost-of-capital or rental-price term. Projections of its effects have then stemmed from the role of this term in the model, a role which itself has often been assumed rather than freely estimated. The assumptions, put somewhat technically, relate to the forms and rates of substitution of capital for labor as their relative prices are changed. Where the response to such relative price changes is taken to be substantial and rapid and where the model is so constructed that the investment tax credit generates a substantial change in the after-tax relative price of capital and labor, it is found to have some significant effect. Nevertheless, in many and perhaps most projections, each dollar of tax expenditure by the Treasury results in considerably less than a dollar of increase in investment spending. Many estimates, including my own which in some instances have focused directly on the investment tax credit, have found results to be very modest.

The modest estimated results of the investment tax credit relate to the fact that business investment, motivated by its expected profitability, is influenced overwhelmingly by the demand for final output. When that is high and growing, firms invest substantially and need no outside inducement to do so. When there is considerable excess capacity and when the outlook is for sluggish growth or actual decline, business investment is low and very difficult if not impossible to stimulate.

There is nothing that cripples business investment like a recession. From the beginning of 1974 to the third quarter of 1975, real nonresidential business fixed investment fell 17.5 percent. The effects of that recession have indeed been longlasting, as utilization of capacity did not readily recover. As late as the fourth quarter of 1977, investment in real terms was still some 3 percent below its previous peak in the first quarter of 1974. As a percentage of real gross national product, it remained even further behind.

The "investment tax credit" actually applies to only a small portion of total capital investment in the United States. In the first place, of course, it relates generally only to equipment. Yet producers' durable equipment in 1978 was less than 45 percent of total fixed investment. But investment, broadly and relevantly defined, includes all current activity that contributes to future production. It hence includes construction and acquisition of plant and equipment and inventories by households, nonprofit institutions, and government at all levels, as well as business investment.

Investment by a family in its own new house is investment leading to future production—of housing services—as much as is business investment in rental housing or in offices or factories. Purchase of automobiles by individuals may as reasonably be considered investment leading to the production of transportation services as purchase of automobiles by car rental or leasing companies or by firms taking advantage of investment tax credits and tax depreciation writeoffs on cars which they buy for the use of their executives or other employees. Construction of a municipal airport is as much investment as the acquisition of planes by an airline.

Further, there is a vast amount of investment in intangible capital. This includes research and development expenditures by business, government, and nonprofit institutions. It also includes investment in human capital in the form of education, and in job training and in the varied experience of working.

If our purpose in offering tax incentives for investment is to stimulate productivity and growth which will offer us more useful services in the future, is there really justification for the tax expenditures that focus on a relatively small portion of the total? In ongoing research, I estimate that even total business investment in plant and equipment is only one-fifth to one-sixth of all capital formation in the United States.

Business investment in general and investment in equipment in particular, it may well be argued, is the form of investment least in need of Government intervention or encouragement. Business firms should know when new machinery is sufficiently productive so that its expected profitability warrants its purchase. If its productivity and profitability are not sufficient to warrant this purchase, it is difficult to find adequate arguments for the Government to use discriminatory tax policy to make them so.

To the extent that the investment tax credit does stimulate investment it means that, for example, a firm contemplating purchase of a $100 piece of equipment with a "present value" or worth in terms of expected future returns of $95, is induced to purchase it by a tax credit of $10, which raises its value to the firm to $105. Yet if the firm has correctly calculated to begin with—and the Government has not otherwise loaded the dice against it—the value to society is really only the $95. Hence, the firm is induced to bring about the use of $100 of resources, the cost or supply price of the machinery, to realize only $95 of value. Such investment paves the path not to economic growth but to decay and decline.

One may doubt the effectiveness, as well as the desirability, of Government tax measures in changing total capital formation in the long run. A strong case can be made for longrun support to some investment—in human capital.

Precisely because we are not a slave economy, with poor markets for investment in human skills and considerable risk aversion by both potential lenders and borrowers, there may well be too little such investment; that is, investment in human capital. A whole generation of inner-city youths and others failing to move into productive employment may be deprived of the human capital necessary for self-support over a lifetime. Tax expenditures in the way of employment credits or subsidies, particularly for the young, are thus likely to have a much greater payoff for the economy.

But beyond this, generally full employment and generally full utilization of capacity should be expected in a reasonably free market economy to bring forth as much saving, and hence capital formation, as society on balance desires. It is questionable that Government in such a situation has any business telling us to save more; that is, to sacrifice current consumption for some potential consumption in the future—of ourselves, or our great-grandchildren.

Actually, in a full employment economy it may prove very difficult to change the proportion of income that people will save, at least by practicable measures to alter the relative price of saving and consump-

tion. If this is so, and I believe that it is, then tax incentives or expenditures to stimulate one form of investment are likely to bring positive results, if at all, only at the expense of other investment. We may hence have more equipment and less plant, or more nonresidential investment and less new housing, or more business investment and less investment by nonprofit institutions, households and government, or more investment in physical capital and less investment in research and development, education, and know-how.

In terms of its stated objectives of stimulating business expenditures for equipment, the current investment tax credit is an inefficient and wasteful measure. From the standpoint of efficiency, the essential flaw of the existing tax credit is that it does not embody the marginal or incremental incentive aspects attached to this original formulation by economists in the Kennedy administration.

The current 10-percent credit goes to firms in major part for equipment investment that they would have undertaken anyway, without the credit. If we are looking for tax relief to business, it would be much more equitable or efficient to offer a general cut in business income taxes, involving primarily then a cut in the corporate tax rates. If we wish an incentive to business investment, however, it should be focused specifically on stimulating investment that would not otherwise be undertaken.

This could be accomplished by a tax credit which were not 10 percent on all investment but, say, 20 percent on investment beyond half of the average of the last several years, or 40 to 60 percent of investment beyond 80 or 90 percent of the previous average. One administratively simple technique would be to offer a relatively high tax credit to the excess of investment over depreciation allowances. In this way, firms would have a very large incentive to increase their investment but would receive no credit for the bulk of investment that they would have undertaken on their own.

None of this, though, meets the problem of distortion of the economy introduced by this kind of Government intervention. The particular expenditures subsidized, in this case business investment and equipment, will be increased, all the more if the tax expenditure is made more efficient, at the expense of other investment of resources. The ways in which pressures will be felt in the economy will vary. In some cases the increased demand for investment in the tax-subsidized areas will drive up investment costs and thus make investment elsewhere unprofitable. It may generally raise interest rates and hence particularly discourage long-lived investment.

Effects on the distribution of income may be significant and not necessarily welcome. Capital-intensive firms will be aided at the expense of labor-intensive firms. Since large firms tend generally to be more capital-intensive, the investment tax credit will hence tend to aid them at the expense of smaller firms. And while the introduction of more machinery may tend to make labor more productive—if the machinery itself is really productive and not merely purchased for the tax advantage—the substitution of capital for labor will tend to decrease the demand for labor, particularly less skilled labor where unemployment is highest, while offering more income to the owners of capital as a consequence of the tax advantages.

There are indeed other distortions. A flat percentage tax credit offers the greatest advantage to short-lived investment. This tends to encourage a fast payout, the making of the quick buck at the expense of more productive long-lived investment. The attempt to correct this by offering the full credit only for equipment of a certain minimum length of life and stepping the credit down for equipment of shorter useful lives brings arbitrary cutoffs in the choice of investment.

I might add tentatively the possibility of another distortion, overinvestment in firms benefiting from the investment credit, which results in a depressed set of values of existing capital elsewhere. This in turn may depress the stock market and the economy generally. For the credit is of course available only on new investment. Each firm may, at least for a while, view the credit as a boon to its own profits and of at least some special benefit to investment on the assumption that other parameters of its situation are the same. It hence does increase its investment, more according to some analysts, less according to me and others.

But then the effect of the added new investment is to offer further competition to existing capital in other firms—and in the firm undertaking the additional investment, but this is presumably taken into account. The added investment demand also raises interest rates. The result is that the value of existing capital, based on the discounting of its expected future returns, declines. Hence stock prices decline. Then, as people feel poorer with the lower real value of their portfolios, they spend less, thus putting a general damper on business sales and expectations.

The overall role of the Federal Government in the area of business investment should be to provide a general economic climate in which business can flourish and invest to an amount that is optimal in terms of private saving propensities and the productivity and profitability of capital. This implies a general Government fiscal policy, including both expenditures and the tax structure, which provides for adequate aggregate demand and generally full employment, with a minimum of regulatory and tax distortion of the market mechanism.

By providing the framework for a stable economy, social risks which would discourage investment would be minimized. To the extent that individual enterprises and risks are greater than the social risks and that individuals tend to be risk averse, Government has a role as a coinsurer. This is considerably accomplished by our income tax system. It can be improved by offering full offset for business income losses and a negative income tax for those of low income generally. In principle, where individual risk is greater than social risk, Government may properly contribute to risk pooling so that averseness to risk does not unduly hinder the maximization of productivity and income. It is not a proper role for Government, however, to encourage risk taking at the expense of the economy as a whole. By way of illustration, the supersonic passenger jet was at best a highly risky enterprise—although probably unprofitable as well. The considerable chance of failure helped discourage private enterprise from undertaking it on its own. That risk should properly also have discouraged Government.

Finally, I might suggest that if continuation of the investment tax credit is considered necessary in the interest of "business confidence,"

we may reflect upon results of a survey by the conference board of 400 chief executives of major companies about 1 year ago. These top-level business leaders were reported to favor strongly a cut in the corporate tax rather than other tax relief measures. And specifically, the cut in corporate tax rates was widely preferred to a boost in the investment tax credit.

Is it not time finally to aid the economy by reducing tax rates directly rather than by the enormous and complex variety of tax expenditures, frequently less charitably dubbed as "tax loopholes," which distort our tax structure and the economy? An excellent way to start would be to offer a large cut in general business tax rates, coupled with elimination of the investment tax credit, the largest single tax expenditure of them all.

Mr. PICKLE. Well, Professor Eisner, you have given us some good testimony. It is a little different approach than some of the testimony we have had in the course of these hearings. And I am sure the committee will want to ask you some questions after we hear from the other panelists.

I am sure the other panelists might also want to respond to your testimony.

I am going to ask the panel to continue with its discussion, and I would call on Mr. Allen Sinai next. I will not make any reference to the current negotiations going on, Mr. Sinai.

STATEMENT OF ALLEN SINAI, VICE PRESIDENT AND SENIOR ECONOMIST, DATA RESOURCES, INC., LEXINGTON, MASS.

Mr. SINAI. Actually, the correct pronunciation is Sinai, the Hebrew pronunciation, although I use the incorrect pronunciation of Sinai, like the desert or Mount Sinai.

Tax expenditures to stimulate business fixed investment are now an integral part of our Tax Code. We have seen, over the last 25 years, tax credits and changes in the tax credit for the purpose of the purchase of machinery and equipment, a number of changes and liberalizations in depreciation accounting: all designed to reduce the effective cost of capital goods, to enhance business cash flow, and to provide an offset to the inflation-induced rises in the corporate tax burden.

Of all the measures, probably the most controversial has been the investment tax credit. In fact, reflecting the uncertainty of researchers on the potency of this tax measure, the policymakers have at times had the tax credit permanent, temporary, and also, during 1969 and 1971, not even in effect.

In my statement, I want to look at the investment tax credit in light of the following questions: Has the ITC tax expenditure been effective in stimulating business fixed investment, raising productive capacity, and lowering prices? How efficient has the ITC been relative to other tax expenditures where efficiency is defined in terms of gain in fixed investment relative to lost revenues? How efficient has the ITC been relative to methods of accelerated depreciation or reductions in corporate profits taxes? And finally, given the current economic problems facing the United States, should public policy move to an even greater use of tax credits—for example, in plant or R. & D. spending to stimu-

late productivity and reduce inflation—or rely on other tax measures principally designed to affect consumer and business saving?

To review the effectiveness of the ITC over history, I have done two things: One is to look at and review the evidence of a number of studies on the ITC; and, No. 2, to do some analysis with the Data Resources model of the U.S. economy.

The empirical studies of the ITC have basically used a framework pioneered by Dale Jorgenson of Harvard. Disagreements over the impacts of the ITC have often focused on the assumed elasticity of capital spending with respect to multiplicative variables in the investment equation which combine the value of output with the rental price of capital.

In the DRI model, we use a generalization of the Jorgenson framework in the sense that we modify the assumptions of perfect competition in financial markets, and we relax the assumption that there is a single exogenous cost of financial capital. We relax the assumption that there is no business or financial risk in return-risk evaluation of firms in their investment decisions. And we do our work in the context of complete system simulation: that is to say, we allow for all the feedbacks in the full economy from changes in tax incentives that affect investment and affect output, and then feed back to affect investment again.

This is an important distinction, because virtually all of the other research on the subject has been in a partial equilibrium setting where only the increments to expenditures in equipment spending are analyzed, rather than as it works its way through the complete economic system.

In table 2 of the statement, which appears on page 8, there is presented a summary of some partial equilibrium studies of the effectiveness of the tax credit over history. The first is some testimony by Roger Gordon and Dale Jorgenson—at that time, Gordon of Harvard and Jorgenson, of course, of Harvard. Second is Chuck Bishoff and some work done in the late 1960's; third, the original work by Hall and Jorgenson; and the fourth is a simulation study done by Henry Aaron, Frank Russek, and Neal Singer. The table shows the increments to equipment spending by year from the investment tax credit. The numbers in parentheses are the percent of the base level investment that those dollars represent.

We see a rather sluggish response of investment equipment spending to removal of the tax credit. One sees rather slow responses, but in terms of the percent of the base level of investment, it is sizable. I would say it is 5 or 6 percent of the flow of investment going on in 1966 or 1967; as shown in the Gordon-Jorgenson result.

The peak response is in the fifth year after the removal of the tax credit. Even in the more optimistic result with regard to timing, the peak response occurs in the fourth year after the removal of the tax credit—that is in the Hall and Jorgenson work. The longest response occurs in the Aaron work, which is 7 years.

I think it fair to say on the basis of these partial equilibrium studies that the tax credit has a sizable magnitude effect. But it is very slow.

Now, to take a further look at what the tax credit has meant over history, we took the DRI model and simulated removal of the invest-

ment tax credit. The investment equation used in the DRI differs from the one that has been used and was used in Gordon-Jorgenson, in the context of our model, Mr. Chairman, in that a number of variables are added to the standard neoclassical Jorgensonian model to reflect the relaxation of the assumptions I talked about before.

And for those who are interested, the appendix contains the regression results from the equation that was used in the simulations, as well as from the more standard neoclassical equation.

Now, those results are shown in table 4 which is on page 11 of the statement, the table entitled "Effects of Removing the ITC from 1966–'77"—that is over a 12-year period and it changes relative to the historical track solution. The historical track solution is essentially history. What is of interest are the changes produced relative to that base line from removing the investment tax credit.

The mean increase in producers' durable equipment spending over the 12-year period—or I should say decrease because here the tax credit was removed—the mean decrease was $54 billion over those years. That fall in investment was a result of removing the tax credit that actually was in existence, and was almost 8 percent of the value of the flow of investment during that period of time.

There was an average of near $150 billion of a decrease in the capital stock. Real GNP was not affected very much by removing the investment tax credit, although in the early years of the simulated removal there was approximately a 1-percent effect on real GNP.

Potential output fell somewhat, but so did inflation. And what that inflation result says is that the tax credit, on balance, is not a measure that will really help inflation. It generates a little more demand than it does potential capacity, and, therefore, is mildly inflationary.

The revenue loss over the period both for the corporate sector—for business—and for the whole economy is also given.

Now, in evaluating the various tax incentives by calculating the gain in business investment relative to the revenue loss, it is important to distinguish between the revenue lost from the corporate sector because of the tax incentive, and the total revenue position of the whole economy after complete feedback in the economy.

Any tax incentive, to the extent it stimulates investment and raises GNP, will have an induced effect on tax revenues; that is, the Government will get back some of the cost of the original tax incentive through induced real growth, higher inflation, and the higher tax revenues that result.

And so when evaluating the revenue loss in the statement, I have done it in two ways: I have done it in terms of the gain in business fixed investment per dollar lost of corporate taxes, and also in terms of the gain in business fixed investment per dollar lost of total revenues or, in some cases, a gain in the whole economy.

Well, the results in table 4 and the pictures of those results in charts 1 through 7 on pages 12 and 13 present really the story of what not having an investment tax credit would have meant in 1966 to 1967. This is, as I will repeat, it is a complete system response; it is the whole economy working as seen through the framework of the DRI model. The full feedback effects of the tax credit are significantly greater than in a situation with partial equilibrium.

The only other results from full model studies are shown on table 3 on page 0. I might add that two of the three of them were done with the DRI model. The other one, by Klein-Taubman, used an investment equation that really did not examine or have an explicit role for taxes in it.

But our rather complete presentation of what the tax credit would mean, with complete economy feedback, is there.

The pictures are striking with respect to the flow of durable equipment and also with respect to the production of new capital, durable equipment stock. They are not striking with regard to real economic growth. And they show little for potential GNP. They are very striking in the ratio of real nonresidential fixed investment to real GNP that would have occurred without the tax credit between 1966 and 1977.

In those charts, the dotted line is the situation without a tax credit. The solid line is the situation with a tax credit: essentially what history was.

In judging the efficiency of the tax credit as opposed to other tax incentives, we used the Data Resources model to evaluate three measures. Beginning in1979, an investment tax credit that would produce ex-anti a loss of $2 billion in tax revenue was imposed. That $2 billion ex-anti loss in corporate tax revenue was then used as the guide to pick a new statutory corporate profits tax rate and to see what the effect would be on business fixed investment. And then the $2 billion guide was also used to choose a shorter lifetime of equipment in order to simulate accelerated capital recovery.

A comparison of those effects over a 5-year period is shown in table 6 on page 16. I think the summary of interest is the so-called bang for a buck at the bottom of that page. In terms of business tax lost, the gain in business fixed investment per dollar corporate tax loss averaged 69 cents over 5 years for the investment tax credit. It averaged $1.14 over 5 years for shortening the lifetime of equipment. And it averaged only 11 cents for reducing corporate profits taxes.

Once again, these results reflect full economy feedback; they reflect the additional accelerator effects on output, that is, feeding back on both plant and equipment spending in our model. They also reflect, because of the structure of the investment equation we used, the impact of cash flow on business spending. They reflect, because we used a weighted average cost of debt and equity financing, some improvement in the cost of capital. And they reflect the role of rising capacity utilization on investment as well.

So a relative ranking would place the capital recovery acceleration first. It would place the ITC second. It would place the corporate profits tax reduction last.

Let me say that corporate profits tax reduction, being last, is unanimously agreed upon in the empirical work on the effectiveness of taxes on business fixed investment.

The "bang for a buck" of the ITC is not the dollar per dollar effect found in the Jorgenson studies, nor is it the 20-cent "bang for a buck" found by Professor Eisner in his study with Pat Lawler. But it is, I think, a sizable effect for the investment tax credit in terms of the return per revenue lost.

The reaction of the shorter lifetime—of actually any simulation in our model, whether accelerated depreciation, or shorter lifetime— any accelerated capital recovery in our model will have a very sizable effect when you allow for feedback.

To contrast the importance of this full economy response and what it does to the results, you might look at table 7 on page 18 where we have simulated the same three measures but have shut off all of the feedback effects in the model. Essentially, in table 7, we have not allowed any feedback at all in item No. 2. We have essentially done a partial equilibrium simulation.

The results show that over 5 years, the "bang for a buck" on the ITC is 60 cents, which is not that different from the 69 cents when you allow for feedback. They show a much smaller return to the shorter lifetime, the shorter equipment lifetime, of 35 cents per dollar revenue lost. They show about the same, a 13 cent "bang for a buck," for the corporate profits tax reduction.

This ordering is pretty much what other researchers have found in the partial equilibrium studies. But I would stress again, I think the full equilibrium results are more relevant because, after all, what really ends up in tax revenues to the Government, and what really ends up in investment, is what happens after the imposition of a tax credit and all the effects that run through the economy.

On some of the other issues the committee raised in the letter—let me briefly address those.

The committee asked about the effect of the ITC on productivity, inflation, and economic growth. Our work says that the investment tax credit was a potent measure to promote business fixed investment, somewhat stronger aggregate demand, and slightly higher productivity during the time that it has been in place. But it has not been a measure that one would argue should be used to promote capital formation and to reduce inflation.

I do not really see any great administrative burden to the ITC, especially since it has been around for so long. The only problem has been the changes every 3 or 4 years, which create some difficulties.

As far as abuses and unintended consequences, there are distortions in relative price effects. One has been alluded to already by Professor Eisner. It is shown in chart 8 on page 20. There has been a very substantial increase in producers' durable equipment spending since the institution of the investment tax credit, relative to plant spending.

Now, I do not think economists yet know what the bang on productivity is from plant versus equipment spending, but that is a question well worth pursuing; that is, whether we have had any substantial decline in productivity due to the fact we have an overwhelming preponderance of spending on equipment now relative to plant.

A uniform tax credit, which is essentially another question asked—namely, what about the different useful lives that appear in the investment tax credit—we have not completed our research on that subject yet, but we do have in that a distorting price effect toward longer-lived equipment, which may have been desirable in the early 1960's, but might be questionable now.

Another question that was asked was whether restoration of the Long amendment—that is, taking away the tax savings due to the

tax credit from the depreciable base would be worthwhile. Well, I would presume the reasons for eliminating it in the first place—namely, accounting difficulty and its weakening effect on business fixed investment—would hold now. It does bring about another distortion, however—it is a kind of double accounting. You get credit, in effect, twice for the ITC, and it is not offset by lowering the depreciable base.

Well, in brief, I would have to say that the ITC has been an effective and relatively efficient policy to promote a greater rate of business fixed investment and higher real economic growth.

I would also say that another funding mechanism, that other funding mechanisms would be more cost effective and more efficient than the ITC. I think that measures to speed the recovery of capital or promote more rapid depreciation have a greater "bang for a buck" of lost tax revenue than does the ITC. Such measures could either take the form of shortened lifetimes for plant and/or equipment; indexing depreciation to inflation in order to more closely approximate replacement cost depreciation—and this was studied in some work I did with Andy Brimmer a few years ago—or by using depreciation rules, or a combination of rules that would concentrate greater depreciation earlier.

Of these measures, I think the most preferable on grounds of both efficiency and equity would be to more closely aline depreciation allowances with replacement costs. I would single out this kind of measure as priority No. 1 for any further changes in the role of tax expenditures on business fixed investment. Besides what it will do to business fixed investment, the distorting effect of historical cost depreciation on corporate profits during periods of high inflation has biased the allocation of resources in the U.S. economy, and restricts capital formation.

Real rates of return to the corporate sector are considerably lower under historical cost depreciation, and are accompanied by a kind of inflation drag in corporate spending and finance because the tax system has not kept pace with the higher replacement costs of depreciation. We do that for the consumer with periodic increases in the exemption allowed, but we really have not done that for the corporate sector.

I have never been a great fan of doing things for the corporate sector, but this particular distortion does stand out, and it did in 1975 and still does, as a "sore thumb" in the tax code.

Besides the large "bang for a buck" from accelerated depreciation or more speedy capital recovery measures, the negative inflation tax then from historical tax depreciation would be mitigated.

Thank you very much.

[The prepared statement follows:]

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M January 26, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: 1/30 Teleconference

A teleconference has been scheduled for 2:00-3:00 p.m. Wednesday, January 30, 1985 with the Southeast Regional Fish and Game Advisory Council. This teleconference has been scheduled to give you the opportunity to become familiar with the advisory committee and regional council system.

The Southeast regional advisory council is one of the most active in the state and provides an excellent example of how local residents can gain more influence over activities affecting fish and wildlife. The Alaska National Interest Lands Conservation Act (ANILCA) granted the regional advisory councils a major role in resource management.

The regional council is meeting in Sitka concerning a number of issues coming before the Alaska Board of Fisheries and North Pacific Fishery Management Council. The regional council also will be discussing the management of Tongass National Forest.

Representatives of the Alaska Department of Fish and Game and the U.S. Forest Service will attend the teleconference at the Juneau site to respond to concerns raised by the Fisheries Committee and Regional Advisory Council.

I apologize for any inconvenience that may result from scheduling this teleconference at a time when the committee does not normally meet. The meeting time was set to accommodate the regional council agenda. It should be extremely informative and I hope you will be able to attend.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M January 24, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: 1/29/85 Meeting

The Fisheries Committee will be conducting its first public hearing on HB58: "An act relating to the fisheries business tax," at 8:30 a.m. Tuesday, January 29. Attached is background prepared by House Research and a sectional analysis prepared by staff. Additional background information will be made available prior to the committee meeting upon request.

A number of witnesses have expressed interest in testifying on the bill, and invitations have been extended to several agencies and interest groups. Please contact committee aide Rodger Painter if you are interested in having the second public hearing held on the teleconference network.

To conform with the five-day notice requirement for committee actions, we have re-scheduled the confirmation hearings for Ernest Carter to the Board of Fisheries and Bruce Twomley to the Commercial Fisheries Entry Commission. Once the public is given another opportunity to comment on the confirmations, the committee will be asked to re-confirm its earlier recommendation.

We also will continue our discussion of committee priorities. If you have the opportunity before the meeting, please attempt to put your recommendations in writing.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

January 26, 1985

SECTIONAL ANALYSIS OF HB 58
"An Act relating to the fisheries business tax"

Section One: Amends existing fisheries business tax statutes to replace the word "cannery" with "fisheries business."

Section Two: Establishes a program allowing a seafood processing company to claim a credit on up to half of its fisheries business tax liability. The 50 percent cap will ensure that revenue sharing to local communities will not be affected by the tax credits. To qualify for a tax credit, a seafood processor must invest in capital expenditures related to a shore-based facility in Alaska. The credits are limited to five consecutive years, and must be initiated within the 1985-1989 tax years. Thus, the tax credit program will sunset by 1994. Credits for capital investments exceeding the 50 percent cap in a single tax year may be carried forward to a subsequent tax year within the five-year limit. Buyer's of seafood facilities for which a tax credit had been claimed will not qualify for credits on those particular capital improvements. The Department of Revenue is given authority to adopt regulations for administering the program and is directed to act on applications within 60 days of receipt.

This section also provides for an annual report to the legislature on the benefits and utilization of the tax credit program.

Section Three: Provides that the tax credits will not affect revenue sharing with local communities.

Section Four: Defines "capital expenditures."

Section Five: Repeals the tax credit program June 30, 1994.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

A G E N D A

Tuesday, January 29, 1985
8:30-10:00 a.m.
209 Behrends

1. Public Hearing on HB 58 (An Act relating to the Fisheries Business Tax)

2. Discussion of Priorities

3. Confirmations of Ernest Carter to Board of Fisheries and Bruce Twomley to Commercial Fisheries Entry Commission

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

November 15 ,1984

MEMORANDUM

TO: Representative Bette Cato

FROM: Sharman Haley
Legislative Analyst

RE: Legislative History of the Raw Fish Tax
Research Request 85-039

The raw fish tax, AS 43.75.010-.140, dates from statehood. The law provides for a tax on raw fish purchases by canneries, cold storages, and other processors. As of 1978, the statute levied a tax of from one to four percent of the purchase price depending on the specific fishery resource and the type of processing facility. Fishermen selling to floating processors outside State jurisdiction were also subject to the tax. Twenty percent of the tax revenues were refunded to the borough and/or first class city in which the facility was located. As you requested, a five-year history of bills affecting the raw fish tax is presented in this memorandum.

1979-1980

Thirteen bills amending the raw fish tax statutes were introduced during the Eleventh Legislature. House Bill 571 and SB 448, identical bills sponsored by Representative Hayes and Senator Kelly respectively, were omnibus tax relief bills suspending the raw fish tax as well as a host of other taxes. These bills saw little legislative action. House Bill 340, introduced by Representative Gardiner, also saw little action. The bill would have tied the reporting and enforcement of regional aquaculture assessments to processor licensing under the raw fish tax statutes. House Bill 227 would have eliminated the distinction between floating and shore-based cold storages, thereby reducing the tax rate on the floating facilities from four percent to one percent. This proposal by Representative Osterback did not move from the House Resources Committee.

House Bill 306, sponsored by the Governor, was a thorough overhaul of the raw fish tax statute. The bill:

- imposed a uniform six percent tax on all processors;
- increased revenue sharing with the local government unit to 33-1/3 percent;

- required that half of the local revenue sharing be spent on docks or other fishery enhancement projects;

- directed an additional 33-1/3 percent of the revenue to the Commercial Fishing and Agriculture Bank; and

- upgraded the bond requirements for salmon exporters.

Bills introduced by Senator Kerttula (SB 132) and Representative Branson (HB 83) also addressed local revenue sharing, raising it to 50 or 60 percent, respectively. The Governor's bill was modified by the Senate Community and Regional Affairs Committee, grafted on to Senator Kerttula's bill number, and enacted into law as Chapter 79 SLA 1979. The legislation deleted all references to "raw fisheries products," replacing the phrase with "fisheries resources." Hence "raw fish tax" is now something of a misnomer; the statutory name is Fisheries Business Tax.

The stated purposes of the act were to:

1) insure that the state is able to continue its efforts toward overall fisheries-related development programs by raising additional revenue to pay for its programs;

2) make the imposition of the fisheries tax more uniform among fisheries businesses; and

3) provide funding for the development of new fisheries.

The tax rates established by Chapter 79 SLA 1979 are as shown in the table below:

	Shore-based Processor	Floating Processor
Canned Salmon	4.5%	5.0%
Developing Commercial Fish Species*	1.0%	3.0%
Other Fisheries Resources	3.0%	5.0%

*Developing commercial fish species are defined in AS 16.05.050(12) as species in a specific region for which the optimum yield harvest has not been reached, a substantial portion of the harvest has been allocated to foreign fishing, or commercial harvest of the species recently developed.

Under Chapter 79, a person who transports or sells a fisheries resource outside the jurisdiction of the State is liable for the tax which would otherwise be paid by the processor.

The legislation provided for 20 percent revenue sharing to local government, and 20 percent to the Commercial Fishing and Agriculture Bank. Second class cities were made eligible for revenue sharing as well as first class cities. The new revenue sharing formula was to begin with calendar year 1980 taxes. The legislation also increased the bonding requirements for salmon exporters to $50,000. The bond covers not only payment of the tax to the State, but also payment to the fishermen for the salmon.

Three pieces of legislation passed in 1980 made corrective amendments to the 1979 enactment. House Bill 192 (enacted as Chapter 155 SLA 1980) corrected the starting date of the new revenue sharing formula to taxes collected for calendar year 1979. The House Judiciary Committee deleted the penalty provisions from the act so as not to duplicate the criminal code. These repealers were offered in CSHB 354, and later incorporated in SB 313 and enacted as Chapter 113 SLA 1980. The House Judiciary Committee also made a corrective amendment suggested by the code revisor deleting the definition of "year". This correction was incorporated into SB 277 and enacted as Chapter 94, SLA 1980.

A bill which was a forerunner of legislation creating the Alaska Seafood Marketing Institute was passed by the legislature in 1980 but vetoed by the governor. The original version of HB 962 provided processors with a tax credit of up to 15 percent of the fisheries business tax liability for donations to a nonprofit corporation organized to improve the quality of and to develop markets for Alaska seafood. The final version, SCSCSHB 962, established a fisheries business tax grant fund financed by appropriations from the legislature. The bill authorized grants to a nonprofit seafood marketing corporation of up to 15 percent of the fisheries business tax paid by members of the corporation in the preceeding year. The governor vetoed the bill due to constitutional problems.

1981-1982

Several amendments to the fisheries business tax statutes were made by the Twelfth Legislature. Senator Eliason introduced SB 200, which would have relieved freezer boats from tax liability if the processors to which they sell were regulated by the statute. His proposal was incorporated into HB 460, which was introduced by the House Resources Committee. House Bill 460 also increased revenue sharing to local governments from 20 to 50 percent of tax revenues starting with tax year 1982. As a transitional measure, revenue sharing was pegged

at 30 percent of 1981 fisheries business taxes. After a complicated passage, SCSCSHB 460 (Fin)am S (efd am H) was enacted as Chapter 117 SLA 1981.

Other fisheries business tax legislation considered but not passed by the Twelfth Legislature included HB 422 by Representative Malone. The bill would have shifted the tax liability from fish processors to fish purchasers. Senator Mulcahy also introduced a bill, SB 523, to clarify the language defining "value" as used in calculating tax liability. Some of this clean-up was accomplished in HB 460.

Representatives Zharoff and Bettisworth proposed in HB 103 to repeal the fisheries business tax entirely. This bill saw no action.

1983-1984

Three pieces of legislation offered in the Thirteenth Legislature would have established a fisheries business tax credit program. None of these proposals were enacted. Senator Ferguson proposed (in SB 191) a rate reduction of one-half percent for businesses that also pay the seafood marketing assessment under AS 16.51.120. Senator Mulcahy proposed (in SB 379) to grant up to a 50 percent credit on tax liability for purchases of equipment used in processing a developing commercial fish species. The Senate Resources Committee Substitute for this bill restricted the credit to equipment for processing bottomfish.

Representative Zharoff also sponsored legislation granting a tax credit of up to 50 percent of the fish tax liability. Under his proposal, credits would have included expenditures for improvement of quality control and upgrading or modernization of processing facilities as well as expenditures for equipment used in processing developing commercial species. The House Special Committee on Fisheries' version of HB 518 generalized the credit to apply to any capital expenditure but restricted its application to shore-based canneries and limited the application of credits to no more than five consecutive years. The bill would have required the Department of Revenue to make an annual report to the legislature describing the expenditures for which the credit was granted and the attendant increases in employment or processing capacity. The bill was in House Rules Committee when the legislature adjourned.

* * * * *

I hope that this memorandum has provided you with the information you sought. If you would like more detailed information regarding any of the measures discussed above or if you have any further questions, please don't hesitate to call me.

SH

Alaska State Legislature

HOUSE FISHERIES COMMITTEE

House of Representatives

~~Committee on~~

~~Community & Regional Affairs~~

Special Committee on Fisheries

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: January 29, 1985: HB 58, Committee Priorities and Confirmations

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Leo A. Land	Box 132 Haines	Self	X	766-2466
Neal Gilbertsen	Box 1066 Juneau	Self	No	N/A
Rich Lauber	Box 1625 "	Pacific Seafood Processors Assn	YES	586-6366
C Walker	"	Dept. Commerce	NO	2504
Steve Kettel	Pouch SA	Dept of Revenue	yes if necessary	2343
Greg Baker	Pouch D	Dept of Commerce/Fisheries	Yes	2162
Earl E. Krugger	130 Seward Suite 213	Alaska Trollers Assoc	Yes	586 9400
Nevette Bowen	Pouch V	Rep. Hurley	No	4963
Wendy Chamberlain	Pouch V	Rep Cato	No	4858
JON NEWSTROM	Pouch V	Speaker's Office	NO	3720
D Garrison	"	Rep. Jenkins	NO	4453
Karl Ohls	Pouch V	Sen. Zharoff	No	3473
Reed Stoops	Suite 218 #2 Marine Way	Chugach Fisheries	No	6-3561
Greg Fisk	2150D LAWSON CREEK RD JUNEAU	SELF	YES	586-9400

Alaska State Legislature

House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE:

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Helen Fisher	Pouch V	Rep. Thompson	no	

RECEIVED 2/14/85

TO: Roger Painter 4oREPholl

FR: Jon Newton, Speakers Office

FYI

KODIAK ISLAND BOROUGH
RESOLUTION NO. 85-20-R

3/4 HB58

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING USE OF A PORTION OF THE RAW FISH TAX TO PROVIDE SHORE BASED FISHERIES BUSINESS TAX CREDITS.

WHEREAS, fishing is an important economic activity in the State of Alaska employing one out of every ten Alaskans, and

WHEREAS, investment capital for onshore processing facilities is recognized as a top priority in the fishing community, and

WHEREAS, loss of the King Crab fishing means diversification is needed to derive maximum benefit from Alaska's fishery resources, and

WHEREAS, the potential growth of the bottomfish industry makes it especially important that this segment of the processing industry be promoted for the economic welfare of the entire state, and

WHEREAS, tax credits would encourage the building and expansion of onshore bottomfish facilities and create a more stable job market, and

WHEREAS, Senate Bill 11 and House Bill 58 allow tax credit of not more than fifty percent of a shore-based cannery or fishery business's tax liability for capital expenditures incurred for the development of the capability of processing a developing commercial fish species.

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that the Governor and the Legislature are urged to adopt Senate Bill 11 and House Bill 58 to provide tax credits to shore-based processors to develop or expand their facilities for bottomfish processing.

BE IT FURTHER RESOLVED that copies of this resolution be forwarded to:

The Honorable Bill Sheffield, Governor of Alaska
The Honorable Don Bennett, President of the Senate
The Honorable Ben F. Grussendorf, Speaker, House of Representatives
The Honorable Mike Navarre, Chairman, House Labor & Commerce Committee
The Honorable Albert P. Adams, Chairman, House Finance Committee
The Honorable Jan Faiks, Co-Chairman, Senate Finance Committee
The Honorable John C. Sackett, Co-Chairman, Senate Finance Committee
The Honorable Fred F. Zharoff, State Senate
The Honorable David W. Thompson, House of Represenatives
The Honorable John Pugh, Mayor, City of Kodiak
Andrew Brumbaugh, President, Kodiak Area Chamber of Commerce
Al Burch, Manager, Alaska Draggers Association
Ron Jolin, President, United Fisherman's Marketing Association
Lynn Domingo, Secretary-Treasurer, Cannery Workers Union
Chris Mitchell, Executive Director, Alaska Fisheries Development Foundation

PASSED AND APPROVED this 7th day of February, 1985.

KODIAK ISLAND BOROUGH

By _____
Deputy Mayor

ATTEST.

By Shirley Miller, CMC
Borough Clerk

AMENDMENT

Offered in the House Special Committee on Fisheries

TO: CSHOUSE BILL NO. 58

Page 3, after line 3, insert a new section to read:

"Sec. 43.75.035. RECAPTURE. If a taxpayer sells, disposes of, or otherwise ceases to use property for which a credit was allowed under AS 43.75.018 at any time within four years after the date the property was placed in service, the tax imposed for the taxable year under AS 43.75.015 is increased by the applicable percentage of the full amount taken as a credit under AS 42.75.018 according to the following table:

Years Property Placed in Service	Applicable Percentage
0 - 1	100
1 - 2	75
2 - 3	50
3 - 4	25"

COMMITTEE REPORT

HOUSE

Resources

(7)

FURTHER: Finance

1/16/85

Date: 02/07/85

The Committee on House Special Committee on Fisheries has had HB 58

"An Act relating to the fisheries business tax."

under consideration and recommends:

[ ] do pass [ ] do not pass

[ ] do pass with attached amendments(s)

[X] replace with CS for HB 58 (fish) [X] same title [ ] new title

and recommends ~~INDIVIDUAL~~ TITLE

[ ] AND attaches a "Letter of Intent" [X] New Fiscal Note Sup 5

[ ] Zero Fiscal Note Attached

[X] reports it back without recommendation

[ ] referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

alaska fresh seafoods, inc.

PLANT: 100 MARINE WAY P.O. BOX 647, KODIAK, AK (907) 486-5749
HEAD OFFICE: FISHERMEN'S TERMINAL C-3 BLDG. ROOM 131, SEATTLE, WA 98119 (206) 285-2412 TELEX: 32-1295

MARCH 31, 1983

DEAR SIRS,

ENCLOSED, YOU WILL FIND OUR 1982 FISHERIES TAX RETURN AND OUR 1982 SEAFOOD MARKETING ASSESMENT RETURN, ALONG WITH OUR CHECK IN THE AMOUNT OF $174,392.89 FOR BOTH OF THE RETURNS.

LET US TAKE THIS OPPRITUNITY TO EXPLAIN OUR POSITION AS TO THE CURRENT METHOD OF TAXING THE FISHING INDUSTRY.
FIRST, WE ARE A SMALL PROCESSOR AND WE HAD TO BORROW THE MONEY FOR THESE TAXES. WE ARE SURE YOU WILL AGREE OUR $174,392.89 IS QUITE A TIDY SUM. THIS CAUSES AN EXTREME HARDSHIP ON US ESPECIALLY WITH THE STATE OF THE FISHERIES IN SUCH AN ECONOMIC DEPRESSION.
SECOND, IF THE CURRENT METHOD OF COLLECTING TAXES CONTINUES, AS IT IS, IT MAKES IT VIRTUALLY IMPOSSIBLE FOR US AS A SMALL PROCESSOR TO BE ABLE TO EXPAND INTO THE DEVELOPING FISHERIES THAT THE STATE NEEDS SO BADLY IF THE FISHING INDUSTRY IS TO SURVIVE IN ALASKA.
THIRDLY, BECAUSE OF THE BURDEN CAUSED BY THE CURRENT METHOD OF TAXING THE PROCESSORS, YOU WILL FIND FEWER PROCESSORS TO TAX EACH YEAR. THIS OF COURSE WILL LIMIT YOUR TAX BASE WHICH WILL CAUSE MORE TAXING AND FINIALLY RESULT IN THE STRANGLATION OF THE WHOLE INDUSTRY.

WE WILL OF COURSE, CONTINUE TO PAY OUR TAXES. BUT, WE WOULD LIKE TO STRONGLY RECOMMEND A RE-EVALUATION OF THE ALASKA FISHERIES BUSINESS TAX AND THE FISHERIES MARKETING ASSESMENT. HOPEFULLY, THIS WOULD BE DONE WITH THE IDEA OF LESSENING THE BURDEN ON THE FISHERIES INDUSTRY.

YOURS TRULY,

David M. Woodruff

DAVID M. WOODRUFF
VICE PRESIDENT,
ALASKA FRESH SEAFOODS, INC.

CC: GOVERNOR, WILLIAM SHEFFIELD
HONORABLE BOB MULCHY
HONORABLE FRED ZAROFF

DW:jg

Mail to:
Department of Revenue
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

STATE OF ALASKA
DEPARTMENT OF REVENUE
ALASKA FISHERIES BUSINESS RETURN
AS 43.75.011 - 140.

ONE RETURN PER PLANT OR VESSEL

Name (Person, firm or corporation)		E.I.N. or S.S. Number
ALASKA FRESH SEAFOODS, INC.		911043499
Mailing Address		Fisheries Business License No. / Tax Year
BOX 647		82-046 / 82
City, State, Zip Code	Daytime Telephone Number	Location of Operation
KODIAK, AK 99615	(907) 486-5749	KODIAK

Enter totals from Schedule A and/or Schedule B as indicated below and multiply by the appropriate percentages.

	TOTAL VALUE			TAX DUE	OFFICE USE ONLY
1. Canned Salmon - Shore-Based Business Schedule A; line 9, column (9A)	$ 0	Multiply by 4½% (.045)	1	$	
2. Other Shore-Based-Established Species Schedule A; line 9, column (9B)	$5,164,037	Multiply by 3% (.03)	2	$154,942.92	
3. Floating Business-Established Species Schedule A; line 9, column (9C)	$ 0	Multiply by 5% (.05)	3	$	
4. Shore-Based - Developing Species Schedule B; line 7, column (7A)	$760,037	Multiply by 1% (.01)	4	$ 7,600.37	
5. Floating Business-Developing Species Schedule B, line 7, column (7B)	$ 0	Multiply by 3% (.03)	5	$	
6. TOTAL TAX (Add Tax Due column, lines 1 through 5)			6	$162,543.29	
7. Enter amount of any prepayments of estimated tax ($25.00 license fee is not a prepayment)			7	$ 0	
8. Balance due or (overpayment) (Subtract line 7 from line 6)			8	$	
9. Penalty for late filing (5% per 30 day period not to exceed 25%)			9	$	
10. Interest (12% a year)			10	$	
11. TOTAL DUE WITH THIS RETURN (Add lines 8 through 10)			11	$162,543.29	

NOTICE: If the fisheries business covered by this return is a shore-based fisheries business which floats, from 04-575 Vessel Itinerary must be completed and attached to this return.

ALLOCATION OF REVENUE. Please provide the information requested below to allow for allocation of revenue to local governments. If the return is for a vessel, complete the schedule on the right, showing the amount of the taxes allocated to each location. Please see the general instructions for further information.

Vessel Location	A, B or C	% of Tax Due Allocated Line 1	Line 2	Line 3	Line 4	Line 5	Dollar Amount Allocated Per Location

Name of Cannery, Plant, Vessel or Business

Physical Location of Cannery, Plant or Business

Check only one: A. ☐ Within incorporated city limits
B. ☐ Outside city but within organized borough
C. ☐ Outside all cities or boroughs

I declare under penalty of perjury that this return (including all accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.

Signature of Taxpayer: X [signature] Date: X 3-31-83

Signature of Agent: Date:

This return must be filed with your payment on or before March 31, 1983. Make your remittance payable to the:

DEPARTMENT OF REVENUE
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

Please attach as appropriate to this return, Schedules A - G and form 04-575 Vessel Itinerary.

Office Use Only

Department of Revenue
Audit Division
Pouch 8A
Juneau, Alaska 99811-0400

ALASKA FISHERIES BUSINESS RETURN
SCHEDULE B. DEVELOPING COMMERCIAL FISH SPECIES

Fisheries Bus. Lic. No. 82-046

Developing commercial fish species are taxed at a lower rate than established species. Use this schedule only to report fish and shellfis species that have been designated as "developing" by the Alaska Department of Fish and Game. A list of these species is printed on the bac of this schedule. To report fish species that do not appear on the list of developing species, use Schedule A.

Please read the instructions and definitions on the back before completing this schedule.

DO NOT INCLUDE ESTABLISHED COMMERCIAL FISH SPECIES SEE SCHEDULE A	A. SHORE-BASED FISHERIES BUSINESS		B. FLOATING FISHERIES BUSINESS	
	Pounds	Total Value	Pounds	Total Value
1. Fisheries resources processed that were taken in company-owned or company-subsidized boats operated by employees of the fisheries business or in boats operated under lease or other arrangement. Complete a Schedule C for each column entry.		(1A) $		(1B) $
2. Fisheries resources processed that were purchased by your company from fishermen qualifying for exclusion from payment of the tax. Enter Total Pounds and Total Value from Schedule D in the appropriate column.		(2A) $		(2B) $
3. Fisheries resources processed that were purchased by your company except those resources included on line 2. Complete a Schedule C for each column entry.	261,935	(3A) $ 760,037		(3B) $
4. Fisheries resources that your company custom processed for someone other than a licensed fisheries business. List the name of the person/company owning the product which was custom processed. Attach Schedule E, Owner's Statement of Value, for each person/company you list.				
(a)		$		$
(b)				
(c)				
(d)				
(e)				
(f)				
(g)				
(h)				
(i)				
5. Fisheries resources that were custom processed for your company. List the name of the company that processed the resource. Complete a Schedule C for each column entry.				
(a)		$		$
(b)				
(c)				
(d)				
(e)				
(f)				
(g)				
(h)				
(i)				
6. Other fisheries resources transported outside the taxing jurisdiction of Alaska for subsequent processing or sale, or sold outside the taxing jurisdiction of Alaska. List the name of the person/company that purchased the product. Complete a Schedule C for each column entry.				
(a)		$		$
(b)				
(c)				
(d)				
(e)				
(f)				
7. TOTALS. Add categories 1-6. Enter (7A) on page 1 of the Return, line 4. Enter (7B) on page 1, line 5.		(7A) $ 760,037		(7B) $

Department of Revenue
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

ALASKA FISHERIES BUSINESS RETURN
SCHEDULE A. ESTABLISHED COMMERCIAL FISH SPECIES

Fisheries Bus. Lic. No. 82-046

IMPORTANT. Before completing this schedule, please read the list of Developing Commercial Fish Species printed on the back of Schedule B. Any fishery resource processed that is included on this list is taxed at a lower rate and must be reported on Schedule B.

CUSTOM PROCESSORS. Use Schedule A only to report those established commercial fish species which you custom processed for someone other than a licensed fisheries business. You are not liable for the tax on fisheries resources you custom processed for another licensed fisheries business. You must, however, report on Schedule F those resources that you custom processed for another licensed fisheries business.

GENERAL INSTRUCTIONS

Before completing this form, please read carefully each category as described on lines 1-7. This will help you determine which categories apply to your fisheries business.

Make your entries in column A only for salmon canned at a shore-based cannery. For fisheries resources other than canned salmon which were processed at a shore-based fisheries business, make your entries in column B. For fisheries resources processed on a floating fisheries business, make your entries in column C.

If this return is for a shore-based fisheries business which floats, form 04-575 Vessel Itinerary must be completed. Make your entries as a shore-based business only if the vessel was anchored in one spot and did not move from that anchorage for any reason during the entire calendar year.

DEFINITIONS OF VALUE - 15 AAC 75.300

VALUE means the actual price paid for the fisheries resource by the fisheries business, including indirect consideration such as fuel, supplies, or gear, whether paid at the time of purchase of the fisheries resource or tendered as a deferred, delayed, or advance payment, except that VALUE means the market value of the fisheries resource if the fisheries resource is taken in company-owned or company-subsidized boats operated by employees of the fisheries business or in boats which are operated under lease or other arrangement.

MARKET VALUE means the prevailing value paid for fisheries resources of like kind and quality by fisheries businesses in the same market area to fishermen who own their vessels.

If you CUSTOM PROCESSED a fisheries resource for someone other than a licensed fisheries business, you are liable for payment of the tax. List the VALUE of the resource as reported to you on the Owner's Statement of Value, Schedule E.

NOTE: Each entry you make in a Total Value column must be supported by a schedule C, D or E as appropriate that shows, in addition to other items, the species that are included in that entry. For lines 1, 3, 5, 6 and 7, complete a Schedule C for each entry. For line 2, attach a Schedule D for each entry. For line 4, attach a Schedule E for each entry.

DO NOT INCLUDE DEVELOPING COMMERCIAL FISH SPECIES SEE SCHEDULE B	A. SALMON CANNED AT A SHORE-BASED CANNERY		B. SHORE-BASED FISHERIES BUSINESS (DO NOT INCLUDE SALMON CANNED AT A SHORE-BASED CANNERY)		C. FLOATING FISHERIES BUSINESS	
	Pounds	Total Value	Pounds	Total Value	Pounds	Total Value
1. Fisheries resources processed that were taken in company-owned or company-subsidized boats operated by employees of the fisheries business or in boats operated under lease or other arrangement. Complete a Schedule C for each column entry.		(1A) $		(1B) $		(1C) $
2. Fisheries resources processed that were purchased by your company from fishermen qualifying for exclusion from payment of the tax. Enter Total Pounds and Total Value from Schedule D in the appropriate column(s).		(2A) $		(2B) $		(2C) $
3. Fisheries resources processed that were purchased by your company except those resources included on line 2. Complete a Schedule C for each column entry.		(3A) $	3,437,088	(3B) $5,164,764		(3C) $
SUBTOTALS. Add lines 1-3 in each column. Enter subtotals on the back of this Schedule A, line 8.		(A) $		(B) $5,164,764		(C) $

04-574 A (11/8

DEVELOP... DO NOT INCLUDE COMMERCIAL FISH SPECIES SEE SCHEDULE B	A. SALMON CANNED AT A SHORE-BASED CANNERY		B. SHORE-BASED FISHERIES BUSINESS (DO NOT INCLUDE SALMON CANNED AT A SHORE-BASED CANNERY)		C. FLOATING FISHERIES BUSINESS	
	Pounds	Total Value	Pounds	Total Value	Pounds	Total Value
4. Fisheries resources that your company custom processed for someone other than a licensed fisheries business. List the name of the person/company owning the product which was custom processed. Attach Schedule E, Owner's Statement of Value, for each person/company you list.						
(a)		$		$		$
(b)						
(c)						
(d)						
(e)						
(f)						
(g)						
(h)						
(i)						
5. Fisheries resources that were custom processed for your company. List the name of the company that processed the resource. Complete a Schedule C for each column entry.						
(a)		$		$		$
(b)						
(c)						
(d)						
(e)						
(f)						
(g)						
(h)						
6. Salmon exported in the round. List the name of the person/company that purchased the salmon. Complete a Schedule C for each column entry.						
(a)		$		$		$
(b)						
(c)						
(d)						
7. Other fisheries resources transported outside the taxing jurisdiction of Alaska for subsequent processing or sale, or sold outside the taxing jurisdiction of Alaska. List the name of the person/company that purchased the resource. Complete a Schedule C for each column entry.						
(a)		$		$		$
(b)						
(c)						
(d)						
8. Enter amounts from Schedule A, Subtotals (from other side) in the appropriate columns.		(A) $		(B) $		(C) $
9. TOTALS. Add categories 4-8. Enter (9A) on page 1 of the Return, line 1. Enter (9B) on page 1, line 2. Enter (9C) on page 1, line 3.		(9A) $		(9B) $ 5,164,764		(9C) $

Department of Revenue
Audit Division
Pouch SA
Juneau, Alaska 99811-0400

ALASKA FISHERIES BUSINESS RETURN
SCHEDULE C. FISHERIES RESOURCES PROCESSED BY SPECIES

Fisheries Bus. Lic. No. 82-046

Complete as many Schedules C as necessary to support the appropriate Total Value column entries made on Schedules A and B. For Schedule A, separate Schedules C are required for lines 1, 3, 5, 6 and 7. For Schedule B, separate Schedules C are required for lines 1, 3, 5 and 6.

For example, if you canned King, Coho and Chum Salmon as a shore-based cannery, and all of the salmon were purchased fresh at the dock, you correctly made an entry on Schedule A at line 3, column A. That entry would be supported by this Schedule, showing detailed information about each of the three species of salmon you processed.

For line category entries made on Schedule A, line 5, or Schedule B, line 5, you must provide a separtate Schedule C for each person or company that custom processed for your company.

For line category entries made on Schedule A, lines 6 and 7, or Schedule B, line 6, you must provide a separate Schedule C for each person or company that purchased the resource which was transported unprocessed out of Alaska's taxing jurisdiction.

For example, if you transported unprocessed fisheries resources out of Alaska's taxing jurisdiction and sold them to companies A and B, company A's name would appear in the box requesting "Name of Person or Company" in the first schedule below. The information for the species which were purchased by company A would then appear in the corresponding spaces. The next schedule would then be completed for the resources sold to company B.

NOTE FOR SCHEDULE B ENTRIES: Herring, shrimp, and certain species of crab are considered to be developing species only in certain areas. Additionally, shrimp are "developing species" in some areas only when caught with pot gear. For these species only, you must list the area where caught. For shrimp, you must also list the type of gear used.

THIS FORM CONTAINS FIVE SCHEDULES C. USE ADDITIONAL PAGES AS NECESSARY.

First complete the boxes immediately below by transferring information directly from Schedule A or Schedule B. For each species included in the totals you enter below, provide the information requested in the boxes to the right.

This Schedule supports the entry made at:

SCHEDULE	LINE	COLUMN
A	3	B

Name of Person or Company (for Schedule A, lines 5, 6 or 7 only, and Schedule B, lines 5 or 6 only)

TOTAL POUNDS (From Schedule A or B entry)
3,437,088 lbs

TOTAL VALUE (From Schedule A or B entry)
$5,164,764

SPECIES OF FISHERIES RESOURCE	AREA WHERE CAUGHT AND TYPE OF GEAR AS APPLICABLE TO SCHEDULE B	TOTAL POUNDS OF THAT SPECIES	AVERAGE VALUE PER POUND	TOTAL VALUE FOR THAT SPECIES
KING CRAB		811,979	3.504	2,845,520
DUNGENESS CRAB		732,377	.749	547,791
TANNER CRAB		716,915	1.62	1,161,540
KING SALMON		476	.666	317
RED SALMON		202,492	.938	189,987
PINK SALMON		191,300	.259	49,500
CHUM SALMON		578,024	.438	253,020
COHO SALMON		195,841	.559	109,458
HALIBUT		7,684	.99	7,631

First complete the boxes immediately below by transferring information directly from Schedule A or Schedule B. For each species included in the totals you enter below, provide the information requested in the boxes to the right.

This Schedule supports the entry made at:

SCHEDULE	LINE	COLUMN
B	3	A

Name of Person or Company (for Schedule A, lines 5, 6 or 7 only, and Schedule B, lines 5 or 6 only)

TOTAL POUNDS (From Schedule A or B entry)
261,9351bs

TOTAL VALUE (From Schedule A or B entry)
$760,037

SPECIES OF FISHERIES RESOURCE	AREA WHERE CAUGHT AND TYPE OF GEAR AS APPLICABLE TO SCHEDULE B	TOTAL POUNDS OF THAT SPECIES	AVERAGE VALUE PER POUND	TOTAL VALUE FOR THAT SPECIES
SCALLOPS		237,922	3.147	748,741
BLACK COD		1,900	.95	1,805
PACIFIC COD		18,400	.304	5,592
CLAMS		3,713	1.05	3,899

ALASKA DEPARTMENT OF REVENUE
Audit Division
Pouch SA
Juneau, Alaska 99811

SEAFOOD MARKETING ASSESSMENT RETURN

AS 16.51.160

DUE DATE:
MARCH 31
following the
assessment y

Name (Person, Firm or Corporation)	Assessment Year	This return is an:
ALASKA FRESH SEAFOODS, INC.	1982	
Mailing Address	Employer's I.D. or Social Security No.	XX Original Return
BOX 647	911043495	
City, State, Zip Code	Daytime Telephone Number	☐ Amended Return
KODIAK, ALASKA 99615	907) 486-5749	

Add all values entered in the TOTAL VALUE column from each Alaska Fisheries Business Return filed for the assessment year (page1, lines
Enter each total in column C below.

A. Fisheries Business License Number	B. Location of Operation or Vessel Name	C. Value of Seafood Products	Office Use C
82-046	105 MARINE WAY, KODIAK, AK	$ 5,924,801	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	
		$	

1. Total value of seafood products listed in column C. (If less than $50,000, skip lines 2 - 5, sign the return and file it on or before the due date.)	1.	$ 5,924,801	
2. Multiply the value entered on line 1 by .2% (.002)	2.	$ 11,849.60	
3. Penalty for late filing (5% per 30 day period not to exceed 25%)	3.	$	
4. Interest (12% a year)	4.	$	
5. Total assessment (Add lines 2 through 4)	5.	$ 11,849.60	

I declare under penalty of perjury that this return, including any accompanying statements, has been examined by me and to the best of my knowledge and belief is true, correct and complete.

Signature of Processor	Date
X [signature]	X 3-31-83
Signature of Agent	Date

File this return o
before March 31, wit
assessment due (lin
Make your remit
payable to the A
Department of Rev

Thank you.

04-578 (12/82)

STATE/LOCAL TAXES AND JURISDICTIONAL SHIFTS IN CORPORATE BUSINESS ACTIVITY: THE COMPLICATIONS OF MEASUREMENT

THOMAS VASQUEZ AND CHARLES W. deSEVE

Introduction

Little has changed since John Due wrote his 1961 survey of research into the effect of state/local taxes on industrial location.[1] A few more articles have been written and a few more cautions issued about the narrow applications of the results, yet the state of the art has changed little and the measurements remain inconclusive.

It may seem ironic at a conference on tax simplification to suggest a new research approach which is operationally more complicated than other methods have been. But it is the failure of state/local tax laws to be either simple or uniform which requires it. This paper will demonstrate permutations of corporate business activities and tax treatments which obscure the true magnitude of tax differences among jurisdictions. Nominal tax definitions and much aggregate tax data are insufficient in models of location behavior. Moreover, the particular distribution of a firm's existing activity among states and localities can have such a dramatic impact on its after-tax rate of return on marginal investment that broad generalizations about the fiscal interaction of jurisdictions may be impossible to make.

This paper first discusses a few of the conceptual difficulties in defining the interaction of tax laws among the states. It then summarizes a 13 state simulation of the impact of the jurisdictional dispersion of business activity and of Federal/State/local tax laws on the return to marginal investment in specific locations. It is not meant to be a tax comparison of the jurisdictions involved, but simply a demonstration of the importance and complications of many long-neglected variables.

Measuring Tax Differentials

A study of tax differentials, analogous to the study of any other cost differential should satisfy two basic conditions. First, the cost differential should be measured in the context of the relevant decision process. In the case of a decision to locate new plant or equipment, the only meaningful approach is to measure tax differentials in the context of investment policy. Secondly, the unit of comparison should be the same as that used by investors and should be general such that the tax differential measure can be compared to other cost differentials. Clearly, the after tax rate of return satisfies both these requirements.[2]

Among the approaches of earlier studies is the ranking of states according to the single year tax liability of hypothetical firms representative of selected industries.[3] Alternatively, differences in nominal taxes among jurisdictions are used as the independent variable in a behavioral model. In either case, the choice of tax liability as the comparison unit creates two problems. First, the purchase of physical capital is in effect the purchase of an expected income stream over the useful life of the asset. In the same sense that an investor would want to know the level, pattern and duration of the income stream produced by the asset, he also would want to know the level, pattern and duration of the tax liability stream. Clearly, a one-year measure of the income of the asset is worthless to the investor and thus a one-year measure of tax liability (or a comparison of nominal tax rates) is worthless. Secondly, because of the concern with all factors which affect location decisions, the choice of the unit of comparison should reflect the need to analyze the effects of all costs. The after-tax rate of return is a generally accepted measure which easily handles the problems presented by the timing of tax liabilities and income flows and can be used to compare tax cost differentials with other cost factors affecting the location decisions of firms.

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

December 22, 1983

MEMORANDUM

TO: Representative Fred Zharoff

FROM: O. Alexander Hoke
Legislative Analyst O. Alexander Hoke

RE: Raw Fish Tax Credit
Research Request 83-189

This memorandum addresses your questions regarding the design of a "raw fish tax" credit and the amount of tax credits that would be available to fish processors under such a system, especially for processors of developing fisheries. We also address alternatives to the tax credit suggested by officials in the Department of Revenue who reviewed your tax credit proposal.

ANALYSIS OF A RAW FISH TAX CREDIT

We understand that your proposal is to provide a tax credit of up to half of a processor's total Fisheries Business Tax liability for investments in plant and equipment which affect the quality of the fishery product or for investments in the processing of developing fisheries.

Models for a Raw Fish Tax Credit Program

There are numerous examples of investment tax credit programs in other states and in the Alaska and federal income tax systems. The tax credit programs tend to have a common approach and their implementing language is relatively straight forward. The credit is allowed against a tax liability (usually the state income tax), with the credit limited to a percentage of the investment made. In most cases, the percentage of the total investment allowed as a credit is 10 percent or less, but in a few instances, 100 percent of the investment is allowed as a credit. Presumably the more common smaller percentages are used in order to insure that the business seeking the credit is willing to place a substantial portion of their own resources into the investment, which effectively guarantees the soundness of the investments.

In most instances, the amount of the investment tax credit allowed in any tax year is limited to 50 percent of the business' total tax liability for that year. It may be assumed that this provision is designed to insure that the tax base is not severely eroded by the tax

credit program. Most states (and the federal government) permit the business claiming a tax credit to carry forward any unused portion of tax credit claimed for one year. Some programs allow the unused portion of the tax credit to be carried back to previous tax years in order to permit a business to take full advantage of the tax credit.

As an example of how the tax credit carry forward works, assume that a processor owes $50,000 in raw fish tax to the State of Alaska. Since an investment tax credit of up to 50 percent of the total tax liability is permitted under your proposal, the tax credit limit for the first tax year is $25,000. Suppose that this processor invests $100,000 in new equipment eligible for the raw fish tax credit. If 100 percent of the investment is allowed as a credit against the raw fish tax liability, a credit of $100,000 can be claimed. However, only $25,000 can be used as a credit for the first year, leaving a total tax of $25,000 to be paid, and a balance of $75,000 in unused credit to be carried forward.

In the following year, assume that $60,000 in fisheries business tax is owed. Although $75,000 of raw fish investment tax credit was unused in the first year, only $30,000 (half of the $60,000 owed) may be claimed in the second year. Consequently, $30,000 must be paid in raw fish tax while an equal amount is claimed as a credit. Also, $45,000 in unused investment tax credit remains to be carried forward to the next tax year.

The carry back provisions allowed under the federal investment tax credit work in much the same manner as described above, except that in order to claim the credit, the business must file amended returns for prior years under which the credit is to be claimed. In this case, the federal government refunds any over paid taxes as a result of the amended returns.

The third major element common to most tax credit programs pertains to the type of investments for which a credit can be claimed. In most cases, the nature of investments eligible in the tax credit program reflects specific policy goals. For example, Colorado targets new and expanded mining and milling business investments; Florida credits investments in facilities situated within state-designated enterprise zones; Massachusetts limits credits to investments in manufacturing, agriculture, commercial fishing, and research and development businesses; Pennsylvania permits a tax credit for corporate investments in neighborhood revitalization and job training; and Virginia provides tax credit for business investment in impoverished areas of the state.

A more complete description of the form and content of various investment tax credit programs in the states can be found in the attached research bulletin, Tax Incentives and Financing Assistance for Industrial Location.

Fisheries Business Tax: AS 43.75.015

The fisheries business tax (raw fish tax) is defined by Alaska statutes as a percentage of the "market value" or actual sale price of the fishery resource. The sale price includes other valuable considerations offered in the transaction such as fuel, supplies, or gear. The tax percentage differs for shore-based businesses (processors), floating processors, and processors of developing fisheries as shown in the table below:

Table 1
Fisheries Business Tax Assessment
Based on the Value of Fish Processed

Fisheries Business Type	Percentage of Value Assessed Under the Raw Fish Tax
Shore-based canned salmon	4.5%
Other salmon processors and all other shore-based fish processors	3.0%
Floating fisheries processors	5.0%
Shore-based processor of developing fishery	1.0%
Floating processor of developing fishery	3.0%

The revenue generated under the fisheries business tax is shown in the table below as provided by the Department of Revenue:

Table 2

	Fisheries Business Tax Revenue (millions of dollars)						
Processor Type	FY77	FY78	FY79	FY80	FY81	FY82	FY83
Canned Salmon	3.8	5.5	6.7	4.3	5.9	8.6	4.3
Shore-Based	1.9	2.3	3.3	7.6	11.0	8.7	11.5
Floating	.5	.5	1.9	2.7	3.8	5.5	4.7
Totals	6.2	8.3	11.9	14.6	20.7	22.8	20.5

Half of the fisheries business tax revenues are reserved for the local government under whose jurisdiction the fish processor is operating. Under your proposal, the revenues collected on behalf of the local government jurisdictions would continue to be transferred to that level. The remaining half of raw fish tax collected by the State could be subject to the investment tax credit for processors.

A total of 488 fisheries business licenses were issued in 1982, while only 410 fisheries business tax returns were filed for that year. This means that some businesses were conducting processing activities requiring more that one license. For example, some businesses operate both shore-based and floating processing facilities.

Because the Department of Revenue publishes tax revenues on a fiscal year basis, taxes owed for calendar 1982 (which are due by April 1, 1983) are recorded as FY83 revenues. In actual practice, tax revenue will not always be paid by the processors by the April deadline. Some processors in financial trouble are paying past due taxes on individually arranged payment schedules. As a rough approximation, however, average taxes paid by processors (shown in Table 3) can be computed by dividing total FY83 fisheries business tax revenues by total calendar 1982 business licenses issued.

Table 3
Average Raw Fish Tax Credit Allowed

Processor Category	Total 1982 Licensed Processors	Fish Tax Revenues $Millions	FY83 Est. Avg. Fish Taxed Owed Per Processor
Shore-Based	218	$11.5	$52,752
Canneries	60	4.3	71,667
Floating	169	4.7	27,811

Average tax liabilities presented in Table 3 compare to Audit Division data which show that of the total of 410 raw fish tax returns for 1982, nearly one-fourth (108) of the returns reported more than $50,000 in taxes owed.

An interesting fact about the 108 largest fish processors is that about 40 of these processors are owned by foreign companies while others are owned by Washington-based firms. Also, 15 of the fisheries businesses owing over $50,000 in raw fish tax are making late payments according to a schedule arranged by the Department of Revenue. Presumably, the financial status of these businesses prohibits them from meeting their tax liability on time.

Processors of Developing Fisheries

There are approximately 60 shore-based processors and 60 floating processors which are taxed under the lower "developing fisheries" taxes shown in Table 1. In most cases, these businesses also process developed fisheries, which are taxed at the higher levels indicated in Table 1. A breakdown of the tax revenue raised under the developing rates of the fisheries business tax is presented below in Table 4.

Table 4

Raw Fish Tax Revenues on Developing Fisheries

Processor Type	1980	1981	1982
Shore-based	$137,090	$192,389	$280,002
Floating	111,618	330,419	555,293
Totals	$248,708	$522,808	$835,295

A comparison of the calendar 1982 total raw fish taxes on developing fisheries ($835,295) to the FY83 total of all raw fish tax revenue ($20.5 million) shows that developing fisheries taxes constitute only about 4 percent of total revenues.

Average Tax Credit Estimation

A breakdown of fisheries business tax returns would have to be requested of the Audit Division of the Department of Revenue in order to gain a clear picture of how fish processors would be affected by a tax credit program. In lieu of such a breakdown, a rough approximation of average tax credits permitted under a 50 percent tax credit ceiling can be made by dividing total tax revenues by the total number of processors. Such approximations are made in Table 5 for two groupings of fish processors: an aggregate of all processors and a subgroup of developing fisheries processors.

Table 5

"Raw Fish Tax" Credit Estimation
Maximum Credit Allowed Based on 1982 Data

Processor Category	Total Licensed Processors	Fish Tax Revenues	Est. Average Fish Tax Owed Per Processor	Estimated Tax Credit Per Processor**
Shore-Based (Total)	218	$11,500,000	$52,752	$26,376
Canneries	60	4,300,000	71,667	35,833
Floating (Total)	169	4,700,000	27,811	13,905
Undeveloped Fisheries Shore-Based	60*	280,002	4,667	2,333
Undeveloped Fisheries Floating	60*	555,293	9,255	4,627

*The data shown for developing fishery processors represent a portion of the comprehensive Shore-Based and Floating categories shown immediately above in this table.

**These figures reflect the average of maximum credits allowed based on 50 percent of taxes owed.

Of course, the average credits estimated above may present a somewhat misleading picture of the spread of potential tax incentives under your proposed investment tax credit program. Large processors may claim larger credits than the averages shown above if their tax liability exceeds the average of taxes owed for all processors. Likewise, small processors may find that their allowed credits are substantially less than those indicated above, depending on their tax liability.

We have not attempted to determine whether or not tax credits in the range of $14,000 to $36,000 would induce fish processors to make investments in new plant and equipment. However, it seems likely that if the investment tax credit program is restricted to processors of developing fisheries only, the potential tax credits of $2,000 to

$4,600 would provide little incentive for upgrading processing facilities. At the very least, the impact on the processing industry for developing fisheries appears to be insignificant given the modest investments that could be made using tax credits shown in Table 5.

Revenue Leakage To Federal Government Under Tax Credit Program

A concern expressed by Maureen O'Brien, Audit Division Director for the Department of Revenue, is that a number of large processors may find that the effectiveness of a raw fish tax credit is attenuated to the extent that a portion of their tax burden is merely shifted to the federal income tax. Since taxes paid to the State of Alaska are deductible under the federal income tax, a credit against state taxes translates into higher taxable income at the federal level.

For example, assume that a major fish processor reports $100,000 in taxable income on its federal income tax return after a deduction of $60,000 in taxes due under the Alaska Fisheries Business Tax. If the raw fish tax credit were implemented, this processor would be eligible for a tax credit of $30,000. This would boost the processor's federal taxable income to $130,000, with all income over $100,000 taxable at the maximum 46 percent rate. Consequently, the actual effect of the tax credit would be $30,000 minus the federal income tax increase of $13,800 (46 percent of $30,000), leaving $16,200 to offset the company's investment in new plant and equipment. In other words, for some large processors, every raw fish tax revenue dollar foregone by the State as a tax credit would buy 54 cents worth of new plant and equipment in the Alaska fish processing industry.

For smaller processors with taxable incomes in a lower tax bracket, this loss of State revenue to the federal income tax would not be as great. Furthermore, some investment in new equipment would qualify for the 10 percent investment tax credit and the accelerated cost recovery (depreciation) provisions of State and federal income tax law. These provisions would effectively increase the amount of raw fish tax credit that would actually be available for investment in fish processing industry improvements.

ALTERNATIVE INCENTIVES FOR FISH PROCESSING INVESTMENTS

Accelerated Cost Recovery System

Tax incentives for upgrading equipment and plant improvements are presently available to fish processors in the form of credits against a corporation's federal or State income tax liability. As a component

of the Economic Recovery Tax Act of 1981, the U.S. Congress passed legislation allowing businesses to recover (depreciate) investments in new plant and equipment at a more rapid rate than under previous tax law. Under the Accelerated Cost Recovery System, property is classed as 3-year, 5-year, 10-year and 15-year recovery property. Ten and fifteen-year property relates primarily to utility property, while three and five-year property is defined in Table 6. The State of Alaska adopts the provisions of federal tax law including the Accelerated Cost Recovery System in AS 43.20.021.

Table 6
Accelerated Cost Recovery System and Investment Tax Credit

Cost Recovery Class	Property Description	Investment Tax Credit Allowed
3-year	autos, light trucks, some research & development equipment	6% of investment cost
5-year	most machinery and equipment, furniture and fixtures	10% of investment cost

Investment Tax Credit

A second economic stimulus in the 1981 Recovery Tax Act is the investment tax credit. A credit is offered against federal income tax liability equal to a percentage of the total investment cost of new equipment as shown above. The credit on investments is limited to 80 percent of the first $25,000 of federal tax liability and 90 percent of all tax owed above $25,000. Credit in a given tax year is limited to the total income tax owed to the government, although investment tax credit can be carried back three tax years or carried forward between seven and ten tax years and applied against taxes owed. Consequently, virtually all of the credit can be used to offset past or future tax liability.

Alaska statute (AS 43.20.036 b) limits the investment tax credit by allowing credit against only the first $20 million of qualified investment property (except pollution control equipment) for each tax year. The Alaska income tax credit allowed in any tax year is limited to 18 percent of the investment tax credit claimed for federal income tax purposes.

Energy and Rehabilitation Investment Credits

In addition to the standard tax credits allowed on investments of all new equipment, the Internal Revenue Code permits specific investment credits for energy property and rehabilitation of old facilities. These credits are listed in Table 7.

Table 7
Energy and Rehabilitation Investment Tax Credits

Property Investment Class	Tax Credit As a Percentage of Investment
Energy: Solar, wind, geothermal and ocean-thermal	15%
Energy: Small hydro-electric	11%
Energy: Biomass	10%
Rehab.: 30-year old structure	15%
Rehab.: 40-year old structure	20%
Rehab.: Certified historic structure	25%

Elective Expense Deduction

Federal tax law also permits a business to "expense" a limited portion of depreciation property each year as shown below.

Tax Years	Expense Limit
84 & 85	$7,500
After 85	$10,000

This provision means that property normally depreciated could be treated as a business expense and fully deducted from gross income up to the limits shown above.

Loan Programs

At present, there are five sources of loans and loan guarantees available to fish processors through State programs. Aside from conventional financing sources (banks) these sources include:

- Commercial Fishing and Agriculture Bank (CFAB)
- Alaska Resources Corporation (ARC)
- Fishery Product Revolving Loan Guarantee Fund
- Small Business Loan Program
- Alaska Industrial Development Authority

In the interest of transmitting this memorandum to you at the earliest possible date, we have not taken the time necessary to fully evaluate the loan program alternative suggested by the Department of Revenue. In a follow-up memorandum, we intend to review the provisions of existing loan programs to determine their suitability as a source of financing investments in fish processing industry. We will also examine the proposal of creating a new loan program as a source for financing improvements in the fish processing industry. We hope to be able to provide you with this additional information by the middle of January.

Inventory Control And Quality Fisheries Products

While discussing the implications of the proposed raw fish tax credit with John Mintken of the Revenue Department's Audit Division, an alternative relating to processors' inventories was suggested. Mr. Mintken proposed a State-supported inventory control system designed to stabilize the fisheries product market structure and provide additional warehousing and freezer storage capacity.

Mr. Mintken feels that a major problem for processors is uncertainty of the consumer demand for and market price of fisheries products. This uncertainty is closely tied to the volatility in total harvest of fish from one season to the next. Mr. Mintken believes that much of the reluctance to invest in new plant and equipment results from the considerable financial risk imposed by unknown fish prices, market demand, and harvest volumes. He suggests that the State could act as a warehousing/cold storage intermediary, available to purchase surplus fish products much as the federal government absorbs surplus grain production on a national level.

The State has, in fact, begun a program of this nature to support the developing grain producing business in Alaska. Last year, HB 156 created a State grain reserve program in which farmers can deposit their surplus grain in the State reserve as collateral for a loan from the

State. The loan amount is set at a level equal to the cost of producing the grain. The grain can be redeemed by the producer at any time by paying off the loan with interest. This means that the farmer is guaranteed that he can "sell" any grain that he produces, although the portion he turns over to the State reserve is essentially "sold" at the cost of producing it. If the market price for grain rises above the cost of production, the farmer can redeem his grain and sell it on the open market at a profit. If the farmer defaults on his loan, the State has "purchased" his grain at cost and is free to sell the grain at any time.

Obviously, a direct parallel can be devised for fish processors insuring them that they can "unload" any surplus fish products at a base price which guarantees no profit but at least protects them from loss.

According to Dave Bowhay, manager of Douglas Cold Storage, this practice may provide relief for processors deluged by incoming fish resources beyond their storage capacity. Mr. Bowhay feels that a serious factor limiting the quality of fisheries products results from the overloading of processing plant capacity caused by increasingly compressed fishing seasons. Additional storage capacity is uneconomical to build because the facilities are only used during a brief period of the year. As a solution to the problem, Mr. Bowhay suggests that either the fishing season be stretched out or State-operated storage facilities be built to accommodate surplus resources.

CONCLUSIONS

It appears that a raw fish tax credit program limited to half of the business' tax liability could result in an investment potential of between $14,000 and $36,000 per processor on the average. Of course, larger processors would be eligible for substantially more than the average. This credit coupled with investment tax credits against federal and state income tax liability may provide sufficient incentive for fish processors to upgrade their facilities.

A tax credit program restricted to developing fisheries would provide questionable investment incentives given estimated average credits of between $2,000 and $4,600.

Credit Eroded by Federal Income Tax. Department of Revenue auditors are concerned, however, that a significant portion of the Fisheries Business Tax revenues foregone in an investment tax credit program would be absorbed through higher federal and state income taxes.

Inability to Raise Investment Capital. A number of the processors, including about 15 of the larger processors (over $50,000 in raw fish tax owed) are presently unable to meet their tax liabilty on time.

These businesses may have difficulty obtaining the upfront financing needed to make investments which qualify for investment tax credits.

Tax Credit Benefits Foreign Processors. Another consideration regarding large processors is that about 40 of the 108 processors declaring a raw fish tax liability over $50,000 are foreign-owned. An additional number of these processors are owned by Washington-based companies (we have no data on the exact number). Consequently, a credit against the fisheries business tax will benefit these companies along with Alaskan-owned companies. Unlike State residency requirements in many of the Alaska loan programs, an attempt to target only Alaskan processors for a raw fish tax credit would probably not meet constitutional standards.

Federal and State Income Tax Incentives. Investment incentives are presently offered in the form of investment tax credits against both State and federal income tax liability. According to auditors in the Alaska Department of Revenue, however, many of the state's fish processors (especially the smaller processors) have little or no income tax liability. Consequently, the benefits from an income tax credit would exist only to the extent that a processor has an income tax liability that could be offset by the investment credit.

We hope that this information is useful in your preparation of a fisheries business tax credit program. If you have other questions regarding this memorandum, please call us.

OAH

Attachment

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1253 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86 1420

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.

James O. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:14

SHARON

MEMORANDUM State of Alaska

TO: The Honorable John Binkley
House of Representatives
M/S 3100

DATE: February 7, 1985

FILE NO:

TELEPHONE NO:

FROM: Commercial Fisheries Entry Commission
Bruce Twomley, Chairman
Phil Smith, Commissioner
Rich Listowski, Commissioner
M/S 0302

SUBJECT: House Bill 120

At the Commission we have had a brief opportunity to review and give some thought to your House Bill 120. You should be aware of Commission regulation 20 AAC 05.750(f) (effective 12/29/84) which may go toward the problem your proposed bill is intended to solve. A copy of the regulation is attached for your reference. The effect of the regulation is to authorize emergency transfers each season for the benefit of the minor until the child reaches 10 (in the case of a set net permit) or until the child reaches the age of 16 (in the case of a drift gill net or other entry permit).

Notice that our regulation accomplishes nearly the same purpose under the rubric "emergency transfer." The term "lease" is something of a dirty word in the limited entry lexicon by virtue of the Legislature's longstanding prohibition against the leasing of permits. A.S. 150(g). We have literally been called upon to revoke for all time permits leased in violation of the Act.

The other matter in your bill which, I think, requires some attention is the provision for minor heirs to jointly hold a permit until all of them have reached the age majority. From the inception of Limited Entry there has been a strong declaration in our legislation in favor of only a single individual owning a permit. I believe the notion is that only the fisher/owner/operator should have control of a given permit. My review of the legislative history suggests that the Legislature had in mind ensuring that no individual or entity could be placed in a position to exploit or control another's commercial fishing. The statutory terms designed to afford this protection are necessarily broad.

As you know, the holding of an entry permit by more than one individual is not authorized by our statutes. Generally, a "person" must have an entry permit to commercially operate fishing gear. AS 16.43.140. A holder of an entry permit is authorized to transfer to "another person." AS 16.43.170. Under the Limited Entry Act, a "'person' means a natural person and does not include a...partnership...." AS 16.43.380(5). Subject to some very limited exceptions, an entry permit may not be "encumbered in any way" nor may it be "transferred with any retained right of repossession." AS 16.43.150(g)(1) & (2).

That is roughly the statutory setting in which your proposal is placed. Additionally, a private attorney from Dillingham pointed out to me that the process by which jointly held permits would be transferred could become cumbersome. Each minor child would need his or her own guardian. Those guardians would need to come together and agree upon how the permit would be conveyed and what the terms of the conveyance would be for each season. The attorney's suggestion, in which I think I concur, was that it might well be more convenient to allow the permit to remain within the control of a pending estate whereby the personal representative of the estate could convey the permit by emergency transfer for the benefit of the affected minors until they reach the age of majority. CFEC's practice has been to authorize such transfers, and, in balance, this may be the more convenient procedure.

I would like the opportunity to speak to you about your bill at your earliest convenience.

BT:dan
Attachment
cc: The Honorable Peter Goll
House
Special Committee on Fisheries
M/S 3100

20 AAC 05.740(b) is amended to read:

(b) The commission will grant an emergency transfer of an interim-use permit issued under AS 16.43.210(a) or an entry permit if the proposed transferee is not a permit holder in the fishery and is presently able to participate actively in the fishery, and if it is established that illness, disability, death, required military or government service, or other unavoidable hardship of a temporary, unexpected, and unforseen nature prevents the transferor from participating in the fishery. If the entry permit is not transferable under AS 16.43.170(c) or (e), the emergency transfer will be granted only to allow the continued operation of the transferor's vessel or set net site and fishing gear. Temporary emergency transfer of interim-use permits issued under AS 16.43.210(b) and permits surviving the death of a permit holder will be granted by the commission to alleviate hardship. (Eff. 12/18/74, Reg. 52; am 12/27/79, Reg. 72; am 5/15/81, Reg. 77; am 1/29/82, Reg. 81; am 10/30/82, Reg. 84; am 6/5/83, Reg. 86; am 2/29/84, Reg. 89; am 12/29/84, Reg. 92) (Oct. Regs.)

Authority: AS 16.43.100
AS 16.43.110(a)
AS 16.43.170(a) and (b)
AS 16.43.180(a)

20 AAC 05.750(f) is amended to read:

(f) A temporary emergency transfer of an entry permit held by a person who received that permit by right of survivorship or inheritance as provided by AS 16.43.150(h) will be approved by the commission upon a showing of the permit holder's inability to participate in the fishery because of sickness, injury, death, required military or government service, youth, or other unavoidable hardship. An emergency transfer will be approved for a period of time not to exceed the completion of the second full calendar year after receipt of the permit from the estate of a deceased permit holder; except that, in the case of youth, an emergency transfer will, in the commission's discretion, be granted until the holder reaches the age of presumptive ability to participate as set out in 20 AAC 05.730(d). After the initial emergency transfer, an emergency transfer will only be approved for a new unavoidable hardship which is of an unexpected and unforeseen nature.
(Eff. 12/18/74, Reg. 52; am 12/27/79, Reg. 72; am 1/2/81, Reg. 77; am 10/30/82, Reg. 84; am 6/5/83, Reg. 86; am 7/20/83, Reg. 87; am 2/29/84, Reg. 89; am 12/29/84, Reg. 92) (Oct. Regs.)

Authority: AS 16.43.100
AS 16.43.110(a)
AS 16.43.150(h)
AS 16.43.170(b)

Introduced: 1/25/85
Referred: House Special Committee
on Fisheries and Resources

IN THE HOUSE BY BINKLEY

HOUSE BILL NO. 120

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the leasing of limited entry permits by minor heirs of a deceased permit holder."

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

* Section 1. AS 16.43.150(g) is amended to read:

(g) Except as provided in AS 16.10.333 - 16.10.337, AS 16.43.175, and [IN] AS 44.81.230 - 44.81.250, an entry permit may not be:

(1) pledged, mortgaged, leased, or encumbered in any way;

(2) transferred with any retained right of repossession or foreclosure; or

(3) attached, distrained, or sold on execution of judgment or under any other process or order of any court.

* Sec. 2. AS 16.43 is amended by adding a new section to read:

Sec. 16.43.175. LEASE OF ENTRY PERMITS BY MINOR HEIRS OF DECEASED PERMIT HOLDER. (a) An entry permit that has devolved to a minor heir of a deceased entry permit holder may be leased by the minor heir to another person during the period of the heir's minority if the lease is executed by the personal representative of the deceased or by the legal guardian of the minor heir.

(b) An entry permit that has devolved to more than one minor heir of a deceased entry permit holder may, until the last of the minor heirs has reached the age of majority,

(1) be held jointly by those heirs; and

(2) be leased by those heirs to another person if the lease is executed by

(A) the personal representative of the deceased; or

(B) the legal guardian of each of those heirs and any of those heirs who have attained the age of majority.

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 2/12/85, 8:30 am

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HB 120

Title: "Leasing of Limited Entry Permits by Minor Heirs"

Sponsor: Binkley

Requestor: H. Spec. Comm. on Fish.

Date of Request: 2/5/85

FISCAL DETAIL

Agency Affected: Dept. of Fish & Game

Program Category Affected: Natural Resource Management

BRU, Program or Subprogram(s) Affected: Commercial Fisheries Entry Commission

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE		-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

HB 120 has no fiscal impact; it is expected that any programmatic or administrative impacts can be absorbed.

Prepared By: Christine Kelly, Licensing Admn. Phone: 465-4081

Division: Commercial Fisheries Entry Commission Date: 2/6/85

Approved by Commissioner: Date: 2/6/85

Agency: Commercial Fisheries Entry Commission

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

7/1/84

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

February 11, 1985

SECTIONAL ANALYSIS OF HB 120
"An act relating to the leasing of limited entry permits by minor heirs of a deceased permit holder."

Section One: Provides an exception to the statutory prohibitions against leasing of limited entry permits.

Section Two: Defines the exception; allowing a minor heir of a deceased permit holder to lease a limited entry permit until that minor reaches the age of majority [18]. The leasing arrangement must be approved by the minor's legal guardian or by the personal representative of the deceased permit holder.

This section also would allow the joint ownership of a limited entry permit when a deceased permit holder wills or passes on a permit to more than one minor heir. This joint ownership would be allowed to continue until all of the minor heirs reach the age of majority.

In the case of multiple ownership, the minor heirs would be allowed to lease the permit, provided that the lease arrangement is approved by the personal representative of the deceased or the legal guardian of each of the minor heirs and the heirs who have reached the age of majority.

Alaska State Legislature
House

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

January 25, 1985

Memorandum To: Special Committee on Fisheries
Resources Committee

From: Johne Binkley, Representative

Re: HB 120 "An Act relating to the leasing of limited entry permits by minor heirs of a deseased permit holder."

The intent of this bill is to allow some relief to the minor heirs of deceased permit holders. In cases where a permit has devolved to the minor heirs, an exception would be made to allow the permit to be leased during the period of the heirs minority. This would help to resolve problems with closing these probate cases held by the court system, and situations when the permit is the family's only source of income.

As it is now, the minor heirs cannot fish the permit because he or she may be too young. The Commercial Fisheries Entry Commission will allow the permit to be transferred to someone else on an emergency basis for only one year; this means that no one can use the permit until the minor heirs are grown up. In instances where there is no legal guardian, the court appoints a personal representative for the deceased permit holder, who is authorized to take care of the decedent's property; however, the court does not want to hold the probate case open while the minor heirs are growing up. If the permit is tranferred for one year, there would be no guarantee that the permit would be returned at the end of the year. The family in this instance may have to resort to selling the permit.

The bill takes exception to these cases because of the problems and hardship created under current statutes and regulations. In the Bethel area there are about 8 such cases being processed. Passage of this legislation will go far in resolving problems created by the current system for minor heirs.

Free Transferability of Limited Entry Permits: Two Problems and a Solution

CFEC Policy Discussion Paper 84-3

By

Ben Muse

Commercial Fisheries Entry Commission
Pouch KB
Juneau, Alaska 99801

August, 1984

IMPORTANT NOTICE TO READERS

This paper presents only ideas for further dicussion. The paper does not state the policy of the State of Alaska nor the Commercial Fisheries Entry Commission, nor does it reflect the current law. All readers should be aware that the leasing of a limited entry permit is a violation of a specific statutory prohibition found in A.S. 16.43.150(g), which constitutes a crime, A.S. 16.43.970, and which puts the permit itself at risk, A.S. 16.43.960. It is the policy of the Commercial Fisheries Entry Commission to enforce the prohibition against leasing by referring apparent violations to the office of the District Attorney for prosecution or by seeking revocation of the affected entry permits.

Table of Contents

		Page
I.	Two Problems and a Solution	1
	A. Two Problems	1
	B. A Solution	2
II.	Other Impacts of Leasing	6
	1. Increase in fishing effort	6
	2. A "landlord" class	7
	3. End an illegal activity	14
	4. Fisher's flexibility	14
	5. Administrative burden	15
	6. Permit Transfer Markets	16
	7. Processors	16
III.	Leasing Options	19
IV.	Footnotes	21
V.	References	22

NOTE: I would like to acknowledge the comments of Judy Brakel, Cleonne Compton, Elaine Dinneford, Frank Glass, Sharman Haley, Mark Prussing, Scott McAllister, Kurt Schelle, Bruce Wallace, and Craig Wiese. The purpose of this paper is to raise an issue for further discussion. Opinions expressed by the author in this paper do not necessarily reflect the views of the persons mentioned above or the views of any other persons associated with the Commercial Fisheries Entry Commission.

I. Two Problems and a Solution

A. Two Problems

The free transferability of Limited Entry permits has been controversial since the Limited Entry law was passed. Many deeply resent the high prices at which permits in a large number of fisheries are bought and sold. Those who share this concern are often particularly worried that young or poor people find it very hard to obtain the financing necessary to begin fishing in a limited fishery. Additionally, considerable attention has been drawn to the possibility that permits may tend to "leave" rural villages which depend on nearby fisheries. The fear has been expressed that permit movements of this sort could undercut the economic and cultural foundations of life in many of these communities.

Several public policy initiatives have been suggested as means to address these problems. Restrictions on free transferability have not been tried since alternative transfer techniques would pose a large administrative burden, are vulnerable to constitutional challenge, and would reduce the flexibility fishers have to respond efficiently to changing situations. State subsidies for loans to buy permits do exist. However, it has been suggested that the money is not effectively directed to rural residents[1] and there is evidence that it has led to an increase in permit prices.[2] Further, a program such as this is vulnerable to budget cuts as State oil revenues decline.

There have been proposals to either control the revenues from fishing by a tax or to tax the capital gains from permit sales.

Although the use of either could help reduce permit prices neither has yet been tried. Fixing the price of permits in a fishery by a tax on revenues may be impossible given the fluctuations in fishery conditions from year to year although it should be possible to reduce permit prices compared to what they would have been in the absence of the tax. A capital gains tax by itself would only affect one of the elements on which permit values are based, and that element, capital gains, may already be discounted heavily due to the uncertainty inherent in fishing conditions. In addition, the capital gains tax might reduce the volume of transfers for a long time since many permit holders might choose to hold onto their permits. Whether or not these taxes were used singly or in combination there would be administrative problems in estimating the appropriate permit price target.

B. A Solution

It is the contention of this paper that the problems associated with free transferability are aggravated by the prohibition of leasing of permits mandated by the Limited Entry law.

The Limited Entry law reads in part, "Except as provided in AS 16.10.333-AS 16.10.337, an entry permit may not be: (1) pledged, mortgaged, leased, or encumbered in any way; (2) transferred with any retained right of repossession or foreclosure;."[3] The exceptions mentioned are related to foreclosure under the loan programs. Provision does exist for the "temporary emergency transfer" of permits when "illness, disability, death, required military or government service, or other unavoidable hardship prevents the permit holder from participating

in the fishery."[4] The State Attorney General has held that the word "emergency" restricts this sort of transfer to cases where there is a "sudden unexpected happening," [5] especially as requests for transfers in succeeding years are being sought. If an emergency transfer is approved by the CFEC and is coupled with a payment between the parties involved then a legal lease can occur. People wanting to fish have been known to advertise to lease permits on emergency transfers. Any other lease, however, is illegal.

The existence of the prohibition on leasing, except in cases of emergency transfers, may be making it harder for the young and the poor to participate in limited fisheries and may be contributing to the movement of permits from rural areas. Leasing is a common method for persons without large incomes or savings to finance their participation in desirable activities. People without the money to buy a home, people saving to buy a home, and people uninterested in buying homes, can all rent houses or apartments. Leasing is a common way for businesses to obtain necessary plant and equipment. With the high cost of permits, a prohibition on leasing may be blocking access to the fishery for many not yet in a position to afford to purchase one. Similarly, a person in a rural community who wishes to retire from fishing or who is faced with a temporary financial bind may have no economically sensible alternative but to sell his permit. If potential purchasers in his village lack financial resources it is possible that the permit will leave the village.

It seems likely that the owner of a permit being leased would be paid on the basis of a share of the proceeds from fishing. In Alaska as well as in the rest of the United States the principal labor and capital

inputs into fishing operations are paid by shares or percentages of the firm's gross or adjusted gross revenues rather than by wages, salaries, or other fixed fees. It has been argued that the use of share systems allows the persons involved in the fishing operation to share the risks of an uncertain business.[6] Given the pervasiveness of the use of share systems in the fishing industry it seems probable that permits would also be leased for shares rather than for fixed fees.[7] As a corollary to this, the payment for use of the permit is likely to occur at the end of season settlement.

The permit owner would be more interested in the amount of cash he would receive for the use of his permit than he would be in the percentage share. With the uncertainties associated with fishing the permit owner will only be able to make a rough estimate of what he should be able to make from his permit in any given year. This estimate will be based on the physical productivity of the fishery, the number of other entry permits, fish prices, the cost of fishing, and other factors.

To compete in the lease market young persons or persons from rural areas will have to offer permit owners a reasonable expectation of competitive aggregate lease payments. It may appear that these groups of persons would be at a disadvantage competing for permit leases with fishers who have greater access to capital. This need not be the case. To produce any given expectation of a share payment for a permit a skipper could balance several things: (1) the percentage share itself, (2) investment in the fishing vessel, electronics, or equipment, (3) days spent fishing, (4) skill as a fisher. Young persons or rural residents could compete with other, perhaps more highly capitalized

fishers, by increasing the share percentage, the days spent fishing, or fishing skill. Young persons or persons from rural areas are likely to have a comparative advantage over others in the last two areas since these depend, above all, on time and young persons and persons from rural areas are likely to have lower time opportunity costs.

It may also be possible to say something about who will own permits for the purposes of leasing them. As discussed on pages 7 to 14 it is not clear that entry permits will be an attractive investment for persons not fishing with them, however, they will probably present the greatest value to persons most familiar with the fishery. Returns from leasing a permit will depend a great deal on the ability to match the permit with a fisher likely to be very successful. This will require a good knowledge of the fishery and of persons involved in it. The persons with this knowledge are most likely to be those who have had some connection with the fishery either as a participant, as a person living in the area and privy to general local knowledge about the fishery and people in it, as an employee of a state agency involved in fisheries management,[8] or as an employee of a processing firm or other fish buying business. Of these four groups persons living near fisheries in rural or remote areas are likely to find access to alternative investments most difficult due to high transactions costs. These persons may find permit ownership and leasing more attractive than members of the other groups. Another group of persons likely to be involved in permit leasing are those fishers with permits who for one reason or another are unable to or uninterested in fishing the permit themselves during a particular year.

These considerations provide grounds for hoping that leasing may reduce the movement of permits out of rural areas. If permits are attractive investments to persons who do not fish they are very likely to be particularly attractive to rural residents. A special and important instance of this would be the rural resident who is retiring from active fishing. Thus, whereas before a person living in a rural or remote area may have had no economically sensible option but to sell his entry permit now he could earn an income by leasing it out.

Summarizing these arguments, if leasing were legal it might slow the movement of permits from rural areas. Even if it did not it would mitigate the consequences of rural permit drain on rural economies and cultures by reducing the costs of access to permits for the purposes of fishing. By reducing the dollar costs of access to permits for fishing it would also make access to permit markets easier for young persons with limited financial resources but low time costs.

II. Other Impacts of Leasing

A change in the Limited Entry program as major as the elimination of the leasing prohibition will have impacts besides those just discussed.

II.1. Increase in fishing effort

It is likely that unrestricted leasing would lead to an increase in fishing effort in limited fisheries. There would be two reasons for this; first, fishers who might otherwise not have fished and would

therefore have had no fishing income will be able to lease the permit to someone who will fish, second, some fishers who would have fished may lease their permits to someone who will fish harder.

There are strong reasons for a person who owns a permit to use it to fish. He has to pay a fee to renew it each year, but more importantly the simple ownership of the permit means that he has what economists call an opportunity cost. By owning the permit he foregoes the opportunity of selling it and spending or earning interest on the proceeds. If he is not going to fish with it there is a strong incentive to sell it to someone who will and to earn that income. Despite this in each year a number of permits in most fisheries are not used to fish. Table 1 shows the numbers of permits fished in selected salmon seine and drift gill net fisheries in 1981.

A second source of increased effort may be more intensive use of permits already being fished. It is possible that fishers with lesser skill or poorer equipment whose income from fishing would be relatively small but who are still unwilling to part with their permit may be induced to rent it to a more professional fisher.

II.2. A "landlord" class

An historically important argument against leasing of permits has been a desire to avoid the emergence of a "landlord" class of permit holders who never actually fish. The emergence of such a group of permit holders is possible if leasing is allowed. However, if leasing is to alleviate the problems mentioned the emergence of this group of

Table 1

Numbers of Permits and Numbers of Permits Fished in Selected Salmon Seine and Drift Gill Net Fisheries, 1981

FISHERY	TOTAL PERMITS*	TOTAL FISHED	PERCENT FISHED
Drift Gill Net			
Southeast	487	448	92
Prince William Sound	546	479	88
Cook Inlet	598	584	98
Alaska Peninsula	164	152	93
Bristol Bay	1,827	1,784	98
Seine			
Southeast	418	366	88
Prince William Sound	270	269	100
Cook Inlet	85	82	96
Kodiak	387	325	84
Chignik	102	102	100
Alaska Peninsula	127	122	96

* Permanent and Interim-Use Permits

Sources: CFEC computer printouts "Permit File Statistics by Fishery by Residency, 1981" and "Participating Permits Count by Fishery by Year."

permit holders would be helpful. These persons would serve a very useful function by bearing the costs of permit ownership for those leasing permits.[9]

Part of the concern over the emergence of a "landlord" class may be based on the view that an entry permit would be a very attractive investment. It is not clear, however, that permits would be more attractive than other investments.

First, consider a permit from a taxation perspective: from this point of view an investment in a permit may be less attractive than investments in many tangible assets since permits cannot be depreciated. Consider a person with a diversified fishing operation faced with a choice between spending $40,000 to purchase a permit for the sake of leasing it or of spending $40,000 for a new top of the line seine skiff. In either case this person plans to put up $5,000 in cash and borrow $35,000. In each case he could deduct the interest on his loan as a business expense for tax purposes. In addition, if he purchased the seine skiff he could deduct depreciation on the skiff as a business expense. Using the Federal "Accelerated Cost Recovery System"[10] he could deduct, as a Federal business expense, depreciation equal to:

$6,000 in year 1
$8,800 in year 2
$8,400 in years 3, 4, and 5

In each year the figures shown represent a deduction in taxable profits. If the fisher is in a 20% tax bracket, this could represent $8,000 in income to him over the five year period. This is income lost if he invests the $40,000 in a permit.

The depreciation considerations only represent a part of the tax story. The investment in the skiff is also eligible for a 10% investment tax credit on the full value of the skiff in the year in which it is placed in service. Since the skiff was assumed to have a value of $40,000 this means that if the fisher purchased it he could deduct $4,000 from his income tax liabilities in that year.[11] Since the permit is not depreciable or tangible property it is not eligible for the credit.[12]

Tax considerations aside, a person considering investment in an entry permit would want to compare the income he could earn from leasing it plus possible capital gains from its increase in value with the income and capital gains he could obtain from some other investment such as stock or real estate. In making this comparison he will consider the uncertainty associated with the yearly income from a permit. There is also a great deal of risk associated with potential capital gains. Certainly there have been tremendous rises in permit prices: a Bristol Bay salmon drift gill net permit cost about $1,200 in 1975 and about $95,900 in 1982. But the truth is that in most fisheries the great surge in permit prices came prior to 1979 and as Tables 2, 3, and 4 show, since 1979, when measured in real, inflation adjusted terms permit prices in many fisheries have either been stagnant or have dropped.

There are public policy steps that could be taken to reduce the attractiveness of permits to persons who simply want to lease them. For example, a provision could be written into the law to allow leasing only two out of three or three out of five years. This would force the permit to lie "fallow" in certain years and reduce the time stream of income from it. It may also be possible to put a "sunset" provision in

Table 2

Real Entry Permit Prices in Alaskan Salmon Seine Fisheries*

Year	Southeast	Prince William Sound	Cook Inlet	Kodiak
75	$ 19,000	$ 14,000	$ 0	$ 8,000
76	16,000	18,000	**	16,000
77	27,000	47,000	17,000	28,000
78	46,000	36,000	59,000	70,000
79	53,000	45,000	**	88,000
80	46,000	45,000	97,000	83,000
81	43,000	79,000	89,000	74,000
82	41,000	98,000	84,000	76,000

* in 1982 dollars; adjustments made with CPI for Urban Wage Earners and Clerical Workers (all items); Nominal Prices from CFEC 1982 Annual Report

** not enough transactions to calculate a price

Table 3

Real Entry Permit Prices in Alaska Salmon Drift Gill Net Fisheries*

Year	Southeast	Prince William Sound	Cook Inlet	Peninsula	Bristol Bay
75	$ 16,000	$ 6,000	$ 7,000	$ 0	$ 2,000
76	17,000	8,000	9,000	11,000	4,000
77	26,000	22,000	15,000	16,000	10,000
78	51,000	41,000	54,000	22,000	32,000
79	55,000	47,000	110,000	80,000	86,000
80	48,000	32,000	79,000	108,000	107,000
81	47,000	35,000	72,000	131,000	89,000
82	39,000	46,000	58,000	129,000	96,000

* in 1982 dollars; adjustments made with CPI for Urban Wage Earners and Clerical Workers (all items); Nominal Prices from CFEC 1982 Annual Report

** not enough transactions to calculate a price

Table 4

Real Entry Permit Prices in Alaska Salmon Set Gill Net Fisheries*

Year	Yakutat	Cook Inlet	Kodiak	Peninsula	Bristol Bay
75	$ **	$ 4,000	$10,000	$ 0	$ 0
76	10,000	3,000	7,000	**	5,000
77	11,000	8,000	10,000	8,000	4,000
78	15,000	15,000	29,000	**	13,000
79	**	31,000	45,000	0	24,000
80	38,000	21,000	45,000	18,000	37,000
81	28,000	16,000	44,000	58,000	28,000
82	33,000	17,000	40,000	55,000	37,000

* in 1982 dollars; adjustments made with CPI for Urban Wage Earners and Clerical Workers (all items); Nominal Prices from CFEC 1982 Annual Report

** not enough transactions to calculate a price

the leasing regulations forcing a reevaluation after, say, five years. This would increase the risk associated with leasing income for the permit holder. Steps such as these would reduce the usefulness of legalized leasing in easing access to the fishery.

II.3. End an illegal activity

A good deal of leasing is already said to be going on in many fisheries despite the legal prohibition. In December 1982 the State was investigating 32 cases of suspected illegal leasing. The illegal acts involved fishers making false statements on transfer forms and fishers simply turning over permit cards to other individuals for their use without going through normal transfer procedures.[13] It is very expensive to investigate and prosecute those cases of illegal leasing which come to the State's attention.

Since leasing is illegal there is no way to accurately judge the extent to which it occurs. If it is sufficiently extensive it may be performing many of the functions that legalized leasing would perform. To that extent the benefits that would flow from legalizing leasing would be less.

II.4. Fishers flexibility

Allowing leasing would increase fishers' operational flexibility. If there are conditions in which a fisher does not want to fish in a fishery for a season but wants to retain his permit, if these are not covered by the emergency transfer provisions, and if he is law-abiding,

then he is prevented from obtaining any income from his investment in the permit. For example, a person who would like to go to trade school for a year is precluded from leasing his permit during that time.

Emergency transfers, even when granted, impose a burden on the individual applying. Applications and supporting documents must be submitted and the applicant must use it on the Commission's approval.

II.5. Administrative burden

It is not clear whether allowing leasing would increase or decrease the administrative burden on the Entry Commission. On one hand less staff time would be needed to scrutinize requests for permanent or emergency transfers or to investigate cases of suspected fraud. No more of the Commissioners' time would be taken up making decisions about doubtful emergency transfers. On the other hand the Commission would have to regulate the leasing process and would want to keep track of events in the lease market. A leasing program would require effort by the Commission to ensure that only fishers with valid permits were making landings. To do this lease transactions will have to be made through the Commission and would involve retrieval of the existing plastic permit card and issuance of a new specially marked card. The Commission would probably also seek to gather information on lease markets in much the same way it now gathers information on transfer markets.

II.6. Permit transfer markets

Two concerns have been raised about the impact of leasing on the permit transfer market. Some have suggested that it will lead to upward movement in permit prices. The right to lease a permit as well as to sell it or fish with it would work to enhance its value but the possibility that more people will be active in the fishery, mentioned earlier, should work to depress its value. It is difficult to determine what the net effect would be.

Table 2 shows the number of transfers per outstanding permit in selected seine and gill net fisheries for the 1975-1982 period. The second of the two concerns is that permanent permit transfers might decline to very low rates. It is not clear that this would happen since the same forces that would make the permit more attractive to someone who already owns one will also make it more attractive to someone who doesn't yet own one. Even if the rate of transfers dropped somewhat, the lease market for permits would keep access to the fishery available to all.

II.7. Processors

It has been argued that legal permit leasing would allow processors to gain more control over ex-vessel markets. Although corporations, and thus processing companies, can not own permits themselves, employees of the companies could purchase permits in their own names for the purpose of leasing them. In fact, as mentioned on page 7, employees of

Table 5

Transfers per Outstanding Permit in Selected Salmon Seine and Drift Gill Net Fisheries, 1975-1982

Fishery	Transfers per Transferable Permanent Permit *
Gill Net	
Southeast	0.16
Prince William Sound	0.13
Cook Inlet	0.14
Alaska Peninsula	0.15
Bristol Bay	0.11
Seine	
Southeast	0.10
Prince William Sound	0.13
Cook Inlet	0.13
Kodiak	0.13
Chignik	0.04
Alaska Peninsula	0.09

* The ratio of total transfers during the period to the sum of the number of transferable permanent permits at the end of each year.

Source: Dinneford and Kamali, Table 2.

processing companies may have a comparative advantage in permit lease markets given their knowledge of the fishery. If these employees were to coordinate their actions it is argued that they could coerce fishers into doing things they might not otherwise have done such as selling at lower prices and breaking strikes. The returns to these permit owners would have three parts: in addition to income from the permit and to capital gains from the permit, the owner might hope to obtain a higher income if his company benefits from its enhanced market power.

Four points may be made with regard to this argument. First it should be noted that income received in the permit owner's capacity as an employee of the processor would come at the expense of his role as a permit "landlord" since market power brought to bear on fishing operations would reduce the value of the right to fish and thus permit lease payments (as well as permit value and capital gains).

Second, it is by no means clear that processor employees would find permits attractive investments. True, with their fishery knowledge they might have a comparative advantage over others who might invest in permits. On the other hand compared to rural residents who live near the fisheries processor employees, many of whom live in Seattle, have far more alternative investments available at lower transactions costs. Given the nature of permit investment it is by no means clear that these employees would choose permits.

Third, it is possible that legal leasing may actually reduce processor influence in the fisheries. Much of this influence is said to follow from the great expense of buying the boats, gear, and permits needed to fish and the comparative advantage processors have over fishers in capital markets due to their larger size. The argument goes

that the processors put their superior access to capital at the service of the fisher in exchange for concessions on fish prices or other matters. If permit leasing lowers the costs of fishing the importance to the fishers of processors as a source of capital may decline.

Fourth, it would be possible to guard against this behavior by processors and their employees by including a sunset provision of perhaps five years in the regulations governing leasing. Thus legal leasing would automatically end after five years and a decision would have to be made whether or not to renew it. Should leasing lead to processor control this would put an end to it.

III. Leasing Options

There are many variations that could be incorporated into any system of permit leases. Some have already been mentioned. These are summarized here and others are suggested.

- It may be possible to allow leasing in some fisheries but not in others. If this flexibility could be written into the statute then leasing could continue to be prohibited in fisheries where it might pose special problems. For example, there may be a fishery in which leasing could lead to very large increases in effort and is thus undesirable.
- Allow fishers in each fishery to vote during the permit renewal process on whether or not they want leasing in their fishery. This would provide a mechanism for the expression of fishers' preferences.

- Allow the permit to be leased only two out of three or three out of five years. This would reduce the attractiveness of the permit as an investment for "landlords" and may hold down effort somewhat. However, it would also reduce the effectiveness of leasing as a solution to the problems discussed earlier.
- Put a "sunset" provision in leasing regulations. This would enforce a reevaluation after, say, five years.
- Postpone the introduction of leasing until a buyback program has reduced gear in a fishery down to optimal levels. After a buy-back program effort increases associated with leasing would be of less concern.
- It may be possible to achieve some of the benefits that would flow from leasing by relaxing the emergency transfer conditions.

Finally, leasing is a step from which it should be fairly easy to return. If, under leasing, negative impacts are found to out weigh positive, it would be fairly easy to rewrite the statute to eliminate it once more.

IV. Footnotes

1. Langdon. Pg. 49.

2. Karpoff. Pg. 3.

3. AS 16.43.150(g)

4. AS 16.43.180(a)

5. Attorney General's Opinion J-66-162-80 summarized in Haley. Pg. 1.

6. Sutinen. Pg. 4.

7. Kurt Schelle reports that informal discussions with fishers about the black market for leased permits indicate that share systems are common.

8. This suggests the desirability, in order to avoid conflicts of interest, of coupling leasing legalization with a prohibition on permit ownership by state employees involved in fisheries management.

9. In connection with this note that no person may own more than one permit in any fishery. [AS 16.43.140(g)].

10. U. S., "Tax Guide." Pg. 18-19.

11. If he did take this credit he would have to reduce the value of the skiff for depreciation purposes by 50% of the value of the credit. In this example this would be $2,000. The value of the depreciation over the five years to him, still assuming a 20% tax bracket, would now be $7,600. U. S., "Tax Guide." Pg. 26, and personal communication from Mark Prussing.

12. U. S., "Tax Guide." Pg. 26-27.

13. CFEC. Pg. 16.

V. References

Alaska, State of. Alaska Statutes Chapter 43, "Regulation of Entry into Alaska Commercial Fisheries."

Commercial Fisheries Entry Commission, State of Alaska. "1982 Annual Report" Juneau; June, 1983

Dinneford, Elaine and Nasser Kamali "Changes in the Distribution of Permit Ownership in Alaska's Limited Fisheries, 1975-1982." CFEC Report Number 84-1. Alaska Commercial Fisheries Entry Commission. Juneau. January, 1984.

Haley, Sharman. "Summary of emergency transfer standards and precedents." An internal Commercial Fisheries Entry Commission memorandum dated October 1, 1982.

Karpoff, Dr. Jonathan M. "Limited Entry Permit Prices." CFEC Report Number 83-6. Alaska Commercial Fisheries Entry Commission. Juneau, 1983.

Langdon, Dr. Steve. "Transfer Patterns in Alaskan Limited Entry Permits." Final Report for the Limited Entry Study Group of the Alaska State Legislature." January, 1980.

Prussing, Mark. Personal communication. April, 1984.

Schelle, Kurt. (Director of Research and Planning of the Commercial Fisheries Entry Commission). Personal communication, Fall, 1983.

Sutinen, J. "A Simple Economic Model of the Crew Share System." NORFISH Technical Report 31. March, 1972.

U. S. Department of the Treasury. Internal Revenue Service. "Tax Guide for Commercial Fishermen." Publication 595. (Revised October, 1983.)

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: February 12, 1985 HB 120

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Phil Smith	Pouch KB - JNU	CFEC	Yes	586-3456
Christine Kelly	"	"	No	"
David Garrison	B 215	Rep. Jenkins	NO	4453
JANET FRIES		REP. HERRMANN	NO	-4942
Bob Charles	Juneau	Rep Brinkley	NO	4985
Rodger Painter	"	Fisheries Committee	NO	

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/12/85  TIME: 10:27                               *
* FROM:          LIODLG                                              *
* SUBJECT:       FINAL STATS-HB120                                   *
* PRINT DATE:    02/12/85  TIME: 10:27                               *
*                                                                    *
**********************************************************************
```

TO BILL CARROLL

FROM DOROTHY IN DILLINGHAM

FINAL STATS

HOUSE SPECIAL COMMITEE ON FISHERIES HB120 ON LEASING OF PERMITS

TESTIFIED: DAVID B. SNYDER, ATTORNEY, BOX 210, DILLINGHAM, ALASKA 99576 - PHONE 842-5608

OBSERVED: GUSTIE KNUTSEN, BOX 10213, DILLINGHAM, ALASKA 99576
JIM TIMMERMAN, BOX 10225, DILLINGHAM, ALASKA 99576 - PHONE 842-5598
MALCOLM WRIGHT, BOX 10024, DILLINGHAM, ALASKA 99576 - PHONE 842-5572
ONE OTHER OBSERVER WHO DID NOT SIGN IN.

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/12/85  TIME: 09:50                               *
* FROM:          LIOB                                                *
* SUBJECT:       FINAL STATS                                         *
* PRINT DATE:    02/12/85  TIME: 09:50                               *
*                                                                    *
**********************************************************************
```

FINAL STATS

T/C: H. SPECIAL COMMITTEE ON FISHERIES
DATE: 02-12-85
SITE: BETHEL
MODERATOR: GRACE

PARTICIPANTS:

TESTIFIED:

1. MARK ANDREWS, ALASKA LEGAL SERVICES, BOX 248, BETHEL, AK. 99559 PH: 543-2237

OBSERVED:

1. JEFF SANDERS, FISHERMAN, BOX 527, BETHEL, AK. 99559 PH: 543-2379
2. JOHN WHITE, FISHERMAN, BOX 757, BETHEL, AK. 99559 PH: 543-2926

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:15

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M February 28, 1985

TO: Members
Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: HB 208 (Salmon Classics)

The purpose of this memorandum is to clear up any confusion that might exist over whether the proposed Salmon Classics will be a contest of skill or a game of chance. The following figures show how the "experts" in the Alaska Department of Fish and Game's Division of Commercial Fisheries have fared in predicting statewide salmon harvests over the past 15 years.

Year	Projected Harvest	Actual Harvest	Error
1970	95,500,000	68,500,000	+39%
1971	41,500,000	47,500,000	-13%
1972	46,700,000	32,000,000	+46%
1973	30,000,000	22,300,000	+35%
1974	15,600,000	21,900,000	-29%
1975	19,900,000	26,200,000	-24%
1976	37,100,000	44,400,000	-16%
1977	34,700,000	50,800,000	-32%
1978	62,900,000	82,300,000	-24%
1979	72,000,000	88,800,000	-19%
1980	102,600,000	110,000,000	- 7%
1981	74,500,000	113,300,000	-34%
1982	135,000,000	109,100,000	+24%
1983	94,000,000	127,200,000	-26%
1984	103,560,000	132,505,000	-22%
1985	108,241,000		

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date

REQUEST
Bill/Resolution No: HB208
Title: An Act authorizing Salmon Classics
Sponsor: CATO
Requestor: Finance Committee
Date of Request: 2/20/85

FISCAL DETAIL
Agency Affected: Revenue
Program Category Affected: Games of Chance/Licensing
BRU, Program or Subprogram(s) Affected: Public Services BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	0	0	0	0	0
CAPITAL	-	0	0	0	0	0
REVENUE	-	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	0	0	0	0	0

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis.

Prepared By: Sally Smith Sally Smith Phone: 465-2392
Division: Public Services Date: 2/20/85

Approved by Commissioner: Mary A. Sheffield Date: 2/21/85
Agency: Revenue

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3821

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/5/85, 8:30am

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

SCOMM

#48:16

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3900

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/29/85, 4:30pm
" " " " 4/11/85, 12:00pm

MEMBER
FINANCE COMMITTEE
SPECIAL COMMITTEE ON FISHERIES

STATE OF ALASKA

POUCH V
JUNEAU ALASKA 99811
(907) 465-4737

PO. BOX 1065
BETHEL, ALASKA 99559
(907) 543-2922

REPRESENTATIVE JOHNE BINKLEY

March 6, 1985

MEMORANDUM

To: House Special Committee on Fisheries

From: Representative Johne Binkley

RE: HB 227 "An Act relating to fish processors and primary fish buyers."

HB 227 is introduced to attempt to provide some protection to fishermen and other persons furnishing labor to a primary fish buyer or fish processor. 42 fishermen and 20 employees in Quinhagak are owed an estimated $21,000 by a fish buyer who had filed for bankruptcy in Oregon. The buyer had other court judgements against him by other fishermen and buyers. The same problem occured in Elim where about 16 fishermen are owed $11,000 and the buyer was using someone else's bond. This has been a long standing problem in many areas of the state where transient fish processors or buyers come into an area, acquire fish and for various reasons do not pay the fishermen. The buyer or processor usually leaves the state with the fish.

The bill requires the Department of Fish & Game to provide some notice of a fish processor and primary fish buyer's business standing and compliance to licensing and bonding requirements. It also requires the Enforcement Division to inspect the fish processor and primary fish buyer for proper licensing. The bill applies an across the board $100,000 surety bond rate. A local appraiser can be used to assess the lienable property. According to the Department of Labor, the bond would apply to all locations. One company with multiple locations would be required to have a bond for each location. A floater/processor would be required to have two bonds - one for buying the fish and one for processing.

Several options were explored for the bond rate and enforcement: sliding fee scale based upon prior year tax information or amounts intended for purchase; separate rate for non-resident floating fish processors; lower rate for those who did not have liens filed against them in the last few years; lower rates for small mom & pop type operations; exclusion of some small catcher processors; different rates for buyers and processors with multiple locations; involving fishermen in the enforcement process; deny operating rights to fish processors and buyers who have outstanding liens against them until the lien is settled.

An across the board rate would have a negative effect on small operators and others who would not qualify for a bond, and there are numerous problems with enforcement, however, it is my intention that such issues be taken up and considered during the teleconference hearing process. And, that the testimony provided on bond rates and enforcement process be used to help in preparing a substitute to the bill.

A hearing was held yesterday, 3/6/85 on a similar bill (SB 164). J.J. O'Connor, Wage & Hour Division, Department of Labor, testified that the increase is acceptable however some fish buyers & processors may not qualify for the bond, and as a result may operate with out a bond. Rick Lauber of the Pacific Seafood Processors Association explained that the association does not have a problem with the amounts presented in the Senate bill but that they have a concern for the smaller operators. He also explained that there would be legitimate differences of opinion on the amounts to be paid when a lien is claimed. The Department would likely rule against the processor or buyer. Bob Blake, President of the United Fishermen's Association and the Cordova Fish Cooperative, said that he would like to see an across the board bond rate of $100,000. He expressed his concern for smaller operators and that the bill should consider the smaller fish markets that would be impacted around the state. He also suggested a tier arrangement on the bond rate based upon the amount they will buy. Other information presented at that hearing is attached to this transmittal memo.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT	DIVISION	BILL NUMBER	SPONSOR
Fish and Game	Commercial Fisheries	HB 227	Rep. Binkley

DEPARTMENT POSITION
Neutral

PREPARED BY	DATE	COMMISSIONER'S SIGNATURE	DATE
R. Shanks	3/22/85	[signature]	3.22.85

SUMMARY

OTHER AGENCIES AFFECTED BY BILL	CONSTITUENT GROUP(S) AFFECTED BY BILL
Department of Labor	Fishermen, fish buyers, and processors
ORGANIZATIONAL SUPPORT FOR BILL	**ORGANIZATIONAL OPPOSITION TO BILL**
Unknown	Unknown

FISCAL IMPACT: ☐ NONE ☒ FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

Currently, the ADF&G requires an approved "Notice of Intent to Operate" before a fish buyer/processor operates. This approval process cannot be completed until they have submitted their bond to the Dept. of Labor and received a valid business license for the Dept. of Revenue. We currently update this list of approved fish buyers/processors weekly and provide the information to 21 ADF&G offices, located in: Anchorage, Bethel, Chignik Lagoon Cold Bay, Cordova, Dillingham, Dutch Harbor, Fairbanks, Glenallen, Haines, Homer, Juneau, Ketchikan, King Salmon, Kodiak, Kotzebue, Nome, Petersburg, Sand Point, Sitka and Wrangell. (continued)

ANALYSIS OF BILL/PROGRAM EFFECTS

In Section 1, we are concerned about how the Chamber of Commerce and the Better Business Bureau requirements can be met. We are also concerned about the timing of the publication. There are many commercial season openings and often times buyers/processors are not approved until after the seasons have began. Therefore, this may not meet the intent of the legislation. We have included a fiscal note to cover the cost of publications.

In Sections 2 and 3, the legislation increases the bonding requirement from $10,000 to $100,000. This may adversely effect some of the approximately 300 small buyer/processors (under $100,000 in purchases) in the state.

AMENDMENTS PROPOSED

Remove the requirement that we include information from the Chamber of Commerce and Alaska Better Business Bureau. We would also suggest changing the publication requirement to make it more timely; this may require additional funding.

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

01-009 (Rev. 12/83)

(continued from page 1)

BACKGROUND/LEGISLATIVE INTENT

The pending legislation would require us to include information regarding membership in the Chamber of Commerce and Better Business Bureau, and to publish the list in the newspaper prior to each season opening. It would also raise the bonding requirement from $10,000 to $100,000.

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HB 227

Title: "An act relating to fish processors and primary fish buyers"

Sponsor: Rep. Binkley

Requestor: Governor

Date of Request:

FISCAL DETAIL

Agency Affected: Fish and Game

Program Category Affected: Fisheries Resource Conservation

BRU, Program or Subprogram(s) Affected: Commercial Fisheries BRU and Component

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		9.3	9.8	10.3	10.8	11.3
200 TRAVEL						
300 CONTRACTUAL		50.0	52.5	55.1	57.9	60.8
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		59.3	62.3	65.4	68.7	72.1
CAPITAL						
REVENUE		59.3	62.3	65.4	68.7	72.1

FUNDING: (Thousands of Dollars)

GENERAL FUND		59.3	62.3	65.4	68.7	72.1
FEDERAL FUNDS						
OTHER						
TOTAL		59.3	62.3	65.4	68.7	72.1

POSITIONS:

FULL-TIME						
PART-TIME		1	1	1	1	1
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Section 1 of the bill requires obtaining and distributing information on fish buyers and processors. It is estimated that 3 man months of Range 14 level time would be required to obtain and prepare the data for distribution and $50.0 to print and distribute the data.

Prepared By: Robert C. Clasby Phone: 465-4210

Division: Commercial Fisheries Date: 3/7/85

Approved by Commissioner: Don W. Collinsworth Date: 3/7/85

Agency: Fish and Game

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

1.	POSITION TITLE: Statistical Technician II			RANGE/STEP: 14 A	BARG. UNIT: G	PACE/LINE	COV.	APPR.	DISAPP.
2.	TYPE OF POSITION: Seasonal	STAFF MONTHS: 3	RP NUMBER	PCN NUMBER: New	BRU PRIORITY	LOCATION: AWA	ELECTION DISTRICT: 4	LEG.		
3.	CONFIRMATION LEVEL		ADDITION						

4. TYPE OF EXPENDITURE	1	2	AMOUNT 3
	PERSONAL SERVICES		
5.	Salary	7.0	
6.	Benefits	2.3	
7.	Supplemental Benefits		
8.	Fixed Benefits		
9.	TOTAL PERSONAL SERVICES	01	9.3
10.	Travel	02	
11.	Contractual	03	50.0
12.	Commodities	04	
13.	Equipment	05	
14.	Other		
15.	TOTAL COST		59.3

	RECEIPT CODE	FUNDING SOURCE		
16		Federal Receipts	1002	
17		C.F. Match	1003	
18.		General Funds	1004	59.3
19		I-A Receipts	1005	
20		Program Receipts	1028	
21		Other		

FOR BSM USE ONLY
KEY NUMBER __ __ - __ __ - __ __ - __ __ - __ __

JUSTIFICATION

Approximately 3 man months of Statistical Technician II, or equivalent level, time would be required to obtain, collate, and print the data required to be published and distributed by Section 1 of the bill.

REQUEST FOR NEW POSITION

AGENCY Fish and Game

PROGRAM Fisheries Resource Conservation

BRU Commercial Fisheries

COMPONENT Data and Word Processing

Page 1 of 1

Revised Date

FY 86

01 1136 (7/82) - 15

FISCAL INFORMATION

Fishing is a year-round industry in Alaska, depending on the species sought and areas open for fishing. Therefore, lists of approved fish buyers and processors must be published in many newspapers on a year-round basis. Cost to the Department of Fish and Game would be high, e.g., on ad (quarter page) per month in 20 statewide newspapers would cost approximately $50,000, annually. The cost to mail out these monthly lists to local governments, village councils, and fishermen's associations should not exceed $500, annually in postage. The Department of Fish and Game staff costs to perform these functions would be additional. Add 3 man months, range 14 time.

DEPARTMENT OF PUBLIC SAFETY
POSITION PAPER - HB 227

Neutral

The Department is neutral on this bill. This Department has in the past inspected fish processors and primary fish buyers for proper licenses.

The Department of Public Safety has worked close with the Department of Fish & Game on matters relating to licenses and intent to operate requirements of fish processors and primary fish buyers.

Robert J. Sundberg

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HB 227

Title: Fish Processors and Primary Fish Buyers

Sponsor: Rep. Binkley

Requestor: Spe. Comm on Fisheries

Date of Request: 3/7/85

FISCAL DETAIL

Agency Affected: Public Safety

Program Category Affected: Fish & Wildlife Protection

BRU, Program or Subprogram(s) Affected:

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Captain J.R. Nutgrass Phone: 269-5534

Division: Fish & Wildlife Protection Date: 3-7-85

Approved by Commissioner: Michael J. Cleworth Date: 3-8-85

Agency: Public Safety

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT	DIVISION	BILL NUMBER	SPONSOR
Revenue	Public Services	HB227 / SB164	Binkley

DEPARTMENT POSITION

Neutral

PREPARED BY	DATE	COMMISSIONER'S SIGNATURE	DATE
Sally Smith	2-27-85		3/4/85

SUMMARY

OTHER AGENCIES AFFECTED BY BILL	CONSTITUENT GROUP(S) AFFECTED BY BILL
The Department of Labor	Fisheries Businesses
ORGANIZATIONAL SUPPORT FOR BILL	**ORGANIZATIONAL OPPOSITION TO BILL**
Unknown	Unknown

FISCAL IMPACT: ☒ NONE ☒ FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

Unknown

ANALYSIS OF BILL/PROGRAM EFFECTS

This bill raises the bond amount on the fisheries surety bond which guarantees wages for processing workers and the purchase price of fish to fishermen.

The raise in bonding amount will raise the bond premium which could adversely impact smaller fisheries.

AMENDMENTS PROPOSED

We suggest that the bond amount be based on a percentage of the dollar amount of fish purchases. This could be set on the prior year purchases or current year estimate.

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HB227

Title: An Act relating to fish processors and primary fish buyers

Sponsor: Binkley

Requestor: HSC on Fisheries

Date of Request: 2-27-85

FISCAL DETAIL

Agency Affected: Department of Revenue

Program Category Affected: Revenue Collections and Management

BRU, Program or Subprogram(s) Affected: Public Services - Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 SUPPLIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS	0	0	0	0	0	0
800 MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Attach a separate page if necessary

Prepared By: Sally Smith, Director Sally Smith Phone: 465-2392

Division: Public Services Date: February 27, 1985

Approved by Commissioner: Date: 3/1/85

Agency: Department of Revenue

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

7/1/84

MEMBER
FINANCE COMMITTEE
SPECIAL COMMITTEE ON FISHERIES

STATE OF ALASKA

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4737

PO BOX 1065
BETHEL, ALASKA 99559
(907) 543-2922

REPRESENTATIVE JOHNE BINKLEY

March 29, 1985

MEMORANDUM

To: House Special Committe on Fisheries

From: Representative Johne Binkley

RE: HB 227 "An Act relating to fish processors and primary fish buyers."

As I mentioned in my memorandum of March 6, 1985, I introduced this bill to attempt to provide some protection to fishermen and persons furnishing labor to a primary fish buyer or fish processor. 42 fishermen and 20 employees in Quinhagak are owed an estimated $21,000, and about 16 fishermen in Elim are owed $11,000.

An appropriate bond rate should be applied that would protect these and other people as much as possible. Today I would like to receive testimony about these types of problems and hear suggestions on applicable bond rates, and then, discuss possible committee substitutes to the bill. I would like to offer the following to include in a committee substitute:

Suggested Committee Substitute Changes to HB 227:

Section 1. Require ADF&G to provide to each primary fish buyer and processor, that has met licensing and bonding requirements, a notice (similar to business licenses provided by the Department of Revenue), to be posted at each location. The notice shall specify that the primary fish buyer or fish processor has complied with the security bond requirements of AS 16.10.290 - 16.10.296 and has been issued a valid Alaska Business License or Fisheries Business License by the Department of Revenue.

I would also like to require the ADF&G to post notice of this notice requirement in the spring of each year in a newspaper of general circulation that serves each area of the state, and to offices of local governments and village councils and to fishermen's associations. Another alternative to the above could be to have the ADF&G issue cards similar to the limited entry permits cards that would indicate that the requirements have been met.

Section 2. Replace the first sentence with the following: The amount of the bond shall be $20,000 for fish processors and primary fish buyers who, for the last three years immediately preceeding the date on which the bond is filed, have been licensed under AS 16.10.290 (d) and have not been required to pay a claim under this section. The amount of the bond for other fish processors and primary fish buyers shall be $100,000. The remainder of Sec.2. shall remain the same.

Section 3. This section would be changed to reflect the changes noted above. The local appraiser requirement would stay the same.

A sliding fee scale based upon prior year tax information or on projected purchases was explored. However, the general concensus was that this type of system would create more problems than it would solve. Having the bond rate fluctuate from year to year could encourage unrealistic projections or be complicated by late payments such as bonuses. A rate based upon speculated amounts of purchases would be complicated by various problems encountered during each fishing season. Buyers and processors could simply be operating at levels much different than that speculated for the bond rate.

Specifying separate rates for non-resident floating fish processors creates constitutional problems. The same applies for excluding those who have outstanding liens filed against them. Involving fishermen in the enforcement process would be better addressed by local communities and fishermen's associations who determine themselves who they wish to do business with. Cather-processors such as some small mom and pop type operations can receive a bond waiver as long as they are not in the business of buying fish. Excluding those buyers and processors who do business with cash would not work. The buyer or processor could simply decide not to operate with cash at anytime during the season, get their fish and disappear without paying the fishermen.

Overall, the general concensus was that the two tier rate as presented above was acceptable. However, this still does not take into consideration those small operations who are starting out and have not yet established credibility in the industry. I am prepared to discuss alternatives to address this.

MAR 2 1985

March 20, 1985

Representative Johne Binkley
Pouch V
Juneau, AK 99811

Dear Johne:

Thank you for the opportunity to respond to this issue.

First of all, I find fault in the proposal that the surety bond be necessary for each location. For example, last year we leased a facility in Togiak where we purchased and dressed out the fish. The expense necessary to fly product elsewhere for freezing and packaging, encourages me to defend against yet another expense. Does it mean our Bethel operation would have to add a bond to buy at Goodnews or Platinum? What if we buy at both places and fly from both, is that one or two locations?

Any attempt to have the bond amount fluctuate from year to year, might encourage unrealistic projections or be complicated by late paying methods of reward to fishermen, such as "bonuses".

I favor the plan proposed to recognize processors that have demonstrated reliability over the years, and some incentive be present for them to continue business in Alaska. The suggested amount of $20,000. is acceptable and appreciated.

I would guess that enforcement would be easy in some fisheries and very difficult in others. It would be necessary for their presence most of a season since buyers might move in at any time during the course of a season.

I'm hopeful this letter is timely in reaching you.

Sincerely,

Tom Hyland
General Manager

KEMP-PAULUCCI SEAFOODS, INC. 4832 W. SUPERIOR STREET DULUTH MINN. 218-624-0062
PO BOX 6506 55806

```
**********************************************************************
*                                                                    *
* DELIVER TO: LTCJ                                                   *
*                                                                    *
*                                                                    *
**********************************************************************

  DELIVER TO: LTCJ
*
*
* ORIGINAL
* SENT:          03/29/85  TIME: 16:38
* FROM:          DAVID JENSEN
* SUBJECT:       ANCHORAGE PARTICIPANTS LIST #1
* PRINT DATE:    03/29/85  TIME: 16:39
*
**********************************************************************

TO:     TCJNU + ALL SITES

FROM:   ANCHORAGE TELECONFERENCE OFFICE

SUBJ:   PARTICIPATING IN TODAYS TELECONFERENCE,
        __HOUSE FISHERIES - HB227,
        ARE THE FOLLOWING PEOPLE:

TO TESTIFY=

HENRY MITCHELL

TO OBSERVE=


EOM .. .. .. DJ
```

****
*
* DELIVER TO: LTCJ
*
*
* ORIGINAL
* SENT: 03/29/85 TIME: 16:30
* FROM: LIOB
* SUBJECT: PARTICIPANT LIST
* PRINT DATE: 03/29/85 TIME: 16:31
*
****

EMAIL #1 --- FROM BETHEL

TO TESTIFY:

1. MARK ANDREWS, ALASKA LEGAL SERVICES

```
**********************************************************
*                                                        *
*  DELIVER TO: LTCJ                                      *
*                                                        *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          03/29/85  TIME: 16:38                   *
* FROM:          DAVID JENSEN                            *
* SUBJECT:       ANCHORAGE PARTICIPANTS LIST #1          *
* PRINT DATE:    03/29/85  TIME: 16:39                   *
*                                                        *
**********************************************************

TO:     TCJNU + ALL SITES

FROM:   ANCHORAGE TELECONFERENCE OFFICE

SUBJ:   PARTICIPATING IN TODAYS TELECONFERENCE,
        __HOUSE FISHERIES - HB227,
        ARE THE FOLLOWING PEOPLE:

TO TESTIFY=

HENRY MITCHELL

TO OBSERVE=



EOM .. .. .. DJ
```

Alaska State Legislature

House of Representatives

SPECIAL

COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: March 29, 1985 HB 227

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Bob Clasby	Juneau	ADF&G	Yes	4210
Jeanne J Mowry	Juneau	Dept of Labor	If needed	4839
Shelly Smith	Juneau	Revenue	If needed	592
Kirk Lawber	Juneau	Pacific Seafood Processors Assn	Yes	586-6366
Eileen Blake	Juneau	Dept. Labor	No	2700

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT	DIVISION	BILL NUMBER	SPONSOR
Revenue	Public Services	HB227 / SB164	Binkley

DEPARTMENT POSITION

Neutral

PREPARED BY	DATE	COMMISSIONER'S SIGNATURE	DATE
Sally Smith	2-27-85		3/4/85

SUMMARY

OTHER AGENCIES AFFECTED BY BILL	CONSTITUENT GROUP(S) AFFECTED BY BILL
The Department of Labor	Fisheries Businesses
ORGANIZATIONAL SUPPORT FOR BILL	**ORGANIZATIONAL OPPOSITION TO BILL**
Unknown	Unknown

FISCAL IMPACT: [X] NONE [X] FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

Unknown

ANALYSIS OF BILL/PROGRAM EFFECTS

This bill raises the bond amount on the fisheries surety bond which guarantees wages for processing workers and the purchase price of fish to fishermen.

The raise in bonding amount will raise the bond premium which could adversely impact smaller fisheries.

AMENDMENTS PROPOSED

We suggest that the bond amount be based on a percentage of the dollar amount of fish purchases. This could be set on the prior year purchases or current year estimate.

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HB227

Title: An Act relating to fish processors and primary fish buyers

Sponsor: Binkley

Requestor: HSC on Fisheries

Date of Request: 2-27-85

FISCAL DETAIL

Agency Affected: Department of Revenue

Program Category Affected: Revenue Collections and Management

BRU, Program or Subprogram(s) Affected: Public Services - Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 SUPPLIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS	0	0	0	0	0	0
800 MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Attach a separate page if necessary

Prepared By: Sally Smith, Director — Phone: 465-2392

Division: Public Services — Date: February 27, 1985

Approved by Commissioner: — Date: 3/1/85

Agency: Department of Revenue

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

7/1/84

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

March 29, 1985

SECTIONAL ANALYSIS OF HB 227
"An Act relating to fish processors and primary fish buyers."

Section One: This section requires the Alaska Department of Fish and Game to maintain a list of fish buyers who have obtained the required state permits and bonds. The Department also is directed to publish the list in newspapers serving areas of Alaska in which fish buying takes place, and to distribute copies of the list to local governments and villages and fishermen's groups.

The division of fish and wildlife protection in the Department of Public Safety is required to regularly inspect fish buyers and processors for possession of the required state licenses.

Section Two: This section raises the amount of required surety bonds for fish buyers from the present $10,000 to $100,000. The bond is designed to ensure that fishermen are paid for their deliveries to fish buyers and that employees of fish processing operations have the ability to recover wages dues.

Section Three: This section amends another portion of the statutes to raise the surety bonds from $10,000 to $100,000, and ensures that leinable property can continue to be substituted for the bond. Language is added to the statutes to clarify that local appraisers may be used to determine the value of leinable property to be substituted for the bonds.

Hein ✓
01/24/86

Original sponsor: Binkley

IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

CS FOR HOUSE BILL NO. 227 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to surety for collection of wages and payment; and providing for an effective date."

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

* Section 1. AS 16.10.290(a) is amended to read:

(a) A person applying for a license as a fish processor or primary fish buyer shall file with the commissioner of labor a surety bond for each location running to the State of Alaska conditioned upon the promise to pay (1) all persons furnishing labor to a fish processor or primary fish buyer, including contractual employee benefits; and (2) independent registered commercial fishermen for the price of the raw fishery resource purchased from them. The surety or sureties shall be satisfactory, in the determination of the commissioner.

* Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be $10,000 unless, during the ~~immediately~~ preceding 5 years ~~[the term for which the bond was filed]~~, that amount was insufficient to satisfy a final judgment resulting from a claim ~~[filed during that term]~~ asserted against the bond, cash deposits, or other security filed under this section. If $10,000 was insufficient, the bond shall be $50,000; if $50,000 was insufficient, the bond shall be $100,000. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other

security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

* Sec. 3. AS 16.10.290(c) is repealed and reenacted to read:

(c) A bond is not required if the fish processor or primary fish buyer has more than the amount of the bond in lienable property in the state and provides proof of the property satisfactory to the commissioner.

* Sec. 4. AS 16.10.291 is repealed and reenacted to read:

Sec. 16.10.291. EXEMPTION FROM BONDING REQUIREMENTS. An operation that does not purchase fish or hire employees is exempt from the bonding requirements of AS 16.10.290 - 16.10.296.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.-10.070(c).

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          01/28/86  TIME: 12:56                   *
* FROM:          LIOPSG                                  *
* SUBJECT:       FINAL STATS-1/23/86 PHONE T/C           *
* PRINT DATE:    01/28/86  TIME: 12:56                   *
*                                                        *
**********************************************************
```

*** FINAL T/C STATS ***

DATE: JANUARY 23, 1986
SITE: PETERSBURG
SPONSOR: SPEC. COMM. ON TELECOMUNICATIONS
SUBJECT: TELEPHONE RATES
LOCAL MODERATOR: DOROTHY PENTTILA

****

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE

****

OBSERVED:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	MATT HOLMES, KFSK	BOX 149	772-3808

****

TESTIFIED: 0
OBSERVED: 1
TOTAL: 1

TIME START: 09:45 & 11:10
TIME END: 10:10 & 11:30

EOM

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          01/28/86  TIME: 10:15                               *
* FROM:          LIOBET                                              *
* SUBJECT:       FINAL STATS                                         *
* PRINT DATE:    01/28/86  TIME: 11:33                               *
*                                                                    *
**********************************************************************
```

FINAL STATS

T/C: HSC ON FISHERIES
SUBJECT: HB 227
DATE: 1-28-86
SITE: BETHEL
TIME IN: 8:20A
TIME OUT: 10:00A
MODERATOR: REGGIE BELDEN

IN BETHEL

OBSERVING

1. MAGGIE SNOW--KUSKOKWIM FISHERMAN'S CO-OP.

OBSERVING

1. JAMES R. JOHNSON--FOSS FISHERIES.

```
*                                                                  *
* DELIVER TO: TCJNU                                                *
*                                                                  *
*                                                                  *
* ORIGINAL                                                         *
* SENT:          01/29/86  TIME: 14:03                             *
* FROM:          ELAINE SUNDE                                      *
* SUBJECT:       FINAL STATS                                       *
* PRINT DATE:    01/29/86  TIME: 14:07                             *
*                                                                  *
*******************************************************************
```

Sharon,
For your info

TO JUNEAU T.C.
FR ELAINE, SITKA

FINAL STATS 1/28 H-FISHERIES

NO PARTICIPANTS IN HAINES.

NOTE: COPIES OF THE DRAFT LEGISLATION WERE TELECOPIED TO HAINES AND KLAWOCK...AND MAILED TO CRAIG AND HYDABURG. IF THIS BILL IS RE-SCHEDULED FOR TELECONFERENCE, THOSE COMMUNITIES MAY WISH TO PARTICIPATE.

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          01/29/86  TIME: 10:39                   *
* FROM:          DOROTHY LARSON                          *
* SUBJECT:       FINAL STATS                             *
* PRINT DATE:    01/29/86  TIME: 10:39                   *
*                                                        *
**********************************************************

DATE:  JANUARY 28, 1986-TUESDAY
SITE:  DILLINGHAM-ANNA MAY
SPONSOR\SUBJECT: HOUSE SPECIAL COMMITTEE ON FISHERIES, HB227:
FISH PROCESSORS AND PRIMARY FISH BUYERS

-0-   TESTIFIED      T\C STARTED 8:30 A.M.
-1-  OBSERVED      T\C ENDED  10:00 A.M.
-1-  TOTAL

NAME\REP.      ADDRESS\PHONE
**********************************************************************
OBSERVE
1. JIM TIMMERMAN, BRISTOL BAY NATIVE ASSOC. DILLINGHAM, AK.99576
842-5257
(4 OBSERVERS STOPPED BY FOR A WHILE WHO DID NOT SIGN IN)

TOGIAK WAS TO  BE INCLUDED BUT  NO  ONE ARRIVED, SO JONNY DID NOT
CALL IN.

EOM
```

CHAPTER 27.
FISH PROCESSORS AND PRIMARY FISH BUYERS

Article

1. Security (8 AAC 27.010–8 AAC 27.050)
2. Suspension and Revocation of License (8 AAC 27.060)
3. Assignment of Claims (8 AAC 27.070)
4. General Provisions (8 AAC 27.900)

ARTICLE 1.
SECURITY

Section

10. Security required
20. Certification of license applicant
30. Waiver of security
40. Revocation of waiver of security
50. Release of security

8 AAC 27.010. SECURITY REQUIRED. (a) A fish processor or primary fish buyer shall file with the division evidence of compliance with AS 16.10.290 and this chapter on forms prescribed by the commissioner. Acceptable security includes

(1) a surety bond in the amount of $10,000 issued by a surety company licensed to do business in Alaska with an assignment in favor of the commissioner;

(2) lienable real property located in Alaska, provided

(A) an appraisal is filed with the commissioner which was issued by a public tax assessor or by a bona fide real estate appraiser, current within 12 months before the date of application;

(B) a title search is filed with the commissioner which was issued by a company or person qualified to perform a title search, current within 30 days before the date of application and which clearly demonstrates the license applicant has an equity of at least $10,000 in the real property; and

(C) the license applicant executes a lien upon the real property in favor of the commissioner in the amount prescribed by AS 16.10.290(b);

(3) a negotiable instrument as defined in AS 45.03.104, assigned to the commissioner, in the amount of $10,000; or

(4) a combination of acceptable security, including those listed in (1) – (3) of this subsection, which equals the amount of $10,000.

(b) Separate security is required for each operational location which requires a separate license. (Eff. 7/30/83, Reg. 87)

Authority: AS 16.10.275
AS 16.10.290(a), (b), (c)

8 AAC 27.020. CERTIFICATION OF LICENSE APPLICANT. The commissioner will certify in writing to the Department of Revenue and the Department of Fish and Game when the license applicant has complied with the provisions of this chapter. The license applicant will receive notice of this certification. (Eff. 7/30/83, Reg. 87)

Authority: AS 16.10.275
AS 16.10.290(d)

8 AAC 27.030. WAIVER OF SECURITY. (a) An operation which does not purchase raw fish and which does not hire employees may request a waiver from the provisions of AS 16.10.290 – 16.10.296 by submitting Form 07-6086 to the commissioner, at least 30 days before commencement of operation, setting out

(1) the names of the persons involved in the operation;

(2) the relationship of the persons to the operation;

(3) the name of the business, if applicable;

(4) the location of the operation;

(5) the date that the operation will commence; and

(6) certification that no fish will be purchased and that no employees will be used in the operation.

Editor's Note: Form 07-6086, mentioned in 8 AAC 27.030(a), may be obtained from the Department of Labor, Box 1149, Juneau, AK. 99811.

(b) Within 15 days after receipt of a properly prepared and sworn application, the director, after investigation by the division, will approve or deny the application for a waiver. The director will deliver a written notice of approval or denial of the waiver to the applicant in person or by certified mail. A notice of denial must set out the reasons for the denial.

(c) An applicant may appeal a denial to the commissioner within 30 days after receipt of the notice of denial. No particular form for the appeal is prescribed. However, the appeal must be specific in its reasons.

(d) A waiver approved under this section is valid for one year from the date of approval. Re-application for a waiver must be made in accordance with this section.

(e) The commissioner will notify the Department of Revenue and the Department of Fish and Game of a person or business granted a waiver from the provisions of AS 16.10.290 – 16.10.296. (Eff. 7/30/83, Reg. 87)

Authority: AS 16.10.275
AS 16.10.290(d)
AS 16.10.291

8 AAC 27.040. REVOCATION OF WAIVER OF SECURITY. (a) The department will, in its discretion and for good cause, revoke a waiver granted to a person or business under AS 16.10.291 and 8 AAC 27.030 and require filing of security as required by AS 16.10.290 and as prescribed in this chapter.

(b) The commissioner will notify the Department of Revenue and the Department of Fish and Game of a person or business whose waiver has been revoked. The commissioner will request suspension of the license of the fish processor or primary fish buyer until the person or business complies with AS 16.10.290 – 16.10.296. (Eff. 7/30/83, Reg. 87)

Authority: AS 16.10.275
AS 16.10.291
AS 16.10.294

8 AAC 27.050. RELEASE OF SECURITY. When the term of security filed with the commissioner under AS 16.10.290(b) has expired, the department shall release the security to the fish processor or primary fish buyer. Notification of release of security will be delivered in person or by certified mail. (Eff. 7/30/83, Reg. 87)

Authority: AS 16.10.275
AS 16.10.290

ARTICLE 2.
SUSPENSION AND REVOCATION OF LICENSE

Section
60. Notification

8 AAC 27.060. NOTIFICATION. (a) If the liability of the security required by AS 16.10-.290 is impaired or depleted, if a bonding company cancels its bond of a fish processor or primary fish buyer, or if a fish processor or primary fish buyer violates the provisions of AS 16.10.290 – 16.10.296, the commissioner will

(1) immediately notify the Department of Revenue by certified mail of the specific sections of AS 16.10.270 – 16.10.296 which the fish processor or primary fish buyer has violated, request that the license of the fish processor or primary fish buyer be suspended or revoked under AS 16.10.294, and recommend a period of time for which the license should be suspended;

(2) by copy of the notice, through certified mail, inform the Department of Fish and Game and the fish processor or primary fish buyer of the action; and

(3) issue a cease and desist order to the fish processor or primary fish buyer who is violating AS 16.10.270 – 16.10.296, prohibiting the individual or business from acting as a fish processor or primary fish buyer.

(b) The cease and desist order will be rescinded upon a showing, acceptable to the commissioner, that the fish processor or primary fish buyer has complied with AS 16.10.270 – 16.10.290 and the requirements of this chapter. (Eff. 7/30/83, Reg. 87)

Authority: AS 16.10.275
AS 16.10.294

year, or by a fine of not more than $5,000, or by both. (§ 1 ch 49 SLA 1965; am § 1 ch 34 SLA 1969; am § 1 ch 102 SLA 1977)

Legislative history reports. — For report on ch. 34, SLA 1969 (CSHB 40 am S), see 1969 House Journal, p. 142.

NOTES TO DECISIONS

Cited in Liberati v. Bristol Bay Borough, Sup. Ct. Op. No. 1735 (File No. 3365), 584 P.2d 1115 (1978).

Sec. 16.10.275. Regulations. The commissioner may adopt regulations to carry out the provisions of AS 16.10.270 — 16.10.296. (§ 1 ch 18 SLA 1981)

Sec. 16.10.280. Price disputes between fishermen and fish processors. In an area where a price dispute exists between at least one-third of the registered commercial fishermen for that area, as certified by the Department of Fish and Game, and fish processors on the price to be paid for salmon, and no agreement has been reached up to 120 days before the opening of the salmon fishing season in that area, a representative from the Department of Labor shall intervene as mediator of the dispute upon request of either party. (§ 1 ch 242 SLA 1970; am § 1 ch 59 SLA 1980)

Revisor's notes. — Enacted as AS 16.10.290. Renumbered in 1970.

Effect of amendments. — The 1980 amendment substituted "120" for "30" near the middle of the section.

Sec. 16.10.290. Security for collection of wages and payment for raw fish. (a) A fish processor or primary fish buyer shall file with the commissioner of labor a surety bond running to the State of Alaska conditioned upon the promise to pay (1) all persons furnishing labor to a fish processor or primary fish buyer, including contractual employee benefits; and (2) independent registered commercial fishermen for the price of the raw fishery resource purchased from them. The surety or sureties shall be satisfactory, in the determination of the commissioner.

(b) The amount of the bond shall be $10,000. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

(c) A person applying for a license as a fish processor or primary fish buyer who has less than $10,000 in lienable property in the state, with proof of the property satisfactorily made to the commissioner, shall file with the application a bond or other security as specified in this section. No bond is required if the fish processor or primary fish buyer has more than $10,000 in lienable property as specified in this subsection.

(d) Upon certification by the commissioner that a person applying for a license as a fish processor or primary fish buyer has complied with AS 16.10.290 — 16.10.296, the Department of Revenue may issue that person a license to engage in the business of fish processor or primary fish buyer.

(e) The commissioner may accept the assignment of a claim held by a person against a fish processor or primary fish buyer under this section and may bring suit upon the bond, cash deposit or other security on behalf of the assignor in the superior court of the judicial district in which the work is done or in any judicial district in which jurisdiction may be obtained. This action shall not be construed to limit the right of a person having a claim under AS 16.10.270 — 16.10.296 against a fish processor or primary fish buyer to personally bring suit upon the bond, cash deposit or other security, in which case a copy of the complaint shall be served by registered or certified mail upon the commissioner at the time suit is filed. The commissioner shall maintain a record, available for public inspection, of all suits commenced under this subsection. The service shall constitute service on the surety, and the commissioner shall transmit the complaint or a copy of it to the surety within 72 hours after it has been received.

(f) If the surety on the bond desires to cancel the bond, the surety may do so by giving the commissioner written notice of intention to cancel. The cancellation is effective 30 days after the notice is delivered to the commissioner.

(g) If a judgment is entered against the cash deposit, the commissioner, upon receipt of a certified copy of a final judgment, shall pay the judgment from the amount of the deposit. (§ 2 ch 102 SLA 1977)

Sec. 16.10.291. Waiver of bonding requirement. The commissioner may, after investigation, grant a waiver from the bonding requirement of AS 16.10.290 — 16.10.296 for those operations that do not purchase fish or hire employees. (§ 2 ch 18 SLA 1981)

Editor's notes. — Enacted as AS 16.10.292(b). Renumbered in 1981.

Sec. 16.10.292. Filing evidence of compliance. A fish processor or primary fish buyer subject to AS 16.10.270 — 16.10.296 shall initially file evidence of compliance with the bonding requirements of AS 16.10.290 — 16.10.296, in the form prescribed by the commissioner. (§ 2 ch 102 SLA 1977)

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1254 SCOMM 18: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

Sec. 16.10.293. Exemptions from bonding requirement. (a) Restaurants, grocery stores, and established fish markets are exempt from the bonding requirement of AS 16.10.290 — 16.10.295.

(b) For purposes of this section

(1) "established fish market" means a market maintained in a permanent structure exclusively for the sale of seafood to the public at retail;

(2) "grocery store" means a store maintained for the sale of food products exclusively to the public at retail;

(3) "restaurant" includes a place maintained for the sale and on-premise consumption of food, and a street vendor who sells food prepared for immediate consumption. (§ 1 ch 23 SLA 1982)

Sec. 16.10.294. Suspension and revocation of license. (a) If a final judgment impairs the liability of the surety upon the bond or depletes the cash deposits or other security so that there is not in effect the bond, undertaking cash deposit or other security in the full amount prescribed in AS 16.10.290, the license of the fish processor or primary fish buyer shall be suspended until the liability in the required amount, unimpaired by unsatisfied judgment claims, has been furnished.

(b) If a bonding company cancels its bond of a fish processor or primary fish buyer, the fish processor's or primary fish buyer's license shall be revoked. The fish processor or primary fish buyer may again obtain a license by complying with the requirements of this chapter.

(c) If a licensed fish processor or primary fish buyer fails to fulfill the obligations as set out in AS 16.10.290, the license of the processor or buyer shall be suspended for a period of time the commissioner determines is appropriate. After three suspensions the license may be permanently revoked.

(d) Proceedings to suspend or revoke a license are governed by the Administrative Procedure Act (AS 44.62).

(e) If the commissioner determines that a fish processor or primary fish buyer is acting in violation of AS 16.10.270 — 16.10.296, the commissioner shall give written notice prohibiting further action by the person as a fish processor or primary fish buyer. The prohibition continues until the person has submitted evidence acceptable to the commissioner showing that the violation has been corrected.

(f) A person affected by an order issued under this chapter may seek equitable relief preventing the commissioner from enforcing the order.

(g) In an action instituted in the superior court by the commissioner or a representative of the commissioner, a person acting in the capacity of a fish processor or primary fish buyer in violation of this chapter may be enjoined from acting as a fish processor or primary fish buyer. (§ 2 ch 102 SLA 1977)

Sec. 16.10.295. Penalty. A person who is required to obtain the bond required by AS 16.10.290 — 16.10.296 and fails to obtain that bond is guilty of a class A misdemeanor. Each day a violation occurs constitutes a separate offense. (§ 3 ch 18 SLA 1981)

Cross references. — For sentences for misdemeanors, see AS 12.55.135.

Sec. 16.10.296. Definitions. In AS 16.10.265 — 16.10.296, unless the context otherwise requires,

(1) "commissioner" means the commissioner of labor;

(2) "fish" means any species of aquatic finfish, invertebrates and amphibians, shellfish, or any other raw fishery resource, in any stage of its life cycle, found in or introduced into the state, and includes fish eggs except fish eggs sold for stock enhancement purposes;

(3) "fish processor" means a person engaging or attempting to engage in a business for which a license is required under AS 43.75.010 — 43.75.090;

(4) "primary fish buyer" means a person, other than a cooperative corporation organized under AS 10.15, engaging or attempting to engage in the business of originally purchasing or buying any fishery resource in intrastate, interstate, or foreign commerce. (§ 2 ch 102 SLA 1977; am § 3 ch 94 SLA 1982)

Effect of amendments. — The 1982 amendment substituted "AS 16.10.265 — 16.10.296" for "AS 16.10.270 — 16.10.296" in the introductory language, added the language beginning "and includes fish eggs" to the end of paragraph (2), and deleted "raw" preceding "fishery resource" in paragraph (4).

Article 7. Commercial Fishing Loan Act.

Section

300. Declaration of policy
310. Powers of the department
315. Allocation of loans
320. Limitations on loans
325. Guarantors
333. Loans for purchase of Alaska limited entry permits
335. Default and foreclosure
337. Deficiencies and transfer of entry permits after foreclosure
338. Entry permits as collateral
339. Regulations
340. Creation of fund
342. Special account established
350. Administration of fund
360. Definitions
370. Short title

Legislative history reports. — For report on ch. 134, SLA 1972 (SCS CSHB 102 am FCC), see 1971 House Journal, p. 399; 1972 House Journal p. 554.

For statement of legislative intent, see 1983 Senate Journal, p. 621.

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: April 11

HB 227 + Fishing Loans

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
James J O'Connor	P.O Box 630 Juno	Labor	If needed	465-4839
Leo A Land	Box 12 2 Haines	ANB Camp #3	If needed	766-2466
Cass Parsons				
Rick Lauber				

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

March 28, 1985

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: House Bill 227

Attached are background materials on House Bill 227 which the Fisheries Committee will hear at 4:30 p.m. Friday, March 29. Public testimony on the measure will be taken via teleconference from a number of locations and at least two state agencies will testify in person.

A similar bill (SB 164) has been heard in Senate Resources committee and a number of changes have been suggested. A committee substitute for the senate bill should be available for your review by Friday's hearing.

I have scheduled a work session on HB 227 for 8:30 a.m. Tuesday, April 2. A measure we considered earlier, HB 120 (Leasing of limited entry permits by minor heirs), also will be considered at the work session.

FISH COMMITTEE SUBSTITUTE HB 227

Sec. 1. AS 16.10 is amended by adding new sections to read:

Sec. 16.10.285. NOTICE OF BONDED AND LICENSED OPERATORS.

(a) The Department of Labor shall provide to each primary fish buyer and fish processor that has met licensing and bonding requirements a certificate of bonding to be posted at each location operated by the primary fish buyer or fish processor. The certification of bonding shall specify the amount of the bond and that the primary fish buyer or fish processor has complied with the security bond requirements of AS16.10.290 - 16.10.296.

(b) The primary fish buyer or fish processor shall post a copy of the business or fisheries business license along with a copy of the certificate of bonding at each location operated by the fish processor or primary fish buyer.

Sec. 16.10.286. INSPECTION OF LICENSES. Enforcement officers of the division of fish and wildlife protection shall regularly inspect fish processors and primary fish buyers for possession of proper licenses and compliance to AS 16.10.285.

Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be $20,000, except for a fish processor or primary fish buyer whose principals, with at least 10% ownership, has had a final judgement against them required to satisfy a claim filed against the bonds, cash deposits, or other security filed under this section, during any of the three years preceeding the year for which the bond is due; the amount of the bond shall be the amount of the final judgment or $100,000, whichever is less. [$10,000]. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

See attached

Sec. 3. AS 16.10.290 (c) is amended to read:

(c) A person applying for a license as a fish processor or primary fish buyer who has (POSSESSES EQUITY) less than the amount of the bond [$10,000] in (IN REAL EQUITY) lienable REAL

property in the state, with proof of the ~~property~~ EQUITY satisfactorily made to the commissioner, shall file with the application a bond or other security as specified in this section. A [NO] bond is not required if the fish processor or primary fish buyer ~~has more than~~ POSSESSES EQUITY IN EXCESS OF the amount of the bond [$10,000] IN EQUITY in lienable REAL property as specified in this subsection. An appraiser OR MARINE SURVEYOR from the area of the state in which the lienable REAL property is located may be used to determine the value of the property for purposes of this subsection.

REPLACE "PROPERTY" WITH "EQUITY"?

* Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be $20,000, except that the amount of the bond shall be $100,000 if (1) the fish processor or primary fish buyer, during any of the three years immediately preceding the year for which the bond is due, has been required as a result of a final judgment to satisfy a claim filed during those years against the bonds, cash deposits, or other security filed under this section; or (2) a principal with at least 10 percent ownership interest of the fish processor or primary fish buyer was a principal with at least a 10 percent ownership interest of another fish processor or primary fish buyer during any year, of the three years immediately preceding the year for which the bond is due, in which a claim filed against the bonds, cash deposits, or other security filed under this section that has resulted in a final judgment that required that other fish processor or primary fish buyer to satisfy the claim <$10,000>. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

(c) A person applying for a license as a fish processor or primary fish buyer who has less than $10,000 in lienable property in the state, with proof of the property satisfactorily made to the commissioner, shall file with the application a bond or other security as specified in this section. No bond is required if

Hein
3/29/85

Original sponsors: Coghill and Sackett

IN THE SENATE BY THE RESOURCES COMMITTEE

CS FOR SENATE BILL NO. 164 (Resources)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to surety for collection of wages and payment."

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

* Section 1. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be <u>$20,000, except that the amount of the bond shall be $100,000 for (1) a fish processor or primary fish buyer who has engaged in the business of fish processor or primary fish buyer in the state but not in compliance with this section; (2) a fish processor or primary fish buyer who, during any of the three years immediately preceding the year for which the bond is due, has been required to satisfy a claim filed during those years against the bonds, cash deposits, or other security filed under this section; (3) a nonresident fish processor or nonresident primary fish buyer who is applying for a license to engage in the business of fish processor or primary fish buyer for the first time in the state; or (4) a nonresident fish processor or nonresident primary fish buyer who has engaged in the business of fish processor or primary fish buyer in the state in compliance with this section for only the year or two years immediately preceding the year for which the bond is due</u> [$10,000]. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other

security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

* Sec. 2. AS 16.10.290(c) is amended to read:

(c) A person applying for a license as a fish processor or primary fish buyer who has less than the amount of the bond [$10,000] in lienable property in the state, with proof of the property satisfactorily made to the commissioner, shall file with the application a bond or other security as specified in this section. A [NO] bond is not required if the fish processor or primary fish buyer has more than the amount of the bond [$10,000] in lienable property as specified in this subsection.

01/24/86

Original sponsor: Binkley

IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

CS FOR HOUSE BILL NO. 227 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to surety for collection of wages and payment; and providing for an effective date."

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

* Section 1. AS 16.10.290(a) is amended to read:

(a) A person applying for a license as a fish processor or primary fish buyer shall file with the commissioner of labor a surety bond running to the State of Alaska conditioned upon the promise to pay (1) all persons furnishing labor to a fish processor or primary fish buyer, including contractual employee benefits; and (2) independent registered commercial fishermen for the price of the raw fishery resource purchased from them. The surety or sureties shall be satisfactory, in the determination of the commissioner.

* Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be $10,000 unless, during the immediately preceding ~~term for which the bond was filed~~, that amount was insufficient to satisfy a final judgment resulting from a claim ~~filed during that term~~ against the bond, cash deposits, or other security filed under this section. If $10,000 was insufficient, the bond shall be $50,000; if $50,000 was insufficient, the bond shall be $100,000. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other

security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

* Sec. 3. AS 16.10.290(c) is repealed and reenacted to read:

(c) A bond is not required if the fish processor or primary fish buyer has more than the amount of the bond in lienable property in the state and provides proof of the property satisfactory to the commissioner.

* Sec. 4. AS 16.10.291 is repealed and reenacted to read:

Sec. 16.10.291. EXEMPTION FROM BONDING REQUIREMENTS. An operation that does not purchase fish or hire employees is exempt from the bonding requirements of AS 16.10.290 - 16.10.296.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.-10.070(c).



each company or each buying station

= Equity in Real property

regs — say "real property"
law — says property

Introduced: 2/22/85
Referred: House Special Committee
on Fisheries, Resources and Finance

IN THE HOUSE BY BINKLEY

HOUSE BILL NO. 227

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to fish processors and primary fish buyers."

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

* Section 1. AS 16.10 is amended by adding new sections to read:

Sec. 16.10.285. NOTICE OF BONDED AND LICENSED OPERATORS. The Department of Fish and Game shall maintain a list of fish processors and primary fish buyers who have furnished to the department a written statement of intent to operate. The list shall specify whether the processor or buyer has complied with the security bond requirements of AS 16.10.290 - 16.10.296 and has been issued a valid Alaska Business License or Fisheries Business License by the Department of Revenue. The list shall note the processor's or buyer's standing, if any, with the Alaska Better Business Bureau and membership in a chamber of commerce in the state. The Department of Fish and Game shall, at the beginning of each commercial fishing season,

(1) publish the list in a newspaper of general circulation that serves each area of the state in which the fish processors and primary fish buyers have stated an intent to operate; and

(2) distribute copies of the list to the offices of local governments and village councils and to fishermen's associations in the areas of the state in which the fish processors and primary fish buyers have stated an intent to operate.

Sec. 16.10.286. INSPECTION OF LICENSES. Enforcement officers of the division of fish and wildlife protection shall regularly inspect

provide notice to processor to be posted

fish processors and primary fish buyers for possession of proper licenses.

* Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be $[illegible] [$10,000]. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

* Sec. 3. AS 16.10.290(c) is amended to read:

(c) A person applying for a license as a fish processor or primary fish buyer who has less than $100,000 [$10,000] in lienable property in the state, with proof of the property satisfactorily made to the commissioner, shall file with the application a bond or other security as specified in this section. A [NO] bond is not required if the fish processor or primary fish buyer has more than $100,000 [$10,000] in lienable property as specified in this subsection. An appraiser from the area of the state in which the lienable property is located may be used to determine the value of the property for purposes of this subsection.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

January 27, 1986

SECTIONAL ANALYSIS OF CSHB 227
"An Act relating to fish buyers and primary fish processors; and providing for an effective date."

Section One: This section clarifies existing statutes so it is clear that the surety bond is required before a person or company can be licensed to purchase or process fish. This provision now is contained in 16.10.290 (c) which this legislation would repeal and reenact.

Section Two: This section would automatically raise the amount of the required bond for primary fish processors and fish buyers who fail to pay fishermen or processing workers. The amount of the bond would be raised in those cases where final judgments against a processor or fish buyer have exceeded the amount of the posted bond or other security in the past. If the amount of the final judgments were between $10,000 and $50,000, the processor or fish buyer would be required to post a $50,000 bond. If the amount of judgments exceed $50,000, the applicant would be required to post a $100,000 bond.

Section Three: This section re-writes AS 16.10.290(c) to make it conform with the requirements for higher bond amounts this legislation would enact.

Section Four: This section exempts "mom and pop" operators who do not buy fish or hire non-family employees. The existing 16.10.291 provides for a waiver process which has resulted in unnecessary paperwork for such operators and the Department of Labor.

Section Five: This section would ensure the legislation becomes effective in advance of the 1986 salmon season.

Hein

AMENDMENT #1

Offered in the HOUSE

TO: CSHB 227(Fisheries)

Page 2, line 17 through line 20, delete all material and insert:

"Sec. 16.10.291. EXEMPTION FROM BONDING REQUIREMENTS. A fish processor or primary fish buyer is exempt from the bonding requirements of AS 16.10.290 - 16.10.296 if

(1) the processor or fish buyer does not purchase fish or hire employees; or

(2) the processor or fish buyer has operated lawfully in the state in each of the preceding 10 years, and during that period a final judgment has not been entered against

(A) the bond, cash deposits, or other security filed under AS 16.10.290; or

(B) the processor or fish buyer for payment for labor furnished to, or raw fishery resources purchased by, the processor or fish buyer."

Hein

AMENDMENT #2

Offered in the HOUSE

TO: CSHB 227(Fisheries)

Page 1, after line 8, insert a new bill section to read:

"* Section 1. AS 16.10 is amended by adding a new section to read:

Sec. 16.10.285. NOTICE OF OPERATORS REQUIRED TO FILE INCREASED BOND. At the beginning of each commercial fishing season, the department shall compile a list of fish processors and primary fish buyers that have been required to file a bond covering the season in an amount exceeding $10,000. The department shall publish the list in a newspaper of general circulation that serves each area of the state in which the fish processors and primary fish buyers have stated an intent to operate."

Page 1, line 9, delete "Section 1" and insert "Sec. 2."

Renumber remaining bill sections accordingly.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 4, 1986

TO: Irene Cashen
Chief Clerk

FROM: Representative Peter Goll
Chairman, House Special Committee on Fisheries

SUBJECT: Letter of Intent for CS HB227 (Fisheries)

LETTER OF INTENT
CSHB 227 (Fisheries)

This legislation is designed to help ensure that Alaska fishermen have some recourse when a fish processor or primary fish buyer fails to make promised payments for the delivery of raw fisheries resources. The effectiveness of this surety bond program is questionable unless fishermen are aware of how the program works.

The Fourteenth Alaska Legislature respectfully requests the Alaska Department of Labor to work closely with the Office of Commercial Fisheries Development, Alaska Department of Commerce and Economic Development in the development of an educational program for the surety bond program. These agencies should work through the Alaska Marine Advisory Program, commercial fishermen's organizations, Native groups, fish and game advisory committees and the news media reaching coastal Alaska and the fishing fleets.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

January 23, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll

SUBJECT: CSHB 227 (Fish Buyers' Bonds)

Attached is a committee substitute for House Bill 227 (An Act relating to surety for collection of wages and payment). As you may recall, we decided last session to hold the original legislation over the interim for additional work.

Under existing law (AS 16.10.290), fish buyers and processors are required to post a $10,000 bond with the Department of Labor conditioned upon the promise to pay commercial fishermen for raw seafood, and wages owed processing workers. In response to reports that many fishermen in Western Alaska were not being paid by fish buyers, Representative Binkley proposed in HB 227 to raise the amount of the bond to $100,000.

The legislation was held for additional work when it became clear during committee hearings that the higher bond amount would cause significant problems for smaller seafood processors and fish buyers. The Senate Resources Committee made a similar determination in regard to companion legislation (SB 165).

Scores of fishermen from such widespread locations as Ruby, Haines and Klawock reported difficulties in obtaining payments for deliveries of salmon during the 1985 fishing season.

The proposed committee substitute was worked out in conjunction with staff to the Senate Resources Committee. It would raise the amount of the required bond only for those fish buyers and seafood processors who have final judgments levied against their bonds or other security deposits. The amount of the bond would be raised to $50,000 or $100,000 according to the amount of judgments.

The draft substitute is designed to ensure that operators who fail to pay their fishermen are required to post additional security for future purchases, while those who have a clean record are not. The proposed committee substitute would avoid undue impacts on smaller buyers.

Existing statutes provide for a waiver of the bond requirements for processors who do not purchase fish from others or hire non-family members. Section three of the committee substitute would change the waiver to an exemption so these "mom and pop" operations no longer have to apply to the Department of Labor for the waiver. If the measure is signed into law, such operators would only have to sign a form saying they qualify for the exemption when they obtain their tax security bonds from the Department of Revenue. The Department of Labor expects to receive about 300 such waiver applications this year.

The proposed substitute also provides for an immediate effective date to allow implementation for the 1986 fishing season.

Hein ✓
01/24/86

Original sponsor: Binkley

IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

CS FOR HOUSE BILL NO. 227 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to surety for collection of wages and payment; and providing for an effective date."

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

* Section 1. AS 16.10.290(a) is amended to read:

(a) A <u>person applying for a license as a</u> fish processor or primary fish buyer shall file with the commissioner of labor a surety bond running to the State of Alaska conditioned upon the promise to pay (1) all persons furnishing labor to a fish processor or primary fish buyer, including contractual employee benefits; and (2) independent registered commercial fishermen for the price of the raw fishery resource purchased from them. The surety or sureties shall be satisfactory, in the determination of the commissioner.

* Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be $10,000 <u>unless, during the immediately preceding term for which the bond was filed, that amount was insufficient to satisfy a final judgment resulting from a claim filed during that term against the bond, cash deposits, or other security filed under this section. If $10,000 was insufficient, the bond shall be $50,000; if $50,000 was insufficient, the bond shall be $100,000</u>. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other

security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

* Sec. 3. AS 16.10.290(c) is repealed and reenacted to read:

(c) A bond is not required if the fish processor or primary fish buyer has more than the amount of the bond in lienable property in the state and provides proof of the property satisfactory to the commissioner.

* Sec. 4. AS 16.10.291 is repealed and reenacted to read:

Sec. 16.10.291. EXEMPTION FROM BONDING REQUIREMENTS. An operation that does not purchase fish or hire employees is exempt from the bonding requirements of AS 16.10.290 - 16.10.296.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.-10.070(c).

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : CS HB 227 (Fisheries)
Title : "An Act relating to fish processors & primary fish buyers

Sponsor : Binkley
Requestor : Hs Special Committee on Fisheries
Date of Request : 2/5/86

FISCAL DETAIL

Agency Affected : Labor
BRU : Labor Standards & Safety

Components : Wage :& Hour

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	Ø	Ø	Ø	Ø	Ø	Ø
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	Ø	Ø	Ø	Ø	Ø	Ø

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Bob Bacolas
Division : Labor Standards & Safety
Phone : 465-4870
Date : 2/5/86

Approved by Commissioner : Jim Robison
Agency : Labor
Date : 2/5/86

Distribution (by Agency preparing fiscal note) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

10/25/85

PROPOSED AMENDMENTS TO CSHB 227 (Fisheries)
January 27, 1986

***Sec. 2. AS 16.10.290(b) is amended to read:**

(b) The amount of the bond shall be $10,000 unless, during the preceding five years, that amount was insufficient to satisfy a final judgment resulting from a claim asserted against the bond, cash deposits, or other security filed under this section. If $10,000 was insufficient, the bond shall be $50,000; if $50,000 was insufficient, the bond shall be $100,000. If the commissioner determines that during the preceding five years, a fish processor or primary fish buyer (1) has engaged in the business of fish processor or primary fish buyer in the state, but not in compliance with this section and (2) has not yet satisfied a final judgment entered against the processor or fish buyer for payment of labor furnished to, or raw fishery resources purchased by, the processor or fish buyer, then the amount of the bond for the processor or fish buyer shall be $100,000. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

Add a new Sec. 4, and renumber accordingly:

* Sec. 4. AS 16.10.290 is amended by adding a new subsection to read:

(h) A fish processor or primary fish buyer shall file a surety bond in the amount required under (b) of this section for each location for which the processor or buyer is to be licensed.

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: Jan 28, 1986 HB 227

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
LT. Conrad Seibel	2760 Sherwood Lane Juneau	Dept. Public Safety	no	789-2161
Rick Lauber	Box 1625	PSPA	YES	586-6366
Jack Coghgan	UFA	UFA	Yes	6-2820
Ed Hunt	LAA		Yes.	2450
James O'Connell		Dept. of Labor	Yes	

PROPOSED AMENDMENTS TO CSHB 227 (Fisheries)
January 27, 1986

***Sec. 2. AS 16.10.290(b) is amended to read:**

(b) The amount of the bond shall be $10,000 unless, during the preceding five years, that amount was insufficient to satisfy a final judgment resulting from a claim asserted against the bond, cash deposits, or other security filed under this section. If $10,000 was insufficient, the bond shall be $50,000; if $50,000 was insufficient, the bond shall be $100,000. If the commissioner determines that during the preceding five years, a fish processor or primary fish buyer (1) has engaged in the business of fish processor or primary fish buyer in the state, but not in compliance with this section and (2) has not yet satisfied a final judgment entered against the processor or fish buyer for payment of labor furnished to, or raw fishery resources purchased by, the processor or fish buyer, then the amount of the bond for the processor or fish buyer shall be $100,000. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

Add a new Sec. 4, and renumber accordingly:

* Sec. 4. AS 16.10.290 is amended by adding a new subsection to read:

(h) A fish processor or primary fish buyer shall file a surety bond in the amount required under (b) of this section for each location for which the processor or buyer is to be licensed.

2/5

COMMITTEE REPORT

HOUSE

RESOURCES

(7)

FURTHER: FINANCE

2/22/85

Date: 2-4-86

Mr. Speaker:

The Committee on HOUSE SPECIAL COMMITTEE ON FISHERIES has had HB 227

"An Act relating to fish processors and primary fish buyers."

under consideration and reports it back as follows:

[ ] do pass [ ] do not pass

[ ] do pass with attached amendments(s)

[ ] replace with CS for HB227 (FISH) [X] same title [X] new title

and recommends

[X] 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:
Peter Jacobs	Roger Jeffers (No Rec)
Debbie Bishop	NUM (MALOU) (No Rec)
[illegible]	
[illegible]	

Peter Jacobs

CHAIRMAN

H 60

Hein
2/3/86

Original sponsor: Binkley

IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

CS FOR HOUSE BILL NO. 227 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to fish processors and primary fish buyers; and providing for an effective date."

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

* Section 1. AS 16.10.290(a) is amended to read:

(a) A person applying for a license as a fish processor or primary fish buyer shall file with the commissioner of labor a surety bond running to the State of Alaska conditioned upon the promise to pay (1) all persons furnishing labor to a fish processor or primary fish buyer, including contractual employee benefits; and (2) independent registered commercial fishermen for the price of the raw fishery resource purchased from them. The surety or sureties shall be satisfactory, in the determination of the commissioner.

* Sec. 2. AS 16.10.290(b) is amended to read:

(b) The amount of the bond shall be $10,000 unless, during the preceding five years, that amount was insufficient to satisfy a final judgment resulting from a claim asserted against the bond, cash deposits, or other security filed under this section. If $10,000 was insufficient, the bond shall be $50,000; if $50,000 was insufficient, the bond shall be $100,000. If the commissioner determines that during the preceding five years, a fish processor or primary fish buyer (1) has engaged in the business of fish processor or primary fish buyer in the state while not in compliance with this section and (2) has not yet satisfied a final judgment entered against the processor or fish buyer for payment for labor furnished to, or raw

fishery resources purchased by, the processor or fish buyer, then the amount of the bond for the processor or fish buyer shall be $100,000. In lieu of the surety bond the fish processor or primary fish buyer may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for the bond. If no claim is asserted under this section within two years from the date the bond, cash deposit or other security is filed, the term of the bond, cash deposit or other security shall be two years; if a claim has been asserted within two years, the term of the bond, cash deposit or other security shall be for five years.

* Sec. 3. AS 16.10.290(c) is repealed and reenacted to read:

(c) A bond is not required if the fish processor or primary fish buyer has more than the amount of the bond in lienable property in the state and provides proof of the property satisfactory to the commissioner.

* Sec. 4. AS 16.10.291 is repealed and reenacted to read:

Sec. 16.10.291. EXEMPTION FROM BONDING REQUIREMENTS. A fish processor or primary fish buyer that does not purchase fish or hire employees is exempt from the bonding requirements of AS 16.10.290 - 16.10.296.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.-10.070(c).

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-619 (REV 8/78)

SCOMM

#48:17

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

MEMORANDUM March 12, 1985

SUBJECT: Merging HB 260 with HB 229

TO: Representative Peter Goll
Chairman, House Special Committee on Fisheries

FROM: Edward H. Hein EH
Legislative Counsel

You have asked whether any legal or drafting problems are created by merging HB 260 with HB 229. I see none and have therefore done so in your Fisheries Committee draft substitute. The two bills relate to the same subject -- herring stripping -- so they may be logically combined under the bill title of HB 229. Also, the provisions of both bills are not inconsistent with each other. HB 260 repeals an exception to the ban on herring stripping; HB 229 creates a new exception.

If you have any questions or comments, feel free to contact me at your convenience.

EHH:ojb
J12/084

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

LETTER OF INTENT FOR HOUSE BILL 229

It is the intent of the Legislature that the approval process by the Alaska Department of Fish and Game for 1986 herring stripping operations be kept as simple as possible. The Commissioner should base his determination upon a letter or other documentation from the operators of the processing plant detailing specific plans to operate in accordance with the provisions of AS 16.10.173 after July 1, 1986.

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/12/85, 8:30 am

REP. JOHN G. (JACK) FULLER

DISTRICT 23

ALAKANUK
BREVIG MISSION
CHEVAK
DIOMEDE
ELIM
EMMONAK
GAMBELL
GOLOVIN
HOOPER BAY
KOTLIK
KOYUK
NOME
SAVOONGA
SCAMMON BAY
SHAKTOOLIK
SHELDON'S POINT
SHISHMAREF
STEBBINS
ST. MICHAEL
TELLER
UNALAKLEET
WALES
WHITE MOUNTAIN

CHAIRMAN
BUSH CAUCUS
LEGISLATIVE COUNCIL
ADMINISTRATIVE REGULATION REVIEW COMMITTEE

MEMBER
POLICY COMMITTEE
SPECIAL COMMITTEE ON LOANS
RULES COMMITTEE
COMMITTEE ON COMMITTEES

Alaska House of Representatives

MEMORANDUM

TO: Rep. Peter Goll, Chairman
House Special Committee on Fisheries
FROM: Rep. Jack Fuller
DATE: March 2, 1985
SUBJECT: Additional information regarding HB 229 - herring stripping

Three different groups of fishermen in Western Alaska have contacted either Rep. Herrmann or me requesting a temporary waiver of the herring stripping law.

In my district, 3NC Fisheries, a cooperative effort of the native corporations of Unalakleet, Stebbins and Shaktoolik, has asked for additional time to gear up. These local people began to fish herring commercially in 1979, and at this time don't have enough on-shore freezing capacity to process all of the herring caught by their members.

In the Yukon-Kuskokwim area, the people of Nelson Island plan to begin their first commercial herring fishery next year. Until now, herring was fished for subsistence only, but with the rebuilding of herring stocks they are looking to this new fishery for much-needed cash income.

In Togiak, about 35 local gillnet fishermen without markets have asked Kemp-Paulucci to operate the shore-based plant this year. This plant will be able to provide a market for all their fish. Kemp just recently bought the plant and plans to install freezers within the next two years, but would only be able to operate the plant this season if they were able to strip.

The closest fish meal plant is in Seward, thousands of miles away, and there is not enough freezing capacity for all of the fish. Because the non-local fishermen who come up to western Alaska to fish sell their catch mostly to floating processors with freezing capacity, the herring stripping law affects local fishermen who are relatively new to the fishery and do not have established markets.

Unlike the rest of the state, the herring fishery in western Alaska is in its infancy. The fishery used to be almost entirely within the domain of outsiders, with very few locals participating even as fishermen. Local fishermen are just now learning to take vertical control of the fishery themselves, without total dependence on outsiders. As fishermen and as managers, they have gained much valuable

HOME
P.O. BOX 689
NOME, ALASKA 99762
(907) 443-2968

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-3789
465-4984 465-4529

experience in a short time. With limited entry for Bering Sea herring fisheries looming on the horizon, I want local people to have every opportunity to become established in the fishery. Outside of fishing, there are very few ways of making a living in these villages.

The herring season comes at the end of the long winter and before salmon season starts, a time when cash is very low. On-shore herring processing provides much-needed cash income for local people, as well as markets for local fishermen. In Unalakleet alone, stripping 50-60 tons of fish provides up to twenty people with jobs, and puts up to $35,000 into the economy. With an average annual income of less than $3,000 in rural Alaska, this is an important source of cash.

I will be providing you with additional back-up from 3NC, Nelson Island and Togiak Natives Limited, which will set out each group's reasons for requesting an extension of the time they are allowed to strip herring, as well as their plans for compliance as the fishery is developed.

cc Rep. Herrmann

MAR 0 4 1985

February 28, 1985

Representative A. Herrman
Pouch V
Juneau, AK

RE: Herring Carcass Utilization

Dear Rep. A. Herrman:

It has come to our attention that you are introducing legislation towards a moritorium on the Herring Carcass Utilization bill now in effect.

We have been deluged with calls from native fishermen in Togiak Twinn Hills and Manakotak villages on the possibility of our company purchasing drift net herring during the Togiak fisheries.

At this time we are budgeting for 2,200 tons of herring (seine) for processing on the M/V Bering Trader and our shore plant in Dillingham. These facilities are set up to freeze the product and will not be able to take any additional product other than that which is already committed.

Most of these fishermen are alternates on the list for the Japanese Herring Co-op in Dillingham, Alaska. These people in the past have not been able to sell because of the volume already caught by the co-op. We would be able to offer these fishermen a market if we could process at our Togiak facility. But there is no freezing. We would have to strip the roe then grind the carcasses.

We would be able to purchase approximately 350 to 400 of gillnet herring if processing is available in Togiak.

This would mean, in dollars, a total of $297,500 to $340,000 for the fishermen that would not have been there previously. The fish tax would be $2,975.00 to $3,400.00 for a shore based facility. The local labor for the herring processing would be approximately $43,000. This is for the nonfishermen type of local villagers.

Again our company would be happy to offer a market but are unable to do so as the laws stand now. We do not want a total moratorium, only for the next two seasons to place freezers into our Togiak facility.

Regards,

Kemp Paulucci Seafoods

Greg Hull
Togiak Plant Manager

KEMP-PAULUCCI SEAFOODS, INC. 2613 NORTHWEST 54th SEATTLE, WA 98107 206-783-7512

MAR 3 0 1985

Rep. Jack Fuller
ATTENTION: Linda Wilde
Capital Room # 500/502
Pouch V
Juneau, Alaska 99811

Dear Rep. Fuller:

On behalf of 3NC Fisheries, I am requesting a permit to dump the herring carcasses in the Norton Sound area for this coming 1985 fishing season. We anticipate to open the herring processing in the Stebbins area, in hopes that their economy will benefit both their people and our company. We understand that dumping herring has special guidelines and know that there are certain limits to dumping.

3NC Fisheries consists of the Unalakleet, Shaktoolik, and Stebbins Native corporations and is a profit company. Our main goal is to provide some form of economy for our people and service the people in our region. We have worked with the salmon species for the past two years and look forward for a profitable one this coming season.

We understand the problems that may occur with discarding of the herring and we plan to work on this along with your help. Our latest talk with other companies was to sell the whole female herring and transport them out of the Norton Sound Region. It is also our contention that some plan be made with male herring, and in working with your office, we hope that a solution will be drawn up.

If you need further information please call me at 624-3053 during the workhours and at 624-3931 during the evenings. You may also call Davis Nashalook with the Arctic Sea Fisheries in Anchorage at 562-2322.

Our anticipated tonage with herring for the 1985 season is 300 metric tons.

Thank you.

Sincerely yours,

Henry Oyoumick

Henry Oyoumick, 3NC President

cc: Henry Mitchell, Bering Sea Fisheries

MAR 2 7 ...

INC FISHERIES
P.O. BOX 100
UNALAKLEET, ALASKA 99684

Representative Jack Fuller
Alaska State Legislature
Pouch V(MS-Space 3100)
Juneau, Alaska 99811

Dear Representative Fuller:

The three village Corporations of Unalakleet, Shaktoolik and Stebbins along with the Norton Sound Fishermen's Cooperative have formed a new joint venture for commercial fishing in the southern Norton Sound. The interim board is made up of myself as Chairman, member Chuck Degnan from Unalakleet Native Corporation; Eugene Asicksik as vice-chairman and Alex Sookiayak from Shaktoolik Native Corporation; Cornelius Dan as Secretary/Treasurer and member Morris Coffey from Stebbins; and R. Weaver Ivanoff from the Norton Sound Fishermen's Cooperative.

In our second organizational meeting a motion was passed unanimously to send you a letter of support toward requiring a 2-year residency in the State of Alaska to qualify for fisheries loans and also increasing the minimum loan amount of $35,000 on the Fisheries Mortgage and Note Sale Program. We feel that the 1-year requirement opens to the program to too many fishermen which puts even more constraints on our local fishermen qualifying for the loans. The least that should be required is that the one year be 12 consecutive months. The current $15,000 limits ourselves to getting a small somewhat substandard boat and outboard motor. The minimum a work outboard motor costs is approximately $5,000. If we allocate $2,000 for freight, that leaves us only $8,000 to buy a boat. The base price for a 24-foot Monson Boat open model, costs $10,000. We have had fishermen interested in this boat, but because of the $15,000 limit, it cannot be bought with that loan program. The 26-foot boat that most would like costs $12,500 and it would be impossible to buy this boat with the loan program.

We have been informed that House Bill 267 has been introduced by yourself regarding dumping of herring carcass in western Alaska. Through a telephone poll our Board of Directors would like to go on record as fully supporting such a bill.

As you well know and as classified by the Board of Fish, herring fishing in the Norton Sound is a developing fisheries. We have been fishing herring since 1976 but the real effort by local fishermen did not start until 1979. In 1980 the Norton Sound Fishermen's Cooperative entered into it's first contract for herring and in that year approximately 800 tons of herring flown out of Unalakleet. It was flown out because of lack of experience of handling the fish product any other way, much less processing of the herring. In 1981 the Norton Sound Fishermen's Cooperative processed herring and experienced a modest success of approximately 400 tons. It proved more of a success in creating an opportunity for employment by our local labor force rather than a profitable one for the Cooperative. Approximately $60,000 in wages were paid with all local labor and a few women flown in from St. Michael. Attempts were made to bring in more laborers, but because of the fast pace of the herring season, it did not materialize. In 1982 partially becasure of the need to review all facets of herring operations, Norton Sound Fishermen's Cooperative did not process herring but had the fishermen deliver directly to floating processors who brought the fish elsewhere in Alaska for processing. Needless to say, Norton Sound Fishermen's Cooperative did not benefit as much from the herring season that year.

The 3NC Board supports House Bill 267 because of the past experience learned by Norton Sound Fishermen's Cooperative. As a group of village corporations with a joint venture, we feel responsible in utilizing our investment to have the broadest positive impact to our area and our stockholders. Unless we are able to dump the herring carcass into the Norton Sound we would not be able to process herring locally. Financial analysis show that a stripped herring carcass in the Norton Sound is worth in the neighborhood of $200 per ton but at the same time it would cost approximately $400 per ton to ship that product out. Clearly more money is spent shipping the product out than what the product is worth and the economics of that alone would prevent us from processing herring.

In an area where employment is one of the lowest in the State, any means of assistance that the State could allow would be a boost for our standard of living. Were we to dump the herring carcass in the Norton Sound we would be able to create jobs for our people, especially women. The men have an opportunity to derive income from fishing and with processing herring we would be able to hire as processors, women, college students and those not able to participate in herring fishing. For discussion purposes if 3NC processed 500 tons of herring in Unalakleet, Stebbins or Shaktoolik and the processors were paid .50 cents per pound for eggs extracted and we averaged 8% roe recovery, that means that there would be roughly 80,000 pounds of eggs processed. This would provide $40,000 paid to processors. Additionally there would be helpers, generally high school aged males to do lifting and other sundry workers that would probably earn half again the amount paid to processors so that 3NC would have approximately $60,000 in wages paid to local employees. At this time of the year, after a long winter of not working, this income would be a valuable source of new income to the communities. This would pay for approximately 30,000 gallons of heating fuel, or other much needed basic necessities otherwise not possible should there not be any processing.

Sincerely,

Henry Ivanoff, Chairman
3NC Fisheries

Bering Sea
Fishermen's Association
805 West 3rd Avenue
Anchorage, Alaska 99501
(907) 279-6519

March 4, 1985

Representative Binkley
Pouch V
Juneau, AK 99811

Dear Representative Binkley:

I am writing to express our strong support for House Bill 229. The bill proposes to waive, for the Bering Sea, the statute prohibiting fishermen from stripping herring for roe.

A number of fishermen from Nelson Island and Nunivak Island are interested in participating in the herring fishery which will open this year. The Bering Sea Fishermen's Association (BSFA) anticipates training a minimum of 80 fishermen from Nelson Island and Nunivak Island in order to prepare them for the fishery. As you know, these areas are poor in terms of a cash economy, and commercial fishing will be the main source of jobs and income for many.

As this is the first time residents of Nelson Island and Nunivak Island will be participating in a commercial herring fishery, their lack of experience during the first year or two will naturally put them at a significant disadvantage in competing for the limited quota of herring available.

The participation of Nelson and Nunivak Island fishermen during the start-up of the commerical herring fishery is dependent upon their being able to strip for roe. At present, there are no facilities available on either Nelson Island or Nunivak Island for refrigeration and processing of herring carcasses. And, it is neither practical nor feasible to build these facilities prior to initial participation in the fishery.

We see waiving the statute prohibiting the stripping of herring for roe in the Bering Sea as an interim yet crucial measure which will provide the people of Nelson and Nunivak Island the opportunity to become competitive in the fishery. Once the fishery is successful, it would then make sense to build refrigeration facilities and to process

herring carcasses -- thus providing more jobs and income for residents.

If I can provide any further information on this very important issue, please do not hesitate to contact me.

Sincerely,

Henry Mitchell

Henry Mitchell, Director
Bering Sea Fishermen's Association

cc: Adelheid Herrmann
Co-Chairman, House Resources Committee

JLS

Hein
3/11/85 /

Original sponsors: Herrmann, Fuller
and Binkley

IN THE HOUSE BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

CS FOR HOUSE BILL NO. 229 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to herring stripping; and providing for an effective date."

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

* Section 1. HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1986, the stripping of commercially taken herring for the purpose of removing and selling the roe product is authorized if the herring is taken from and the carcass disposal process occurs in the Bering Sea. Herring stripping may be allowed during 1986 only if the commissioner of fish and game has given written approval after determining that the processing operation that is seeking approval is capable of continuing after July 1, 1986, without the commercial stripping of herring.

(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) regarding disposal of herring carcasses for each administrative area where disposal occurs.

(c) The provisions of AS 46.03.100 apply to the disposal of herring carcasses under this section.

* Sec. 2. Section 1, ch. 27, SLA 1980 is repealed.

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

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: March 12, 1985

HB 229
HB 260

	NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
x	JANET FRIES FOR REP. HERRMANN		REP. HERRMANN	YES	-4942
	Ken PARKER		ADF+G	No	4210
x	Chemina Ady	4241 21st Ave W Seattle	Chugach Alaska Fisheries	Yes	
x	Larry Cotter	307 So. Franklin Juneau	ILWU	Yes	586-6642
x	REP JACK FULLER	JUNEAU	DISTRICT 23	YES	
	Bob Clasby	Juneau	ADF+G	No	4210
	Bob Charles	Juneau	Rep Binkley	No	—
○	HENRY Oyoumick	PO Box 37 UNALAKLEET	3NC Fisheries	YES	624-3931
	Chris Kelly	Pouch KB Juneau	CFEC	NO	465-4081
	David Garrison	Pouch V. Juneau	Rep Jenkins	No	4453
x	Jerry Abramczyk	"	Rep Pignalberi	Yes	4944
	Reed Stoops	Suite 218 #2 MARINE WAY	Chugach Fisheries	No	6-3561

Article 3. Herring Spawn.

Section
140 — 170. [Repealed]
172. Legislative policy on utilization of herring
173. Utilization of commercially taken herring

Secs. 16.10.140 — 16.10.170.
Repealed by § 2 ch 91 SLA 1970.

Sec. 16.10.172. Legislative policy on utilization of herring. The legislature finds the following: (1) extensive and valuable herring populations are available for harvest in waters subject to the jurisdiction of the state; (2) commercial markets are available for herring processed in several forms; (3) one processing technique presently employed involves deliberately permitting decomposition of the herring carcass to allow for removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded. The legislature declares that the process referred to in (3) of this section is wasteful and does not constitute utilization of this resource for the maximum benefit of the people. Therefore, it is the policy of the legislature that this process should be eliminated to the fullest extent possible. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

Sec. 16.10.173. Utilization of commercially taken herring. (a) It is unlawful for a person, as defined in AS 01.10.060 and including a joint venture, to waste or to cause to be wasted any commercially taken herring.

(b) As used in this section, "waste" means the failure to use the flesh of commercially taken herring for reduction to meal, production of fish food, human consumption, food for domestic animals, scientific or educational purposes, or round herring bait. Normal, inadvertent loss of flesh associated with the uses described in this subsection which cannot be prevented by practical means does not constitute waste. The commissioner may authorize other uses of commercially taken herring not inconsistent with the intent of this section and § 172 of this chapter at his discretion upon receipt of a request accompanied by a detailed justification.

(c) For purposes of this section, "flesh" means all muscular body tissue surrounding the bony skeleton of the herring.

(d) The Board of Fisheries may adopt regulations under the Administrative Procedure Act (AS 44.62) it considers necessary for implementation of this section. The board may delegate its authority under this section to the commissioner.

(e) The provisions of this section do not apply to herring taken commercially in the Bering Sea (including appurtenant bays, sounds, estuaries, and water of the state) north of 56° North Latitude, until January 1, 1979. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

Article 3. Herring Spawn.

Section

175. Removal of herring from state

Sec. 16.10.172. Legislative policy on utilization of herring.

Editor's notes. — Section 1, ch. 27, SLA 1980 provides: "LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING. (a) Notwithstanding AS 16.10.172, the legislature finds that in certain circumstances the processing technique described in AS 16.10.172(3), commonly referred to as "stripping", provides benefits of such importance to the state economy that the benefits may

outweigh the waste involved in the process.

"(b) It is the policy of the legislature that notwithstanding AS 16.10.173 the disposal of herring carcasses is acceptable only if

"(1) the herring is taken from waters in which the herring population is large enough to support a stripping industry without substantially reducing the availability of the herring for other uses; and

"(2) the stripping process is conducted in an area of the state where local industry either does not exist or, if it does exist, it is insufficient to provide reasonable economic support to the people who live in the area."

Sec. 16.10.173. Utilization of commercially taken herring.

Editor's notes. — Section 2, ch. 27, SLA 1980 provides: "HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1982, the stripping of commercially taken herring for the purpose of removing and selling the roe product is authorized if the herring is taken from and the carcass disposal process occurs in the Bering Sea.

"(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) [AS 44.62.010 — 44.62.650] regarding disposal of herring carcasses for each adminsistrative area where disposal occurs.

"(c) The provisions of AS 46.03.100 apply to the disposal of herring carcasses under this section."

Sec. 16.10.175. Removal of herring from state. (a) It is unlawful for a person to remove herring from the state before the herring has been frozen or otherwise processed for shipment.

(b) In this section, "processed for shipment" includes, but is not limited to, icing, stripping or salting of the herring; however, it does not include salting of the herring if five percent or more of the body weight of the herring consists of roe. (§ 3 ch 27 SLA 1980)

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

March 11, 1985

SECTIONAL ANALYSIS OF HB 229
"An Act relating to herring stripping;
and providing for an effective date."

Section One: This section provides an exemption to state law requiring full utilization of herring taken in the commercial sac roe fishery. The exemption expires July 1, 1988. This would allow operations in the Bering Sea to strip the roe from the herring and dispose of the carcass.

This section also gives the Alaska Board of Fisheries regulatory power to ensure proper disposal of the carcasses, and expressly brings the disposals under regulations under the Alaska Department of Environmental Conservation governing seafood waste.

Section Two: This section provides for an immediate effective date.

V. IMPACT OF REGULATIONS

The Department would be willing to discuss the potential impacts of regulations after discussions with the Office of the Governor and the Department of Administration concerning the possible scope and extent of what such regulations might be.

2095B/RLF/rf

RESPONSE TO QUESTIONS FROM THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE STAFF

FEBRUARY 26, 1985

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Emil Notti, Commissioner

I. PARAMETERS OF REGULATION AND CONTROL OF GRANTS

At the present time, there are no specific regulations for the administration of Grants to Named Recipients or Grants to Unincorporated Communities, as authorized under AS 37.05.316 and 37.05.317, respectively. However, the Department exercises control over these grants through several methods. These are briefly described below.

Standard Provisions

A legal agreement is executed with every recipient of a grant administered by the Department. Such agreements include, in part, a set of Standard Provisions, commonly referred to as a "boilerplate". Attachment A provides an example of a draft boilerplate which may be used in the future for the Department's Legislative Grants. The specific boilerplate provisions which are currently used are dependent upon the division within the Department which is designated with the responsibility for administering the grant.

As seen in the attached example, the standard provisions specify the basic administrative requirements which the grantees must adhere to. As the agreement is a legally binding contract, these provisions carry the same force and effect of

the law as do formal regulations. It is through such provisions that the Department establishes its legal authority over its grantees.

Specific Provisions

In addition to the standard boilerplate, the grant agreements also include a number of specific provisions. These provisions cover several areas, as described below.

Scope of Work - This portion of the specific provisions details the activities which are to be accomplished under the grant agreement and for which the funding is being provided. These provisions also specify certain conditions which must be met by the grant recipient, such as demonstrating site control for a facility construction grant.

Project Budget - The grant agreements also contain a separate section which details the budget for the project by major line item categories. As noted in the attached Standard Provisions, changes in the line item totals over a certain percentage or amount require the Department's prior approval.

Reporting Requirements - Grantees of the Department

are required to report on the project on a regular basis. Again, the frequency of this reporting varies by the administering divisions. However, all grant recipients are required to report both on the progress of the project towards completion and on the financial activity under the grant.

Payment Procedures - The agreements also make a specification of the procedures by which the recipient will receive payments under the grant. In many instances the payments are closely tied to the Department's receipt of the required reports, to assure that this method of control is achieved.

As with the standard provisions, these specific requirements carry the full force and effect of the law. The standard provisions are applicable to all grantees (with minor differences between the divisions) and the specific provisions are applied to projects on an individual basis. Together the provisions establish both the general legal authority of the State for the use of the monies and the authority over the specific project.

Administrative Controls

The administering divisions routinely perform monitoring and

oversight activities of the Department's grants. Such activities enable the divisions to identify any potential problems which might occur with the grant. When such problems arise the Department will specify the corrective actions to be taken by the recipient and will, when necessary, exercise control over the recipients to insure such corrective actions are completed.

The Department is able to exercise control over its grantees in two ways. The Department will occasionally withhold funds from a grantee to insure that a required or corrective action is taken. Under extreme circumstances, if the grantee fails to take the required actions or fails to provide a sufficient explanation for not doing so, the Department reserves the right to terminate the agreement. To date, the Department has been able to successfully resolve such problems and has not been required to exercise this latter authority.

II. CURRENT LEGISLATIVE GRANT ACTIVITY

Attachment B provides a listing of the current status of FY 85 grants administered by the Department and as authorized under AS 37.05.316 and 37.05.317. The listed unexpended balances are as of January 31, 1985. There are 149 grants listed and which total an unexpended balance of $7,694,922.

III. AUDIT AND OVERSIGHT SYSTEM

The Department is presently revising its internal policies and procedures related to the audit of its grant programs, including Legislative Grants. At the present time, the Department has no uniform or standardized policy related to the auditing of recipients of State monies.

As such, there is little consistency with the audits. It is expected that the Department's new policy will require that recipients receiving over a certain amount of funding from the Department in a year's time will be required to have an organization-wide audit completed for that year. This threshold level is likely to be between $250,000 and $500,000. These audits will be primarily financial and compliance audits. It is likely that an audit comparable to that specified in Attachment P of the Office of Management and Budget Circular A-102 would be satisfactory for this requirement.

The Department also uses several methods for the oversight of the grantee's activities. These are detailed below.

Monitoring Site Visits

Whenever possible, the Department makes a concerted effort to visit the site of the grant recipient's project. These visits serve several purposes. One purpose of such visits is to attempt to assure that the grantee is making adequate progress on the project, that the project and the grantee's records match the information provided in the progress and financial reports, and to insure that all activities are within the scope of the grant agreement. The visits also allow staff to identify areas in which the grantee might be experiencing problems and afford the opportunity to provide technical assistance to the recipient to resolve the problem.

Reports

The administering divisions use the progress and financial reports submitted by the grant recipients as another method of oversight. The reports are reviewed to assure that adequate progress is being made on the project and that funds are being expended in accordance with the grant agreement and budget. In addition, the reports provide information which helps the grant administrators to identify possible areas in which the recipient might need technical assistance.

Photographs

In numerous situations the Department will require the grant

recipients to submit photographic documentation of the progress of the project. This is usually required where a facility is to be constructed or where a major piece of equipment is to be purchased under the grant. Such photographic evidence provides an assurance to the Department concerning the project's progress. Such assurances are important where it might not be possible for staff to conduct an on-site monitoring visit.

IV. DCRA CURRENT CONTRACT SYSTEM

Under the present circumstances, the majority of the Department's programs have their own individual set of regulations. These regulations may have some general areas which are similar, such as the specification of recipient eligibility or recipient selection procedures. However, the specifics of these general areas vary from program to program.

In addition, each of the programs have an informal set of internal policies and procedures which govern their administration. These policies and procedures provide both further detail to the specific requirements of the regulations, as well as establishing other requirements. These policies and procedures generally govern all areas of grant administration. However, at the present time there is little uniformity between the programs.

This lack of uniformity in administrative procedures between programs can create several problems. The most significant of these is the potential effect of such on the recipients. In many cases recipient organizations receive funding from a variety of State agencies. The lack of consistency between the program requirements can create confusion for the recipient organizations. The differing requirements also create greater paperwork and administrative costs for the recipients.

The lack of consistency between programs can also create problems within a department. Due to the use of differing forms, documents and procedures, it is more difficult to exercise administrative oversight and control for these programs. The lack of standardization also contributes to increased administrative expenses at the departmental level.

As a result of these problems, the Department is presently in the process of revising its overall policies and procedures related to its grant and contract programs. The major objective of the revision process is to attempt to standardize the policies and procedures as much as possible between the programs. In addition, an integral part of this process will be the establishment of a standardized boilerplate agreement.

The Department's revised policies and procedures will consist of two major sections. The first section will be a set of policies and procedures which will be applied uniformly to all of the major programs within the Department. These policies and procedures will cover a variety of administrative areas.

The second section of the policies and procedures will be those which are program specific. These specific restrictions will be developed out of the unique aspects of the individual programs and will be areas which are not possible to

standardize. For example, the statutes which establish the Rural Development Assistance Program limit grant awards to $100,000 per project during a year's time. This specific restriction will be established in the program specific portion of the policies and procedures.

Wherever possible, during this revision process, attempts will be made to standardize the procedures for all programs. In addition, following the development of these standardized procedures, the regulations for these programs will also be revised to bring them in line with the new policies. As a result, the Department's regulations will become relatively standardized and simplified across the programs.

A major component of this development process will be the establishment of a new, comprehensive "boilerplate" to be used in all the grant and contract agreements made by the Department under the majority of its programs. The boilerplate will provide basic restrictions on the activities of the recipient organization under the program and will also act to protect the interests of the State. The standard provisions of the agreements will cover all of the major areas of protecting the State's interests and will be as legally binding as if the

restrictions had been established in regulations.

This new system will have several advantages. All recipients under these programs will be treated in a fair and consistent manner. The use of standardized documents and the uniform requirements will aid the grantees when they receive funding under more than one of the Department's programs. The grantee's understanding and knowledge of the requirements will be increased. The use of standard forms and documents will create administrative efficiencies for the grantee.

Administrative efficiencies and economies will also occur for the Department. Through the uniformity of the procedures, any deviations from or errors in the use of the procedures will be more easily identified. The standardized procedures will also aid in developing continuity in the administration of the programs.

Finally, the new system will provide flexibility whenever changes in the procedures are required. The system allows any changes to be effected in a relatively short period of time. This, in turn, allows the Department to be much more responsive to the changing needs of the grant recipients.

Representative Adelheid Herrmann
Representative John Fuller
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

The City of Togiak is strongly opposed to the herring bill 229 to be introduced by Representative Adelheid Herrmann on March 12, 1985. The follow-up letter will be mailed right away. Thank you.

Togiak City Council
P.O. Box 99
Togiak, Alaska 99678

T E S T I M O N Y

by

REPRESENTATIVE MARCO A. PIGNALBERI

House Special Committee on Fisheries
HB229
HB260
March 12, 1985

TABLE OF CONTENTS

	PAGE
HB 260 "An Act relating to legislative policy on herring stripping; and providing for an effective date."	1
Testimony comments	2
Alaska Herring Catch 1975 - 1983	5
Processor Permits	6
Alaska Statutes	
Chapter 27 SLA 1980 Relating to Herring	8
AS 16.10.172 Legislative Policy on Utilization of Herring	11
AS 16.10.173 Utilization of Commercially Taken Herring	11
AS 46.03.100 Permits Required for Disposal of Herring	13
Regulations	
5 AAC 27.093 Disposal of Herring	14
Constituent Mailing	15

Representative Marco A. Pignalberi
March 12, 1985

Introduced: 3/4/85
Referred: House Special Committee
on Fisheries and Resources

IN THE HOUSE BY PIGNALBERI BY REQUEST

HOUSE BILL NO. 260

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to legislative policy on herring stripping; and providing for an effective date."

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

* Section 1. Section 1, ch. 27, SLA 1980 is repealed.

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-10.070(c).

D R A F T

MEMORANDUM

DATE: March 11, 1985

TO: Rep. Marco Pignalberi

FROM: Jerry Abramczyk

SUBJECT: Notes on herring stripping bill
testimony for Tuesday 3-12-85

At first appearance it may appear strange that a Representative from land-locked East Anchorage has introduced a bill to prohibit the commercial taking of herring only for its roe. My attention was brought to this subject when a question was raised about some inconsistencies in current law.

My bill, HB260, repeals only section 1 of Chapter 27 of the Session Laws of 1980. That law (Ch.27, SLA 1980) was an apparent attempt to create an exception to the provisions of AS 16.10.173, which prohibits herring stripping.

However, because the session law is labeled "legislative policy", and because it contradicts the provisions of AS 16.10.173, and further because it was not included in the statutes, there is a valid question concerning its efficacy. In order to make the prohibition of herring stripping clear, the session law must be repealed.

There is little doubt about the intent of prior policy regarding the stripping of herring for its roe. As late as this past legislative session, the policy, to outlaw the practice of stripping, was re-inforced when a strict penalty was added to AS 16.10.173 which now puts some teeth into enforcement.

Members of the Committee, Chapter 27 of the 1980 Session Laws was an attempt to create an exception to the ban of herring stripping. The attempt was not done artfully and was accomplished through the use of poor legal language. My colleagues, Representatives Herrmann and Fuller have demonstrated the correct technique for establishing exceptions through their bill, HB 229, which is skillfully done. The problem, then, is in maintaining an old session law which is only a source of confusion and poor policy direction.

I would appreciate it if HB260 not be passed out of Committee until I have had a chance to speak to you and members of the Committee personally. Thank you.

The seafood industry in Alaska is the state's largest income producing area (after petroleum) for our residents, and, in fact, more revenue will be collected by the state from the seafood industry than will be collected from tourism, forestry, mining and agriculture combined. As a Representative from East Anchorage, my concern is in protecting and enhancing this essential renewal resource that we have in our fisheries industry.

I would like to share with the Committee some of the information I've researched, as an indication of the importance I believe we need to attribute to this industry.

In 1983, there were 506 companies and cooperatives licensed to buy and process seafood in Alaska. They purchased seafood from nearly 40,000 fishermen spread out along most of the state's 34,000 miles of shoreline and deep into the Interior along major river systems.

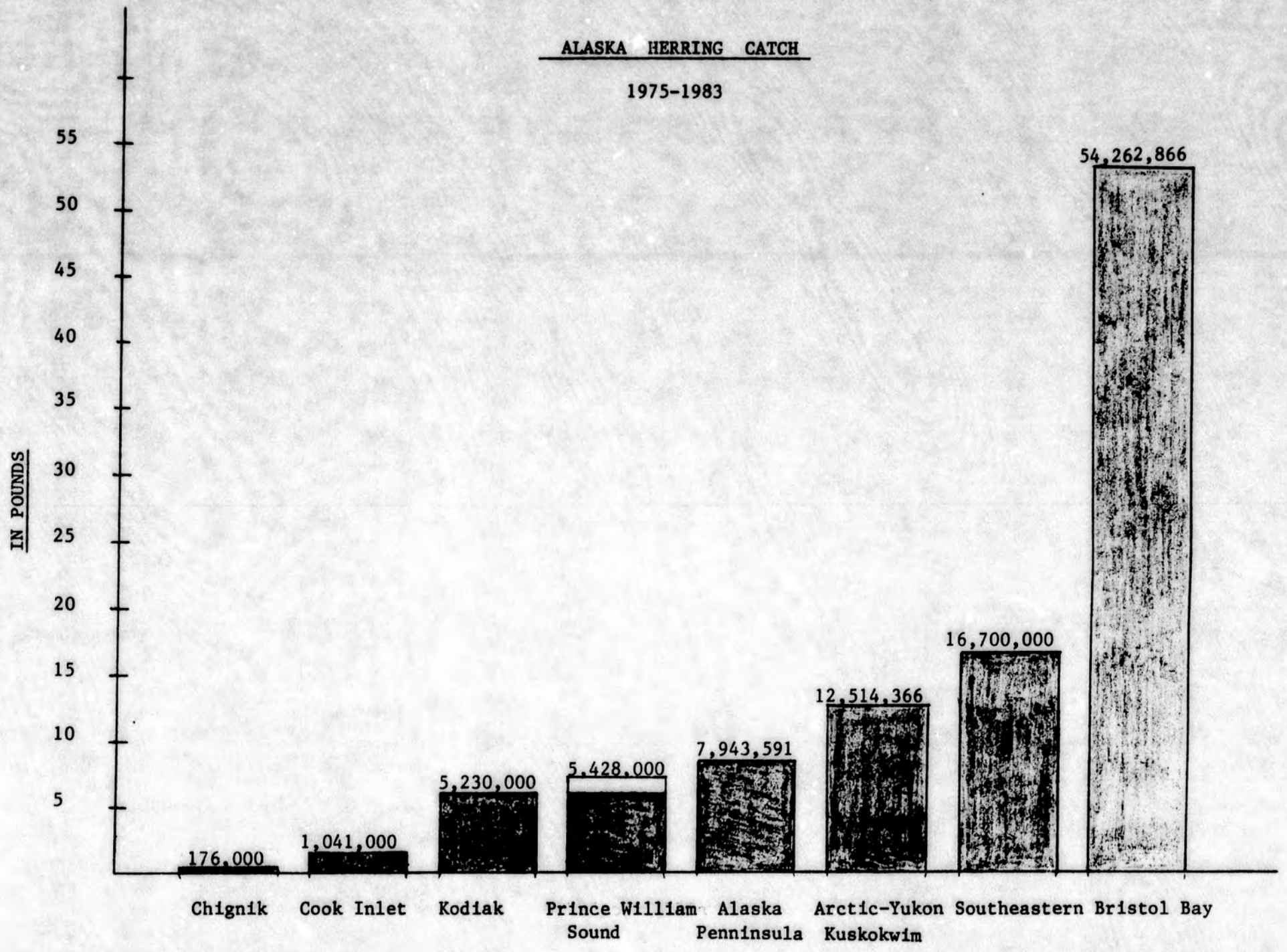
According to Department of Labor statistics, the seafood industry, comprised of those involved in harvesting and processing, is the state's largest private employer. Additionally, the employment benefits to Alaska from the seafood industry have tremendous secondary impact. The spinoffs are particularly important in transportation.

Seafood is Alaska's most important renewable resource industry and is second only to oil and gas in terms of value. Alaskan fishermen earned an estimated $606 million in 1983 operations in Alaskan waters. During Fiscal Year 1984 the state collected approximately $32 million in special taxes and fees from commercial fishermen and seafood companies.

Local governments also depend heavily on revenue from the seafood industry, including property taxes on seafood plants and fishing vessels, moorage fees, sales taxes and municipal "raw fish taxes".

HERRING

In 1983, the total Alaska herring catch was over 100 million pounds with a value of $28.9 million. Attached is a chart from Pacific Fisheries Review which lists the Alaska herring catch by region of the state.


ALASKA HERRING CATCH
1975-1983
IN POUNDS
55
50
45
40
35
30
25
20
15
10
5
176,000
1,041,000
5,230,000
5,428,000
7,943,591
12,514,366
16,700,000
54,262,866
Chignik
Cook Inlet
Kodiak
Prince William Sound
Alaska Penninsula
Arctic-Yukon Kuskokwim
Southeastern
Bristol Bay

Herring

Alaskan fishermen landed 95.1 million pounds of herring for sac roe, 12.9 million pounds for food and bait, and took 647,205 pounds of herring roe on kelp during the 1983 seasons.

The 1983 landed value of the herring and herring roe is estimated to be in the neighborhood of $28.1 million.

Prices to fishermen ranged from a low of $350 per ton to a high of $1200 per ton in the major fisheries for sac roe. Although most buyers would not take fish with less than 10 percent roe recovery, in some cases fish with a recovery rate of only eight percent were sold.

The Togiak fishery was the largest in the state, and in 1983 the largest in the history of the region. During the brief season in early May, 150 purse seiners and 250 gillnetters delivered to more than 150 tender/processors. More than 25 percent of the total state harvest of sac roe herring was landed in Togiak.

Two groups of roe-on-kelp fishermen in the Prince William Sound area imported *Macrocystis* kelp from Southeastern Alaska this season and were successful in producing 40,000 pounds of spawn on the imported plant. The fishermen strung their southeastern kelp in the midst of natural spawning prior to the opening of the season and were able to gather 13 percent of the total harvest.

Prince William Sound also has a pound fishery which involves catching the herring prior to spawning and holding them until they have spawned. There were 38 pounds built in Prince William Sound prior to the 1983 season and they produced 55,464 pounds of roe on kelp.

Food and bait herring brought much more modest prices than those caught for their roe content. In Cook Inlet, herring purchased for food brought $260 per ton, while those fishermen fortunate enough to have a bait market were paid as much as $600 to $700 per ton.

Alaska Herring Catch

In Pounds

Region	Year	Food and Bait	Roe Herring	Roe on Kelp	Total
Southeastern	1975	11,820,000	4,100,000	0	15,920,800
	1976	11,376,200	4,970,000	0	16,346,200
	1977	12,818,800	5,315,000	0	18,133,800
	1978	8,084,600	6,124,800	0	14,209,400
	1979	6,970,000	6,174,200	0	13,144,200
	1980	5,400,000	12,916,000	0	18,316,000
	1981	3,000,000	13,480,000	0	16,480,000
	1982	3,054,000	14,424,000	0	17,478,000
	1983	2,300,000	14,400,000	0	16,700,000
Prince William Sound	1975	533,400	11,708,000	971,000	13,158,400
	1976	0	5,168,000	485,000	5,653,000
	1977	34,000	4,568,000	417,000	5,019,000
	1978	2,087,000	2,713,000	141,000	4,941,000
	1979	440,000	8,272,000	472,000	9,184,200
	1980	3,208,000	12,612,000	611,423	16,431,426
	1981	0	28,088,000	121,033	29,209,033
	1982	1,606,205*	14,630,000	352,000	14,982,000
	1983	161,215*	5,646,520	326,214	5,428,000
Cook Inlet	1975	12,483	8,237,100	0	8,249,583
	1976	11,625	9,684,436	0	9,696,061
	1977	42,566	6,397,053	0	6,439,619
	1978	297,840	803,886	0	1,101,726
	1979	129,547	1,068,016	0	1,197,563
	1980	64,000	208,000	0	272,000
	1981	0	442,000	0	442,000
	1982	160,000	240,000	0	400,000
	1983	318,000	723,000	0	1,041,000
Bristol Bay	1975	0	111,000	111,000	222,000
	1976	0	0	296,000	296,000
	1977	0	5,589,000	276,000	5,865,000
	1978	0	15,502,000	330,000	15,832,000
	1979	1,802,000	20,502,000	415,000	22,719,000
	1980	5,986,000	33,206,000	189,662	39,381,662
	1981	25,100	25,076,000	378,207	25,479,307
	1982	2,790,000	43,000,000	235,000	46,025,000
	1983	1,794,000	52,198,000	270,866	54,262,866
Arctic-Yukon-Kuskokwim	1976	0	17,000	0	17,000
	1977	0	20,896	743	21,639
	1978	0	601,115	8,000	609,115
	1979	0	3,613,339	0	3,613,339
	1980	270,213	8,062,067	48,840	8,381,120
	1981	46,800	13,292,000	88,184	13,426,984
	1982	409,020	12,080,000	77,000	12,157,000
	1983	623,920	13,069,760	50,125	12,514,366
Kodiak	1975	0	15,996	0	15,996
	1976	0	9,148	0	9,148
	1977	0	676,880	0	676,880
	1978	566,816	1,242,335	0	1,809,151
	1979	213,000	3,470,000	0	3,683,800
	1980	0	4,768,600	0	4,768,600
	1981	0	4,126,000	0	4,126,000
	1982	0	3,520,000	0	3,520,000
	1983	620,000	4,610,000	0	5,230,000
Chignik	1980	0	1,388,000	0	1,388,000
	1981	0	894,000	0	894,000
	1982	0	392,800	0	392,800
	1983	0	176,000	0	176,000
Alaska Peninsula	1979	0	20,000	0	20,000
	1980	0	906,000	0	906,000
	1981	1,408,000	1,682,000	0	3,090,000
	1982	8,260,000	1,470,000	0	2,601,000
	1983	7,124,040	1,275,000	0	7,943,591
All Alaska Totals	1975	12,366,683	24,172,096	1,028,000	37,566,779
	1976	11,387,825	19,848,584	731,000	32,017,409
	1977	12,895,366	22,566,829	693,743	36,153,938
	1978	11,036,256	26,987,136	479,000	38,502,392
	1979	10,638,741	43,120,335	887,000	54,646,296
	1980	14,928,213	74,066,667	849,925	89,844,805
	1981	4,479,900	87,080,000	587,424	92,147,324
	1982	7,135,000	89,757,000	664,000	97,555,800
	1983	12,979,375	95,102,680	647,205	108,729,260

Total 36

Processor Permits

ADEC as of 3/1/85

Representative Marco A. Pignalberi
March 12, 1985

AK NUMBER	COMPANY NAME	FACILITY/VESSEL NAME	FACILITY CITY	FACILITY TYPE
105	Oceanic Seafoods Company	Harvestor Barge	Bristol Bay Area	Vessel
155-B	Pan-Alaska Fisheries, Inc.	Magellan, Barge	Unalaska	Vessel
16	Kodiak King Crab	Kodiak King Crab	Kodiak	Land Based
169	Alaska Ocean Products, Inc.	Alaska Ocean Products, Inc.	Clam Gulch	Land Based
17	Seafood Producers Cooperative	Seafood Producers Coop.	Sitka	Land Based
185	North Coast Seafood Processors, Inc.	Polar Bear, M/V	Seattle	Vessel
185-A	North Coast Seafood Processors, Inc.	Polar Ice, M/V	Seattle	Vessel
203	Dragnet Fisheries Company, Inc.	Dragnet Fisheries Co., Inc.	Kenai	Land Based
205-A	Crusader Fisheries, Inc.	Crusader, M/V	Kodiak	Vessel
218	Wrangell Fisheries, Inc.	Wrangell Fisheries, Inc.	Wrangell	Land Based
227	Salamatof Seafoods, Inc.	Salamatof Seafoods, Inc.	Kenai	Land Based
239	Sea Fisher Products, Inc.	Arctic Fisher, M/V	Petersburg	Vessel
24	Polar Ice Seafoods, Inc.	Polar Ice, M/V	Seattle	Vessel
258	Morton Marine Equipemnt	Bristol Monarch	Seattle	Vessel
260	Woodbine Alaska Fish Company	Woodbine M/V	Naknek	Vessel
268	Seward Marine Fisheries Inc.	Seward Marine Services Inc.	Seward	Land Based
271	International Seafoods of Alaska	Int'l Seafoods of Ak	Kodiak	Land Based
286	Allied Processing, Inc.	Pacific Princess Seafoods	Kenai	Land Based
327	Togiak Fisheries, Inc.	Togiak Cannery	Togiak	Land Based
33	Pelican Seafoods, Inc.	Pelican Cold Storage	Pelican	Land Based

AK NUMBER	COMPANY NAME	FACILITY/VESSEL NAME	FACILITY CITY	FACILITY TYPE
332	Fisherman's Packing, Inc	Fisherman's Packing, Inc.	Kenai	Land Based
396	Petersburg Fish Company	Petersburg Fish Company	Petersburg	Land Based
47	Ursin Seafoods, Inc.	Ursin Seafoods, Inc-Kodiak	Kodiak	Land Based
47-A	Ursin Seafoods, Inc.	UrsinSeafoods, Inc.-Pier One	Kodiak	Land Based
48	Icicle Seafoods	Seward Fisheries Inc.	Seward	Land Based
48-A	Icicle Seafoods	Seward Fisheries, Inc.	Homer	Land Based
50	Nicolle N. Enterprises, Inc.	Nicolle N., M/V	Seattle	Vessel
555-A	All Alaskan Seafoods, Inc.	Kodiak (Star of Kodiak)	Kodiak	Land Based
60	NSP, Inc.	Northland M/V	Seattle	Vessel
66	Alaska Pacific Seafoods	Alaska Pacific Seafoods	Kodiak	Land Based
67	Trident Seafoods Corporation	Trident Seafoods Corp.-Akutan	Dutch Harbor	Land Based
73	Phillips E.C. and Son, Inc.	Phillips E. C. and Son, Inc.	Ketchikan	Land Based
81	Western Alaska Fisheries, Inc.	Western Alaska Fisheries Inc.	Kodiak	Land Based
87	Lafayette, Inc.	Lafayette, M/V	Seattle	Vessel
87-A	Pribilof, Inc.	Pribilof, M/V	Seattle	Vessel

Representative Marco A. Pignalberi
March 12, 1985

LAWS OF ALASKA

1980

Source: CSHB 590 am

Chapter No. 27

AN ACT

Relating to herring; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

Approved by the Governor: May 8, 1980
Actual Effective Date: Sections 1 and 2 effective September 1, 1980; Section 3 effective September 1, 1981.

Chapter 27

AN ACT

Relating to herring; and providing for an effective date.

---

* Section . LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING. (a) Notwithstanding AS 16.10.172, the legislature finds that in certain circumstances the processing technique described in AS 16.10.172(3), commonly referred to as "stripping", provides benefits of such importance to the state economy that the benefits may outweigh the waste involved in the process.

(b) It is the policy of the legislature that notwithstanding AS 16.10.173 the disposal of herring carcasses is acceptable only if

(1) the herring is taken from waters in which the herring population is large enough to support a stripping industry without substantially reducing the availability of the herring for other uses; and

(2) the stripping process is conducted in an area of the state where local industry either does not exist or, if it does exist, it is insufficient to provide reasonable economic support to the people who live in the area.

* Sec. 2. HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1982, the stripping of commercially taken herring for the purpose of removing and selling the roe product is authorized if the herring is taken from and the carcass disposal process occurs in the Bering Sea.

(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) regarding disposal of herring carcasses for each administrative area where disposal occurs.

CSHB 590 am

Chapter 27

(c) The provisions of AS 46.03.100 apply to the disposal of herring carcasses under this section.

* Sec. 3. AS 16.10 is amended by adding a new section to article 3 to read:

Sec. 16.10.175. REMOVAL OF HERRING FROM STATE. (a) It is unlawful for a person to remove herring from the state before the herring has been frozen or otherwise processed for shipment.

(b) In this section, "processed for shipment" includes, but is not limited to, icing, stripping or salting of the herring; however, it does not include salting of the herring if five percent or more of the body weight of the herring consists of roe.

* Sec. 4. Sections 1 and 2 of this Act take effect September 1, 1980. Section 3 of this Act takes effect September 1, 1981.

LAWS OF ALA

1980

Source

CSSB 477 am

AN ACT

Relating to shooting and firearm saf
effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE

THE ACT FOLLOWS ON PAGE

Approved by the Governor: May 8,
Actual Effective Date: July 1, 19

Article 3. Herring Spawn.

Section

172. Legislative policy on utilization of herring
173. Utilization of commercially taken herring
175. Removal of herring from state

Sec. 16.10.140 — 16.10.170. Taking of herring spawn; exceptions: certain restrictive covenants; penalties. [Repealed, § 2 ch 91 SLA 1970.]

Sec. 16.10.172. Legislative policy on utilization of herring. The legislature finds the following: (1) extensive and valuable herring populations are available for harvest in waters subject to the jurisdiction of the state; (2) commercial markets are available for herring processed in several forms; (3) one processing technique presently employed involves deliberately permitting decomposition of the herring carcass to allow for removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded. The legislature declares that the process referred to in (3) of this section is wasteful and does not constitute utilization of this resource for the maximum benefit of the people. Therefore, it is the policy of the legislature that this process should be eliminated to the fullest extent possible. (§ 1 ch 9 SLA 1977)

Editor's notes. — Section 1, ch. 27, SLA 1980 provides: "LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING. (a) Notwithstanding AS 16.10.172, the legislature finds that in certain circumstances the processing technique described in AS 16.10.172(3), commonly referred to as "stripping", provides benefits of such importance to the state economy that the benefits may outweigh the waste involved in the process.

"(b) It is the policy of the legislature that notwithstanding AS 16.10.173 the disposal of herring carcasses is acceptable only if

"(1) the herring is taken from waters in which the herring population is large enough to support a stripping industry without substantially reducing the availability of the herring for other uses; and

"(2) the stripping process is conducted in an area of the state where local industry either does not exist or, if it does exist, it is insufficient to provide reasonable economic support to the people who live in the area."

Sec. 16.10.173. Utilization of commercially taken herring. (a) A person may not waste or cause to be wasted any commercially taken herring. For purposes of this subsection, "person" has the meaning given in AS 01.10.060 and also includes a joint venture.

(b) As used in this section, "waste" means the failure to use the flesh of commercially taken herring for reduction to meal, production of fish food, human consumption, food for domestic animals, scientific or educational purposes, or round herring bait. Normal, inadvertent loss of flesh associated with the uses described in this subsection which cannot be prevented by practical means does not constitute waste. The com-

missioner may authorize other uses of commercially taken herring consistent with the intent of this section and AS 16.10.172 upon receipt of a request accompanied by a detailed justification.

(c) For purposes of this section, "flesh" means all muscular body tissue surrounding the bony skeleton of the herring.

(d) The Board of Fisheries may adopt regulations under the Administrative Procedure Act (AS 44.62) it considers necessary for implementation of this section. The board may delegate its authority under this section to the commissioner.

(e) The provisions of this section do not apply to herring taken commercially in the Bering Sea (including appurtenant bays, sounds, estuaries, and water of the state) north of 56° North Latitude, until January 1, 1979. (§ 1 ch 9 SLA 1977)

Editor's notes. — Section 1, ch. 14, SLA 1983 reads as follows:

"Section 1. HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1984, the stripping of commercially taken herring for the purpose of removing and selling the roe product is authorized if the herring is taken from and the carcass disposal process occurs in the Bering Sea.

"(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) regarding disposal of herring carcasses for each administrative area where disposal occurs.

"(c) The provisions of AS 46.03.100 apply to the disposal of herring carcasses under this section."

Sec. 16.10.175. Removal of herring from state. (a) A person may not remove herring from the state before the herring has been frozen or otherwise processed for shipment.

(b) In this section, "processed for shipment" includes, but is not limited to, icing, stripping or salting of the herring; however, it does not include salting of the herring if five percent or more of the body weight of the herring consists of roe. (§ 3 ch 27 SLA 1980)

Article 4. Migratory Fish and Shellfish.

Section	Section
180. Legislative findings	220. Penalties for violation of AS 16.10.200 and 16.10.210
190. Regulations	230. Exemptions
200. Unlawful taking prohibited	
210. Unlawful sale or offer prohibited	

Sec. 16.10.180. Legislative findings. The legislature finds and recognizes these facts:

(1) Migratory fish and migratory shellfish are present in commercial quantities inside and outside the territorial waters of the state.

(2) Migratory fish and migratory shellfish taken from the waters of the state are indistinguishable, in most cases, from those taken from the adjacent high seas.

(3) Substantial quantities of migratory fish and migratory shellfish move inshore and offshore intermittently and at various times during

DOCUMENTS 1 TO 1 PAGE = 1 OF
AS46.03.100 DOCUMENT= 1 OF 1

CHAPTER = 46.03
SECTION = 46.03.100
TITLE = 46

HEADINGS TITLE 46.
Water, Air, Energy, and Environmental Conservation.
CHAPTER 03.
Environmental Conservation.
ARTICLE 3.
Water Pollution Control.

CITATION Sec. 46.03.100.

CATCH LINE

WASTE DISPOSAL PERMIT.

TEXT (a) A person who conducts an operation which results in the disposal of solid or liquid waste material or heated process or cooling water into the waters or onto the land of the state must procure a permit from the department before disposing of the waste material or water. The permit must be obtained for direct disposal and for disposal into publicly operated sewerage systems.

DOCUMENTS 1 TO 1 PAGE = 2 OF 2

(b) This section does not apply to a person discharging only domestic sewage into a sewerage system.

(c) A permit for disposal of a hazardous waste may not be issued under this section unless the applicant for the permit has furnished proof to the commissioner of financial ability to control the hazardous waste. Proof of financial responsibility may be demonstrated by self-insurance, insurance, surety, or guarantee, under regulations issued by the department. Acceptance of proof of financial responsibility under this subsection expires

(1) one year from its issuance for self-insurance;

(2) on the effective date of a change in the surety bond, guarantee, or insurance agreement; or

(3) on the expiration or cancellation of the surety bond, guarantee, or insurance agreement.

(d) This section does not apply to injection projects permitted under AS 31.05.030(h).

HISTORY (Sec. 3 ch 120 SLA 1971; am sec. 3 ch 220 SLA 1976; am sec. 9 ch 93 SLA 1981; am sec. 4 ch 91 SLA 1984)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

5 AAC 27.070. REGISTRATION AND INSPECTION DOCUMENTS. Repealed 4/14/82.

ARTICLE 3.
PROHIBITIONS

Section
- 90. Unlawful possession of herring or herring gear
- 92. Unlawful acts within an adjacent seaward biological influence zone
- 93. Disposal of herring
- 95. General restrictions
- 96. Violation of reporting requirements
- 97. Violation of landing requirement
- 98. Violation of regulations

5 AAC 27.090. UNLAWFUL POSSESSION OF HERRING OR HERRING GEAR. (a) It is unlawful for any person to possess unprocessed herring aboard a vessel licensed as a commercial fishing vessel within any statistical area unless the season is open or unless the person is acting under the authorization of 5 AAC 27.030(b). This prohibition does not apply to herring possessed for subsistence or personal bait purposes under applicable cable regulations.

(b) It is unlawful for any person to possess aboard a vessel licensed as a commercial fishing vessel within any statistical area any herring or any gear used in the taking of herring if the herring or herring gear are prohibited by other regulations in 5 AAC 27 governing the area, unless the vessel is acting under the authorization of 5 AAC 27.030(b).

(c) It is unlawful for any person to possess, purchase, sell, barter, or transport herring within the state or within waters subject to the jurisdiction of the state if that person knows or has reason to know that that herring was taken or possessed in contravention of the regulations of this chapter. (In effect before 1982; am 4/14/82, Reg. 82)

Authority: AS 16.05.251(a)(4),(7) and (10)
AS 16.05.720
AS 16.05.900
AS 16.05.920

5 AAC 27.092. UNLAWFUL ACTS WITHIN AN ADJACENT SEAWARD BIOLOGICAL INFLUENCE ZONE. It is unlawful for any person to take, attempt to take, cause to be taken, or possess herring, or to operate, attempt to operate, or cause to be operated any vessel or gear or to possess any gear or to take, attempt to take, cause to be taken, or fail to take any action in violation of 5 AAC 27.010(b).

Authority: AS 16.05.251(a)(4),(7) and (10)
AS 16.05.720
AS 16.05.900
AS 16.05.920

5 AAC 27.093. DISPOSAL OF HERRING. In statistical areas N, T, W and Q, herring carcasses may be disposed of only as follows:

(1) any vessel with less than 5 metric tons of herring on board may only dump herring carcasses in waters more than five fathoms in depth;

(2) any vessel with five metric tons or more of herring on board may only dump herring carcasses in waters more than three miles from the mainland;

(3) or as specified by a permit issued by the Department of Environmental Conservation.

Authority: AS 16.05.251(a)(7)
AS 16.10.172–16.10.173

5 AAC 27.095. GENERAL RESTRICTIONS. A person shall obtain a permit from the department before taking herring during the period June 15 through February 28 in statistical areas K, L, M and N. (In effect before 1982; am 4/14/82, Reg. 82)

Authority: AS 16.05.251(a)(2) and (7)

5 AAC 27.096. VIOLATION OF REPORTING REQUIREMENTS. (a) It is unlawful for any person to file a fish ticket representing the catch governed by the fish ticket as having been taken in a particular statistical area when in fact the catch or part of the catch were taken in another statistical area.

(b) It is unlawful to file any fish ticket containing information which has been purposely falsified.

Authority: AS 16.05.251(a) AS 16.05.900
AS 16.05.690 AS 16.05.920
AS 16.05.720

5 AAC 27.097. VIOLATION OF LANDING REQUIREMENT. It is unlawful for any vessel

Alaska State Legislature

House of Representatives

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

FEB 13 1985

MEMORANDUM

To: All House Legislators

From: Rep. Rick Uehling

Subject: Distribution of Constituent material

Date: February 12, 1985

Attached is information in the form of letters to newspaper editors that one of my constituents, Ed Polk asked me to make available to you.

Perhaps you will find it helpful.

Letters to the ed

The value of a dollar

Dear Editor:

We keep hearing about our large national debt and just the interest is billions of dollars a year.

Often I have thought about our national debt and I finally figured out that the national debt doesn't mean a thing.

The U.S. dollar would be worthless if we the people weren't behind the dollar. We the people make the dollar worth what it is. When an individual or company gets into financial difficulties, the bank demands payment and if the individual or company can't pay they go bankrupt.

The banks aren't going to demand that the U.S. government pay up, because then if the U.S. government went bankrupt, the dollar would be worthless and that is the last thing the banks want it as a worthless dollar. With a worthless dollar the banks would have nothing.

Edward C. Polk
537 E. 14th Ave.

Limited fishing violation of rights

I am an Alaska Native from Seldovia and I disagree with limited fisheries of salmon and herring. Limited fisheries gives exclusive rights to certain persons to fish salmon and herring. Salmon and herring belong to all Alaskans and all Alaskans should have the right to fish them.

By tradition, the Natives of Alaska are fishermen so they certainly should have the right to fish salmon and herring. Limited fisheries entry permits were issued in 1975. In 1975, I was 10 years old so I have never had a chance to get an entry permit. I would like to know how all young Alaskans, especially young Native Alaskans, are supposed to get an entry permit to fish salmon.

With limited fisheries you don't even have to be a U.S. citizen to own and fish a limited fisheries entry permit. All you have to have is enough money to buy one. But why, as salmon and herring belong to all of us, should I have to buy a permit to fish them?

I would like to ask all the members of the Alaska Legislature one question: "Do you believe in equal rights for all?" One thing is certain, as certain as death and taxes — they will all say yes, I believe in equal rights for all. Then of course, they will vote limited fisheries out.

— Todd D. Hansen

Non-residents are into fishing

I am an Alaska Native from Cordova and I read in your paper, "Limited fishing violation rights and entry permits held by non-residents."

I agree that limited fishing is a violation of rights. I am 5½ years old, so I got an entry permit for drift fishing salmon, but many of my younger relatives and other young Alaskans never had a chance to get an entry permit and this is a violation of their rights.

For that matter I have a permit for Cordova, but I would like to go to Bristol Bay and fish but can't.

In 1984 I was going to Bristol Bay and fish. a permit for a man from India, but he died so I didn't. But the point is that to own an entry permit you don't even have to be a U.S. citizen. We may have Russians owning and fishing entry permits in Alaska.

All you need to get an entry permit is enough money to buy one. How can young Alaskans get an entry permit? They sell for up to $100,000.

Another thing, I went to Bristol Bay and worked in a processing plant and non-residents held most of the jobs in the plant, and they had the best living quarters. In fact, non-residents ran things there and it looked to me like three-quarters of the fishermen were non-residents.

I suspect that there are a lot of non-residents holding entry permits and claiming to be residents because a resident fishing license is cheaper.

— Al Saska

Herring waste is a shame

I am writing to you about herring fishing, which is misunderstood. I sent some material to Sen. Stevens' office, and I got a letter back saying that herring are used for fertilizer after the eggs are removed. I believe herring should not be fished for eggs or the fishing industry will be destroyed.

Many people probably think that herring die after spawning, like salmon. That's not so.

If herring were allowed to grow, they could provide more food for people, especially when you think of the starving people in Ethiopia.

The waste is a shame.

—Edward Polk

permits held by nonresidents

I an Alaska Native and read in your a letter titled "Limited Fishing Viola- Rights." In 1975 when entry permits mon fishing were issued I was too to get an entry permit. My family's rs have always been fishermen, but I ad a chance to get an entry permit. At I am having a hard time finding work, re are 2,352 entry permits owned and by nonresidents and some of these lents aren't U.S. citizens. There are of Alaska residents and especially Alaska Natives like myself who need fill these 2,352 fishing jobs.

dition to this, say the conservative of income from these entry permits is ar. So these 2,352 nonresident fisher- e $23,520 out of Alaska each year, as thousands of dollars worth of canned smoked salmon and dried salmon.

eve that most people in Alaska think ited fishing for salmon and herring hat only Alaska residents have these rmits to fish salmon and herring — have said this is not so. And a lot of 52 nonresident permits to fish salmon Cook Inlet and Bristol Bay which is valuable entry permits, being worth 0,000 each.

— Chris Ollastad

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1255 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:18

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 4/16/85, 8:30 am

Alaska State Legislature

House of Representatives

SPECIAL

COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: April 16, 1985

HB -331
HB -235
HB -33

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Beth Stewart	Box 3-2000 Juneau 99802	ADF&G	Yes	465-4110
Cynthia Nelson	Pouch T	Dept of Corrections	Yes	465-3326
Janet Fries	Pouch V	Rep Heinmann	No	-4942
Joe La Rocca	Press Room	KINY	No	586-6273
Brent Paine	Rep Rieger's office	—	No	3464
Bob Chamberlain	Rep Binkley's office		No	4985
Helen Fuller	Rep. Thompson		No	2487
Cass Parsons	319 Seward St	UFA	No	6-2820
David Garrison	Rep Jenkins Office	—	No	4453

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          04/17/85  TIME: 14:19                   *
* FROM:          LIOSOL                                  *
* SUBJECT:       FINAL STATS                             *
* PRINT DATE:    04/18/85  TIME: 09:00                   *
*                                                        *
**********************************************************
```

FINAL T/C STATS

DATE: 4/16/85
SITE: SOLDOTNA
SPONSOR: HOUSE SPECIAL COMM. ON FISHERIES
SUBJECT: HB 235/HB 331/HJR 33
LOCAL MODERATOR: BECKY

****

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
1.CHERYL SUTTON	BOX 546/SOLDOTNA,99669	262-2442
2.IVAN EVERY	RT.1,BOX 970/KENAI,99611	776-8603
3.CHUCK ROBINSON	BOX 3519/SOLDOTNA,99669	262-5014

****

TESTIFIED: __3__ TIME STARTED: ______
OBSERVED: __0__ TIME ENDED: ______
TOTAL: __3__

****

STATE OF ALASKA
THE LEGISLATURE

POUCH Y · STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM April 12, 1985

SUBJECT: Sectional analysis of HB 331

TO: Representative David Thompson

FROM: Edward H. Hein EHH
Legislative Counsel

Section 1 makes the theft of commercial fishing gear, regardless of the value of the gear, a form of theft in the second degree, which is classified as a class C felony.

Section 2 establishes a presumptive sentence of one year imprisonment for conviction of theft of commercial fishing gear if it is the defendant's first felony conviction of any kind.

Section 3 provides that the sentence imposed for theft of commercial fishing gear that is the defendant's first felony conviction of any kind may not be suspended, imposition may not be suspended, and the sentence may not be reduced except as provided in AS 12.55.155 - 12.55.175.

Section 4 allows the court to reduce to zero years or increase to five years the presumptive one-year sentence for theft of commercial fishing gear if factors in mitigation or aggravation are established.

Section 5 requires the court, in sentencing a person convicted of theft of commercial fishing gear, to take away the person's commercial fishing license and all limited entry permits. Upon a first or second conviction of theft of a commercial fishing gear, the person becomes ineligible for issuance or transfer of a commercial fishing license or limited entry permits for three years. A third conviction of the offense makes the person permanently ineligible for issuance or transfer of a commercial fishing license or limited entry permits.

EHH:csh
c3/099

Bills aim to take politics out of fish board decisions

By JOHN GUNNLEY, *Managing Editor*

Two bills are being offered in the Legislature that supporters say will take much of the political haggling out of the regulation of salmon fishing by the state Board of Fisheries.

Opponents say the proposals are inflexible and could restrict fishing for the June sockeye salmon at the Russian River and early run Kenai River king salmon, two of the most popular sport fisheries in southcentral Alaska.

Two identical bills — one in the House and one in the Senate — would provide that allocation decisions limiting a user group's access to fish could be made only when restrictions are needed to preserve the health of the run.

The Cook Inlet Salmon Management Plan, which since 1977 has given sportfishermen a nearly exclusive right to early run Kenai River kings, early Kenai sockeyes, late Kenai silvers and Susitna River system kings, would need substantial revision, according to Soldotna attorney Chuck Robinson.

The plan "is not related to conservation issues. It's based on demand from user groups," he said.

Cook Inlet commercial fishermen had a June 25 opening day for several years. The past two years have seen the opening day for peninsula setnetters pushed into early July. The decisions were preceded by considerable political pressure placed on the board by sport and commercial groups.

If the legislation — designated HB-235 and

See PENINSULA, back page

Continued from Page 1

SB-37 — becomes law as proposed, setnetters and drifters could "start commercial fishing when there are sufficient numbers of fish so as to not jeopardize the stocks," Robinson said.

But the change is likely to upset sportfishermen who have become accustomed to the idea of having "their fish," primarily early kings and sockeyes in the Kenai and Russian rivers and kings in Susitna tributaries such as Montana Creek, the Deshka River and Sheep Creek.

The Senate bill, sponsored by Paul Fischer of Soldotna, is in the Resources Committee. A hearing will be held April 10 at 1:30 p.m., with the teleconference stations throughout the state participating, Fischer said.

"I feel if they had guidelines it would at least keep the allocations out of court," Fischer said. Opponents may fear a neutralization of their political influence on the board, said Fischer.

One member of the Board of Fisheries, Bix Bonney of Anchorage, said the legislation "is prejudicial" in favor of commercial fishing because the numbers of people involved in a fishery are not considered. A few commercial fishermen benefit while a far larger number of sport anglers suffer, he said. Bonney indicated some Anchorage-based sportfishing groups are gearing up to oppose the legislation.

"I'm also categorically against legislation on allocative matters," he said. Bonney sees Alaska continuing in a pattern established elsewhere: commercial fisheries giving way to urban sportfishing pressure. He said legislation is too rigid and can't adjust to changing social pressure for the use of resources.

State Fish and Game biologists say the bill would have little effect on how they do their job. "A dead fish is a dead fish" is their slogan, and it makes little difference how the fish are caught. Getting enough fish to the spawning grounds is the goal, biologists said.

...Peninsula fishing affected by bill

Any early commercial catch of Kenai River-bound kings "would come out of the fish sought by sport fishermen. There's a one-to-one relationship," said Paul Ruesch, commercial fisheries biologist for the Alaska Department of Fish and Game in Soldotna.

Commercial fishing on early sockeye stocks would have more impact on the Russian River sport fishery than any other sport effort on the Kenai Peninsula, Ruesch said.

"Sports fishermen are harvesting every surplus fish there already. Any early commercial fishing would come directly off the sport harvest," he said.

Sockeyes come to the Russian in early June and peak in late June. The average catch is 19,000 fish, with 30,000 man-days of effort. In 1994, 36,000 fish were caught with about 30,000 man-days of effort, state biologists said. A man-day is one fisherman fishing one day.

The early run of kings is attracting more interest every year. The average harvest is 2,950 fish, with 29,000 man-days of effort. Last summer, 4,950 kings were caught with 50,500 man-days of effort.

Ruesch said king salmon stocks on the Kenai and the Susitna system "are in excellent shape" and could handle commercial harvest.

The Susitna king run consists of returns from several tributaries. Some streams, such as the Deshka and Montana Creek, are heavily fished. Others are under-utilized, Ruesch said. When the kings head up the inlet, there is no way to pick out which fish are ultimately headed for a particular stream. The mixed-stock nature of the run could pose some problems for management, Ruesch said, but limiting the commercial effort would allow for the margin of safety needed to see where the fish are headed.

Bonney agrees that the Susitna stocks can handle extra fishing, but he's concerned about small king salmon returns on the southern peninsula, such as those to the Anchor River and Deep Creek.

On the Susitna runs, Bonney said if openings were spread out "the chance of impacting any one small stream is very little. The escapement is generally way over what we need and I don't see where it would hurt."

Cheryl Sutton, coordinator for the political and legal action committee of the Kenai Peninsula Fishermen's Cooperative Association, noted the legislation would do more than allow earlier openings.

The bill requires the board to make decisions based on achieving the maximum sustainable yield of fish, base the decisions on the best scientific information available and minimize administration costs.

If restrictions must be made, the effect on the user group and the community must be considered, along with the availability of alternative fish resources. To limit access to fish by any user group, the board must find that the restrictions are needed for maintaining the fish stock.

"It's not designed to roll back the time for commercial fishing. There are benefits for all user groups," Sutton said. "If there's early commercial fishing, it means the resource is strong and it means a good sport fishery."

Sutton said there are times when an opening earlier than June 25 would be beneficial for commercial fishermen. "Sometimes in the beginning of June, the Kasilof or Kenai run is strong and we watch those fish go by... They're gone by the time we open on the 25th of June."

The law would also allow commercial fishermen on the east side beaches to continue setnetting after Aug. 15, the closing date established by the management plan. Drifters are allowed to fish after Aug. 15, although there is generally little effort due to small numbers of fish and closing processors.

Robinson noted that if salmon returns are low, there could be instances when commercial fishing would be closed, but sport fishing remained open. Sport fishing can target a specific stream and species, and is far more inefficient than gill nets. "I think commercial fishermen can live with that. They understand their method is far more efficient."

Robinson predicted that if the bill passes, this summer's fishing patterns would not change. Amendments to the management plan would come in December when the Board of Fisheries meets, and would take effect in the 1996 season.

"I don't think it's a bad piece of legislation. It would make allocation more objective," Robinson said. "When allocation is left completely to the Board of Fisheries, it's clouded with emotion and political pressure," he said.

Harry Gaines, a Kenai fishing guide and a member of the state's Kenai River advisory board, said he's satisfied with the way the Board of Fisheries currently operates, but sees no threat from the legislation.

"I don't think it would make that much difference in the number of fish being caught," he said. The peak of the early king run occurs after the commercial fishery has started, he said. He doubted whether there would be any substantial commercial effort earlier than June 25.

Rep. Andre Marrou has introduced the House bill. He said the Fisheries Subcommittee will hold a hearing next week, although no date has been set.

"I think the bill would put more rationality in the process," Marrou said. He said the Sheffield administration has attached a fiscal note or cost estimate of more than $580,000 to the bill. Marrou said the legislation does not require any more money to be spent. Fischer concurred that the fiscal note was made in an attempt to kill the bill.

Fischer, however, sits on the Senate Finance Committee which can amend the bill so it moves to the floor with no fiscal note. If the bill is pushed along with public support, he said, the Senate and House are likely to pass the bill.

Alaska State Legislature

COMMITTEES

Committee on Community and Regional Affairs
Committee on Transportation
Special Committee on Oil and Gas
Special Committee on Fisheries
Finance Sub-committee on Fish and Game

Representative Andre Marrou

District 7

Kenai — Sterling
Soldotna — Anchor Point
Homer — Point Graham
Seldovia — English Bay
Kachemak — Nikolaevsk
Kasilof — Halibut Cove
Ninilchik — Clam Gulch

March 28, 198)

Commissioner Don Collinsworth
Department of Fish and Game
M/S 1100
Juneau, Alaska

Dear Don:

Your bill analysis of HB 235 dated March 14th perplexes me. Especially confusing is the fiscal note you authorized.

You indicated on the analysis that you are familiar with Representative Malone's HB 526 introduced during the last legislative session which is identical to HB 235.

Are you also aware of the large discrepancy that exists between the two fiscal notes prepared for these bills? Malone's bill would purportedly only cost the state $80,000 per year yet my bill, which is identical to Malone's, would cost over $600,000 per year. Did you know that both fiscal notes were authorized by you and prepared by Beverly Reaume with the Department of Administration? One has to wonder why my bill costs 7.5 times more than Malone's.

This huge proposed cost is notwithstanding the fact that I never envisioned a fiscal note to be attached to this bill in the first place. The statutory requirements of this legislation could be met by the Board simply turning in their notes or transcripts of their meetings. If they don't take notes or if they don't transcribe testimony, perhaps they should start.

Instead of increasing the bureaucracy which I see as part of the problem, this bill simply establishes some general guidelines for the Board of Fisheries. This bill should not require additional staff, and the fiscal note should be zero.

Cordially yours,

Andre Marrou
Representative

c.c. Representative Peter Goll
Attachments(1)

AM/js

During Session: Pouch V. Juneau, Alaska 99811. (907) 465-2719 — During Interim: Box 1572. Homer, Alaska 99603. (907) 235-8200

SB526 Bill File

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date:

REQUEST
Bill/Resolution No.: HB 526
Title: ...management plans and and regulations
Sponsor: Malone
Requestor: House Fisheries Committee
Date of Request:

FISCAL DETAIL
Agency Affected: Fish and Game
Program Category Affected: NRMEC
BRU, Program or Subprogram(s) Affected: Boards of Fisheries and Game

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		76.0	79.8	83.8	88.0	92.4
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		76.0	79.8	83.8	88.0	92.4
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		76.0	79.8	83.8	88.0	92.4
FEDERAL FUNDS						
OTHER						
TOTAL		76.0	79.8	83.8	88.0	92.4

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME		1	1	1	1	1
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not specified by sponsor of bill.

ANALYSIS: Attach a separate page for analysis

Prepared By: Beverly Reaume Phone: 465-4210
Division: Administration Date: 3/7/84

Approved by Commissioner: Date: 3-12-84
Agency:

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget

Fiscal Impact Statement For Implementing
House Bill No. 526: Management Plans and Regulations

Board Staff

Assume:

- an additional Economist III, Range 21A
- an additional part-time Clerk Typist III, Range 8A

Calculation:

- Salary and Benefits of Economist III	= $53,000
- Salary and Benfits of Clerk Typist III	= 23,000
TOTAL	$76,000

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

P.O. BOX 3-2000
JUNEAU, ALASKA 99802
PHONE: 907 / 465-4100

APR 12 RECD

April 12, 1985

The Honorable Andre Marrou
Alaska State House
Pouch V
Juneau, Alaska 99811

Dear Representative Marrou:

Thank you for your recent inquiry about the fiscal note for HB 235. The fiscal note for this bill (submitted March 7, 1985) was completed after Beth Stewart, Director for the Division of Boards, conferred with the North Pacific Fishery Management Council staff. Ms. Stewart conferred with Council staff because the Council must meet similar requirements under the Magnuson Fishery Conservation and Management Act. Unfortunately, time did not allow this to be done before last year's fiscal note was completed.

While it may not have been intended that additional staff would be needed, the wording of the bill appears to us to require over 500 economic impact analyses annually. Additionally, written findings of fact supporting the economic conclusions on each regulatory change would have to be completed. The Division of Boards is not staffed or qualified to perform such additional work and analyses. If something other was intended, we certainly are willing to assist you in developing a course of action that would have less fiscal impact.

Finally, the Division of Boards does not transcribe the meetings. Transcription is cost prohibitive since the Board of Fisheries and Board of Game meet a total of nine to twelve weeks a year, seven days a week, eight to twelve hours a day. However, the meetings are taped and copies of the tapes are available. The Division of Boards estimates that it would cost $30,000 to $50,000 to transcribe all of the tapes produced during the boards' regulatory cycle.

I hope that this explains the difference between last year's fiscal note and the current one. I also hope that you now appreciate why such a fiscal note was required. If I can provide further information, please do not hesitate to contact me again.

Sincerely,

Don W. Collinsworth
Commissioner

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT	DIVISION	BILL NUMBER	SPONSOR
Fish and Game	Boards	HB235/SB37	Marrou-House/P.Fischer-Sen

DEPARTMENT POSITION: Neutral

PREPARED BY: [signature] DATE: 3/15/85

COMMISSIONER'S SIGNATURE: [signature] DATE: 3-14-85

SUMMARY

OTHER AGENCIES AFFECTED BY BILL	CONSTITUENT GROUP(S) AFFECTED BY BILL
None known	Commercial and Sport Fishermen
ORGANIZATIONAL SUPPORT FOR BILL	**ORGANIZATIONAL OPPOSITION TO BILL**
Unknown	Unknown

FISCAL IMPACT: ☐ NONE ☒ FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

Introduced in 1984 as HB526 by Malone

ANALYSIS OF BILL/PROGRAM EFFECTS

Currently the Board of Fisheries meets at least five times annually to hear extensive public testimony and make decisions on proposed changes to its regulations. During FY85, the board considered 816 proposals and 25 petitions to change its regulations. By far, the greatest majority of these changes were allocative in nature. In order to conduct its business during FY85, if the proposed legislation had been in effect, the Board would have undertaken over 500 economic impact analyses on user groups and communities, and made written findings of fact supporting its economic conculsions on every regulatory change it adopted. This undertaking would not only require increased staff (est. 10 permanent, full-time positions), but would vastly extend the length of time the Board meets. During FY85, the Board met a total of 75 days.

Under the bill, the Board would determine the economic effect a regulation would have on users and communities. Such analyses would necessarily have to occur before the Board would decide on a regulation. It is estimated that a delay of 6 months to a year for a regulation to become effective would result

AMENDMENTS PROPOSED

(see attached sheet)

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS

Analysis of bill/program effects continued

from introducing economic procedural requirements to the existing administrative process.

In the absence of the funding necessary to implement this legislation, the Department and Board staff would be unable to provide the information necessary for the Board to allocate fishery resources among competing demands.

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HB235/SB37

Title: An Act Relating to Mgt. Plans and Regs. Adopted by ..

Sponsor: Marrou-Hs/P.Fischer-Sn

Requestor:

Date of Request:

FISCAL DETAIL

Agency Affected: Fish and Game

Program Category Affected: Fish and Game Support

BRU, Program or Subprogram(s) Affected: Boards of Fisheries and Game

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		477.1	524.8	577.3	635.0	698.5
200 TRAVEL		54.7	60.2	66.2	72.8	80.1
300 CONTRACTUAL		19.0	20.9	23.0	25.3	27.8
400 SUPPLIES		5.0	5.5	6.1	6.7	7.3
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		578.0	611.4	672.6	739.8	813.7
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		578.0	611.4	672.6	739.8	813.7
FEDERAL FUNDS						
OTHER						
TOTAL		578.0	611.4	672.6	739.8	813.7

POSITIONS:

FULL-TIME		10	10	10	10	10
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

This funding would allow two teams to conduct economic surveys and analyze fisheries economic data. One team would be based in Juneau, the other in Anchorage. Each team would consist of an Economist III, Economist I, Systems Analyst II, Systems Programmer I, and a Clerk Typist III. The teams would undertake economic research regarding the affect of proposed fishing regulations on sport and commercial fisher-

Prepared By: Beverly Reaume Phone: 465-4120

Division: Administration Date: 3/13/85

Approved by Commissioner: Drew Scheinworth Date: 3-15-85

Agency: Fish and Game

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

Fiscal Note continued

men, as well as on communities affected by the regulation. Information would be gathered from all available sources, processed and synthesized by computer, and provided to the Board of Fisheries. Thereafter, the board would be able to make allocative decisions on competing demands for finite fishery resources consistent with the proposed legislation.

	POSITION TITLE				RANGE/STEP	BARG. UNIT	PAGE/LINE		APPROV.	DISAPP.
1.	Economist III (two positions)				21 A	GGU		COV.		
2.	TYPE OF POSITION	STAFF MONTHS	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION	ELECTION DISTRICT	LEG.		
	PFT	12 (x2)				JNO/ANCH				
3.	CONTINUATION LEVEL		ADDITION							

4.	TYPE OF EXPENDITURE			AMOUNT
	1		2	3
	PERSONAL SERVICES per		month	
5.	Salary		3812.0	
6.	Benefits		650.3	
7.	Supplemental Benefits		233.7	
8.	Fixed Benefits		227.2	
9.	TOTAL PERSONAL SERVICES	01	59.1x2	118.2
10.	Travel	02	4.0x2	8.0
11.	Contractual	03	9.5x2	19.0
12.	Commodities	04	1.0x2	2.0
13.	Equipment	05	1.2x2	2.4
14.	Other			
15.	TOTAL COST			149.6

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		C.F. Match	1003	
18.		General Funds	1004	149.6
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
KEY NUMBER __ __ . __ __ . __ __ . __ __ . __ __

JUSTIFICATION

Staffing necessary to implement HB235/SB37
See Bill Analysis and Fiscal Note

REQUEST FOR NEW POSITION

AGENCY Fish and Game

PROGRAM Fish and Game Support

BRU Boards of Fisheries and Game

COMPONENT Administration and Support

Revised Date

FY 86

01-1136(7/82)-13

1.	POSITION TITLE: Economist I (two positions)			RANGE/STEP: 18 A	BARG. UNIT: GGU	PACE/LINE	CDV.	APPROV.	DISAPP.
2.	TYPE OF POSITION: PFT	STAFF MONTHS: 12(x2)	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION: JNO/ANCH	ELECTION DISTRICT	LEG.		
3.	CONFIRMATION LEVEL		ADDITION						

4.	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
	PERSONAL SERVICES per	month	
5.	Salary	3313.0	
6.	Benefits	565.2	
7.	Supplemental Benefits	203.1	
8.	Fixed Benefits	227.2	
9.	TOTAL PERSONAL SERVICES 01	51.7x2	103.4
10.	Travel 02	4.0x2	8.0
11.	Contractual 03		
12.	Commodities 04	0.5x2	1.0
13.	Equipment 05	1.6x2	3.2
14.	Other		
15.	TOTAL COST		115.6

	RECEIPT CODE	FUNDING SOURCE		AMOUNT
16.		Federal Receipts	1002	
17.		C.F. Match	1003	
18.		General Funds	1004	115.6
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR BLM USE ONLY
KEY NUMBER __ __ - __ __ - __ __ - __ __ - __ __

JUSTIFICATION

Staffing necessary to implement HB235/SB237
See attached Bill Analysis and Fiscal Note

REQUEST FOR NEW POSITION

AGENCY: Fish and Game

PROGRAM: Fish and Game Support

BRU: Boards of Fisheries and Game

COMPONENT: Administration and Support

Page 1 of 1

Revised Date

FY 86

01-1136(7/88)-SB

1.	POSITION TITLE: Clerk Typist III (two positions)			RANGE/STEP: 8A	BARG. UNIT: GGU	PAGE/LINE	COV.	APPROV. / DISAPP.
2.	TYPE OF POSITION: PFT	STAFF MONTHS: 12(x2)	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION: JNO/ANCH	ELECTION DISTRICT	LEG.
3.	CONTINUATION LEVEL		ADDITION					

4.	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
	PERSONAL SERVICES	per month	
5.	Salary	1631.0	
6.	Benefits	278.3	
7.	Supplemental Benefits	100.0	
8.	Fixed Benefits	227.2	
9.	TOTAL PERSONAL SERVICES	01 26.8x2	53.6
10.	Travel	02	
11.	Contractual	03	
12.	Commodities	04 0.5x2	1.0
13.	Equipment	05 0.5x2	1.0
14.	Other		
15.	TOTAL COST		55.6

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		C.F. Match	1003	
18.		General Funds	1004	55.6
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
KEY NUMBER __ __ - __ __ - __ __ - __ __ - __ __

JUSTIFICATION

Staffing necessary to implement HB235/SB37
See Bill Analysis and Fiscal Note

REQUEST FOR NEW POSITION

AGENCY Fish and Game

PROGRAM Fish and Game Support

BRU Boards of Fisheries and Game

COMPONENT Administration and Support

Page 1 of 1

Revised Date

FY 86

1.	POSITION TITLE: Systems Analyst II (two positions)			RANGE/STEP: 20A	BARG. UNIT: GGU	PAGE/LINE	CDV.	APPROV. / DISAPP.
2.	TYPE OF POSITION: PFT	STAFF MONTHS: 12(x2)	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION: JNO/ANCH	ELECTION DISTRICT	LEG.
3.	CONTINUATION LEVEL		ADDITION					

4.	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
	PERSONAL SERVICES per month		
5.	Salary	3564.0	
6.	Benefits	608.0	
7.	Supplemental Benefits	218.5	
8.	Fixed Benefits	227.2	
9.	TOTAL PERSONAL SERVICES	01 55.4x2	110.8
10.	Travel	02	
11.	Contractual	03	
12.	Commodities	04 0.5x2	1.0
13.	Equipment	05 7.4x2	14.8
14.	Other		
15.	TOTAL COST		126.6

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		G.F. Match	1003	
18.		General Funds	1004	126.6
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
KEY NUMBER ___ - ___ - ___ - ___ - ___

JUSTIFICATION

Staffing necessary to implement HB235/SB37
See Bill Analysis and Fiscal Note

REQUEST FOR NEW POSITION

AGENCY Fish and Game

PROGRAM Fish and Game Support

BRU Boards of Fisheries and Game

COMPONENT Administration and Support

Page 1 of 1

Revised Date

FY 86

01-0136 07/821-15

1.	POSITION TITLE: Systems Programmer I (two positions)			RANGE/STEP: 17A	BARG. UNIT: GGU	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION: PFT	STAFF MONTHS: 12 (x2)	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION: JNO/ANCH	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL		ADDITION						

4.	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
	PERSONAL SERVICES per month		
5.	Salary	2895.0	
6.	Benefits	493.9	
7.	Supplemental Benefits	177.5	
8.	Fixed Benefits	227.2	
9.	TOTAL PERSONAL SERVICES 01	45.5x2	91.0
10.	Travel 02		
11.	Contractual 03		
12.	Commodities 04		
13.	Equipment 05	.9x2	1.8
14.	Other		
15.	TOTAL COST		92.8

	RECEIPT CODE	FUNDING SOURCE		
16.		Federal Receipts	1002	
17.		G.F. Match	1003	
18.		General Funds	1004	92.8
19.		I-A Receipts	1005	
20.		Program Receipts	1028	
21.		Other		

FOR B&M USE ONLY
KEY NUMBER ___ - ___ - ___ - ___ - ___

JUSTIFICATION

Staffing necessary to implement HB235/SB37
See Bill Analysis and Fiscal Note

REQUEST FOR NEW POSITION

AGENCY Fish and Game

PROGRAM Fish and Game Support

BRU Boards of Fisheries and Game

COMPONENT Administration and Support

Page 1 of 1

Revised Date

FY 86

P.O.M.

TO: ALL SENATORS AND REPRESENTATIVES

FROM:
MIKE SUTTON
BOX 214
NINILCHIK
567-3345

MESSAGE: REGARDING: HB 235 & SB 37 - BD. OF FISHERIES PLANS AND REGULATIONS
PLEASE SUPPORT THESE BILLS. THE POLITICS AT THE BOARD OF FISHERIES IS BECOMING UNBEARABLE AND OUR COURT CASES ARE BECOMING TERRIBLY EXPENSIVE. (SPEAKING OF WHICH, THE COMMERCIAL FISHERMEN HAVE BEEN QUITE SUCCESSFUL.) HOWEVER, THE BILLS SHOULD BENEFIT ALL FISHING INTERESTS. THANK YOU.

E.O.M.

FROM:
CHERYL SUTTON
BOX 39214
NINILCHIK
567-3345

MESSAGE: REGARDING: SB 37 & HB 235 - BD. OF FISHERIES PLANS AND REGULATIONS
I SUPPORT PASSAGE OF SB 37 AND HB 235. THIS IS NOT A SPECIAL INTEREST BILL. IT IS DESIGNED TO PROVIDE FOR OPTIMUM HARVEST OF FISH RESOURCES FOR ALL USER GROUPS. FISH REVENUES ARE A VITAL PART OF OUR ECONOMY. PLEASE SUPPORT PASSAGE.

E.O.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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:19

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3909

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 3/12/85, 8:30 a.m

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

March 11, 1985

SECTIONAL ANALYSIS OF HB 260
"An Act relating to legislative policy on herring stripping; and providing for an effective date."

Section One: Repeals a legislative finding that, notwithstanding a statutory policy of full utilization, the benefits of herring stripping may outweigh the waste in some circumstances. Those circumstances exist when (1) the resource is large enough "to support a stripping industry without substantially reducing the availability of herring for other uses" and (2) the stripping takes place in areas with a developing seafood industry.

Section Two: Provides for an immediate effective date.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH V STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

MEMORANDUM March 12, 1985

SUBJECT: Effect of HB 260

TO: Representative Marco Pignalberi

FROM: Edward H. Hein
Legislative Counsel

You have asked whether herring stripping is currently illegal and also what would be the effect of HB 260 as currently drafted.

Under AS 16.10.173 it is a class A misdemeanor to "waste or cause to be wasted any commercially taken herring." Waste is defined in a way that includes herring stripping. Section 1, ch. 27, SLA 1980, however, states a "legislative policy" that "notwithstanding AS 16.10.173, the disposal of herring carcasses is acceptable" if two stated conditions are met. This is, in my opinion, an inartfully drawn exception to the ban on stripping. Nonetheless, it is apparent that the legislature intended to create the exception. The better legal argument is that the legislature did effectively create an exception to the ban and that it must be given effect. It is not clear from the language of the session law who is to make the initial determination of whether the conditions have been met in any given case.

If one wants to eliminate any question that commercial herring is banned, section 1, ch. 27, SLA 1980 must be repealed. That is what HB 260 does.

EHH:ojb
J12/083

Article 3. Herring Spawn.

Section
140 — 170. [Repealed]
172. Legislative policy on utilization of herring
173. Utilization of commercially taken herring

Secs. 16.10.140 — 16.10.170.
Repealed by § 2 ch 91 SLA 1970.

Sec. 16.10.172. Legislative policy on utilization of herring. The legislature finds the following: (1) extensive and valuable herring populations are available for harvest in waters subject to the jurisdiction of the state; (2) commercial markets are available for herring processed in several forms; (3) one processing technique presently employed involves deliberately permitting decomposition of the herring carcass to allow for removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded. The legislature declares that the process referred to in (3) of this section is wasteful and does not constitute utilization of this resource for the maximum benefit of the people. Therefore, it is the policy of the legislature that this process should be eliminated to the fullest extent possible. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

Sec. 16.10.173. Utilization of commercially taken herring. (a) It is unlawful for a person, as defined in AS 01.10.060 and including a joint venture, to waste or to cause to be wasted any commercially taken herring.

(b) As used in this section, "waste" means the failure to use the flesh of commercially taken herring for reduction to meal, production of fish food, human consumption, food for domestic animals, scientific or educational purposes, or round herring bait. Normal, inadvertent loss of flesh associated with the uses described in this subsection which cannot be prevented by practical means does not constitute waste. The commissioner may authorize other uses of commercially taken herring not inconsistent with the intent of this section and § 172 of this chapter at his discretion upon receipt of a request accompanied by a detailed justification.

(c) For purposes of this section, "flesh" means all muscular body tissue surrounding the bony skeleton of the herring.

(d) The Board of Fisheries may adopt regulations under the Administrative Procedure Act (AS 44.62) it considers necessary for implementation of this section. The board may delegate its authority under this section to the commissioner.

(e) The provisions of this section do not apply to herring taken commercially in the Bering Sea (including appurtenant bays, sounds, estuaries, and water of the state) north of 56° North Latitude, until January 1, 1979. (§ 1 ch 9 SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

Article 3. Herring Spawn.

Section

175. Removal of herring from state

Sec. 16.10.172. Legislative policy on utilization of herring.

Editor's notes. — Section 1, ch. 27, SLA 1980 provides: "LEGISLATIVE FINDINGS AND POLICY ON HERRING STRIPPING. (a) Notwithstanding AS 16.10.172, the legislature finds that in certain circumstances the processing technique described in AS 16.10.172(3), commonly referred to as "stripping", provides benefits of such importance to the state economy that the benefits may

outweigh the waste involved in the process.

"(b) It is the policy of the legislature that notwithstanding AS 16.10.173 the disposal of herring carcasses is acceptable only if

"(1) the herring is taken from waters in which the herring population is large enough to support a stripping industry without substantially reducing the availability of the herring for other uses; and

"(2) the stripping process is conducted in an area of the state where local industry either does not exist or, if it does exist, it is insufficient to provide reasonable economic support to the people who live in the area."

Sec. 16.10.173. Utilization of commercially taken herring.

Editor's notes. — Section 2, ch. 27, SLA 1980 provides: "HERRING STRIPPING. (a) Notwithstanding AS 16.10.173 and until July 1, 1982, the stripping of commercially taken herring for the purpose of removing and selling the roe product is authorized if the herring is taken from and the carcass disposal process occurs in the Bering Sea.

"(b) The Board of Fisheries shall adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) [AS 44.62.010 — 44.62.650] regarding disposal of herring carcasses for each adminsistrative area where disposal occurs.

"(c) The provisions of AS 46.03.100 apply to the disposal of herring carcasses under this section."

Sec. 16.10.175. Removal of herring from state. (a) It is unlawful for a person to remove herring from the state before the herring has been frozen or otherwise processed for shipment.

(b) In this section, "processed for shipment" includes, but is not limited to, icing, stripping or salting of the herring; however, it does not include salting of the herring if five percent or more of the body weight of the herring consists of roe. (§ 3 ch 27 SLA 1980)

Sec. 46.03.100. Waste disposal permit. (a) A person who conducts an operation which results in the disposal of solid or liquid waste material or heated process or cooling water into the waters or onto the land of the state must procure a permit from the department before disposing of the waste material or water. The permit must be obtained for direct disposal and for disposal into publicly operated sewerage systems.

(b) This section does not apply to a person discharging only domestic sewage into a sewerage system. (§ 3 ch 120 SLA 1971; am § 3 ch 220 SLA 1976)

Effect of amendment. — The 1976 amendment in the first sentence of subsection (a), substituted "an operation" for "a commercial or industrial operation," inserted "or heated process or cooling water" and "or onto the land," and added "or water" to the end of the sentence.

Sec. 46.03.110. Waste disposal permit procedure. (a) An application for a permit shall be made on forms prescribed by the department or on forms prescribed by the United States Environmental Protection Agency and shall contain the name and address of the applicant, a description of his operations, the quantity and type of waste material sought to be disposed of, the proposed method of disposal, and any other information considered necessary by the department. Application for permit shall be made at least 60 days before commencement of a proposed discharge.

(b) Upon receipt of a proper application the department shall publish notice of the application in two separate publications of a newspaper of general circulation within the general area in which the disposal of waste material is proposed to be made. The notice may also be published in other appropriate information media. The notice shall include a statement that a person who wants to present his views to the department in regard to the application may do so in writing to the department within 30 days of the second publication of the notice. The written response entitles the writer to a copy of the application.

(c) When the department receives an application, the commissioner shall immediately send copies of the application to the commissioner of fish and game, the commissioner of natural resources, the commissioner of commerce and economic development and the commissioner of health and social services.

(d) The department may specify in a permit the terms and conditions under which waste material may be disposed of. The terms and conditions shall be directed to avoiding pollution and to otherwise carry out the policies of this chapter. No permit may be effective for a period in excess of five years from the date of issuance.

(e) If the department has certified a National Pollutant Discharge Elimination System permit under sec. 401 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. sec. 1341), and the United States Environmental Protection Agency has issued that permit to a person, the department may waive the requirements of this section, and adopt the federal permit as the permit required under § 100 of this chapter. (§ 3 ch 120 SLA 1971; am § 6 ch 104 SLA 1971; am § 116 ch 218 SLA 1976; am §§ 4, 5 ch 220 SLA 1976)

Effect of amendments. — The first 1976 amendment substituted "commissioner of commerce and economic development" for "commissioner of economic development" in subsection (c).

The second 1976 amendment inserted "or on forms prescribed by the United States Environmental Protection Agency" in the first sentence of subsection (a) and added subsection (e).

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:20

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 4/16/85, 8:30 am
" " " " 4/23/85, 8:30 am

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM April 12, 1985

SUBJECT: Sectional analysis of HB 331

TO: Representative David Thompson

FROM: Edward H. Hein EHH
Legislative Counsel

Section 1 makes the theft of commercial fishing gear, regardless of the value of the gear, a form of theft in the second degree, which is classified as a class C felony.

Section 2 establishes a presumptive sentence of one year imprisonment for conviction of theft of commercial fishing gear if it is the defendant's first felony conviction of any kind.

Section 3 provides that the sentence imposed for theft of commercial fishing gear that is the defendant's first felony conviction of any kind may not be suspended, imposition may not be suspended, and the sentence may not be reduced except as provided in AS 12.55.155 - 12.55.175.

Section 4 allows the court to reduce to zero years or increase to five years the presumptive one-year sentence for theft of commercial fishing gear if factors in mitigation or aggravation are established.

Section 5 requires the court, in sentencing a person convicted of theft of commercial fishing gear, to take away the person's commercial fishing license and all limited entry permits. Upon a first or second conviction of theft of a commercial fishing gear, the person becomes ineligible for issuance or transfer of a commercial fishing license or limited entry permits for three years. A third conviction of the offense makes the person permanently ineligible for issuance or transfer of a commercial fishing license or limited entry permits.

EHH:csh
c3/099

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: HB 331 April 23, 1985

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Frank Gorham	Pouch N	Public Safety	Yes	465-4322
Lisa Nelson				
Cynthia Nelson				
Cass Parsons				

```
*                                                                  *
* DELIVER TO: TCJNU                                                *
*                                                                  *
*                                                                  *
* ORIGINAL                                                         *
* SENT:          04/23/85  TIME: 10:04                             *
* FROM:          LIOKOD                                            *
* SUBJECT:       KODIAK FINAL STATS                                *
* PRINT DATE:    04/23/85  TIME: 10:04                             *
*                                                                  *
*******************************************************************
```

*** FINAL T/C STATS ***

DATE: ___APRIL 23, 1985_____
SITE: ___KODIAK L.I.O._____
SPONSOR: ___HOUSE SPECIAL COMMITTEE ON FISHERIES_____
SUBJECT: ___HB 331 - THEFT OF COMMERCIAL FISH GEAR____
LOCAL MODERATOR: __MARY JO AND LORNA_____

****

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
1. DAVID SHRADER,	412 WILLOW ST., KODIAK 99615,	486-5819

****

TESTIFIED: ___1_____
OBSERVED: ___0_____
TOTAL: ___1_____

TIME START: 8:30AM
TIME END: 9:50AM

Hein
4/22/85 ✓

Original sponsors: Thompson, Sund
and Marrou

IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE
ON FISHERIES

CS FOR HOUSE BILL NO. 331 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the theft of commercial fishing gear."

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

* Section 1. AS 12.55.045 is amended by adding a new subsection to read: 16.43.990 (4)

(d) In a case in which the defendant is convicted of a violation of AS 11.46.100 - 11.46.190 and in which the property that is the subject of the offense is commercial fishing gear, the court shall consider the victim's need for, and may order, restitution that may include compensation for loss of income.

Marrou am

* Sec. 2. AS 12.80.050 is amended by adding a new subsection to read:

(c) In a prosecution for a violation of AS 11.46.100 - 11.46.190 in which the property is commercial fishing gear, the gear shall be returned to the owner as soon as possible, and photographs of the gear shall be used as evidence in place of the actual gear.

* Sec. 3. AS 16.05.710 is amended by adding a new subsection to read:

(b) Upon a conviction of a person for a violation of AS 11.46.-100 - 11.46.190 in which the property is commercial fishing gear, the court may, in addition to the penalty imposed by law, order a suspension of the person's commercial fishing privileges.

Upon a second conviction

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HB 331

Title: "An Act relating to theft of commercial fishing gear."

Sponsor: Thompson

Requestor: Special Comm. on Fisheries

Date of Request: 4/15/85

FISCAL DETAIL

Agency Affected: Public Safety

Program Category Affected: NRMEC

BRU, Program or Subprogram(s) Affected: Fish & Wildlife Protection

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Marcia Lynn McKenzie — Phone: 465-4350

Division: Administrative Services — Date: 4/15/85

Approved by Commissioner: Robert J. Sundberg — Date: 4/15/85

Agency: Public Safety

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

7/1/84

KODIAK ISLAND BOROUGH
RESOLUTION NO. 85-34-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING SENATE BILL 245 AND HOUSE BILL 331 CONCERNING THE THEFT OF COMMERCIAL FISHING GEAR.

WHEREAS, Senate Bill 245 and House Bill 331 have been introduced and provide a definition for theft of commercial fishing gear as a crime of theft in the second degree, and

WHEREAS, this crime is then punishable, upon conviction, by a sentence of a term of imprisonment of not more than five years and forfeiture of commercial fishing license and all limited entry permits, and

WHEREAS, theft of commercial fishing gear is an ongoing problem and a real detriment to the financial stability of Kodiak Island's large fishing fleet, and

WHEREAS, this problem has become even more serious with the limited amounts of fish resources available for harvest.

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that Senate Bill 245 and House Bill 331 should be passed by the Legislature and signed into law, and

BE IT FURTHER RESOLVED that copies of this resolution be sent to the following individuals:

Honorable Bill Sheffield, Governor of Alaska
Honorable Patrick Rodey, Chairman, Senate Judiciary Committee
Honorable Arliss Sturgulewski, Chairman, Senate Resources Committee
Honorable M. M. Miller, Chairman, House Judiciary Committee
Honorable Albert P. Adams, Chairman, House Finance Committee
Honorable Fred F. Zharoff, Senator District N
Honorable David W. Thompson, Representative District 27

PASSED AND APPROVED this 4th day of April, 1985.

KODIAK ISLAND BOROUGH

By Thomas H. Peterson
Borough Mayor

ATTEST:

By Shirley Miller, CMC
Borough Clerk

IN THE HOUSE BY GOLL

HOUSE CONCURRENT RESOLUTION NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

Relating to Pacific Fisheries Legislative Task Force.

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

WHEREAS the fishing industry plays a vital role in the economy of the state, and Alaska's fisheries resources provide a primary source of recreation and nutrition for citizens throughout the state; and

WHEREAS the increasing federal intervention into management of fisheries resources and the protection of Pacific salmon for future generations are both concerns that the state shares with other West Coast states; and

WHEREAS other West Coast states have joined together to form the Pacific Fisheries Legislative Task Force, whose purpose is to consider and forge positions on issues of common concern relating to the West Coast fisheries; and

WHEREAS Alaska has been requested to participate in this common effort; and

WHEREAS the Pacific Fisheries Legislative Task Force will serve as a clearing house for opinions and issues related to the West Coast fisheries;

BE IT RESOLVED by the Alaska State Legislature that the President of the Senate shall appoint two senators, and the Speaker of the House of Representatives shall appoint two representatives, to serve on the Pacific Fisheries Legislative Task Force; and be it

FURTHER RESOLVED those appointed as members shall report back to the Second Session of the Fourteenth Alaska State Legislature on the activities of the Pacific Fisheries Legislative Task Force.

BILL BRADBURY
COOS, CURRY, DOUGLAS COUNTIES
DISTRICT 24

REPLY TO ADDRESS INDICATED:
☐ Senate Chamber
Salem, Oregon 97310-1347
☐ P.O. Box 1498
Bandon, Oregon 97411

COMMITTEES
Chairman:
Energy and Natural Resources
Vice-Chairman:
Joint Water Policy
Member:
Revenue
Agriculture and Forestry

OREGON STATE SENATE
SALEM, OREGON
97310-1347

April 2, 1985

The Honorable Peter Goll
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Representative Goll:

Oregon has enacted Pacific Fishery Legislative Task Force legislation (HJR 2 enclosed).

We kept costs to a minimum (about $4,000 for a two year period) by limiting meetings to four per year, requiring use of existing legislative staff (California Senate Research has offered to staff it free) and generally focusing on getting legislators together to talk about regional fishery management problems.

I have also enclosed a copy of the California Senate Concurrent Resolution No. 22 and a letter from its chief sponsor, Senator Mello, outlining California's offer to staff the Task Force.

At such a low cost, hope you can join us.

My Best,

Bill Bradbury
State Senator

A-Engrossed

House Joint Resolution 2

Ordered by the Senate March 5
Including House Amendments dated February 1 and Senate Amendments dated March 5

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of House Task Force on Fishery Resources)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Directs President of the Senate and Speaker of the House of Representatives to appoint, respectively, two Senators and two Representatives to serve on Pacific Fisheries Legislative Task Force.

Prescribes operative date.

JOINT RESOLUTION

Whereas fishing on the Pacific Coast plays a vital role in economic development; and

Whereas there is an obvious need for developing means for protecting and fostering Pacific fishing so as to maximize yield while protecting the resource for future generations; and

Whereas the subjects that require interstate cooperation are many and know no state boundaries; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) The President of the Senate and the Speaker of the House of Representatives, joining with the presiding officers of other jurisdictions, shall appoint, respectively, two Senators and two Representatives to represent Oregon on the Pacific Fisheries Legislative Task Force, which shall operate as a clearinghouse for opinion from all the various interests involved in Pacific fishing, and which shall include among its duties the duty to report to the legislatures of the participating jurisdictions and to the state delegations in the United States Congress concerning means of protecting and fostering Pacific fishing in the participating jurisdictions.

(2) Participation in the activities of the task force by individuals appointed to represent the State of Oregon is subject to the following conditions:

(a) Members may not attend more than four meetings in each calendar year.

(b) Members must use existing staff personnel for administrative support work.

(c) Members shall receive no compensation or per diem for service as a member, but may receive actual and necessary travel and other expenses incurred in the performance of their official duties.

(3) This resolution does not become operative until appropriate action is taken by two of the states to create a Pacific Fisheries Legislative Task Force.

(4) Copies of this resolution shall be sent to the presiding officers of the legislatures of Washington, California and Alaska.

NOTE: Matter in **bold face** in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.

Senate

California Legislature

HENRY J. MELLO
SEVENTEENTH SENATORIAL DISTRICT

Senate Majority Whip

March 14, 1985

The Honorable Bill Bradbury
Oregon State Senate
State Capitol
Salem, Oregon 97310

Dear Senator Bradbury:

Thank you for calling to discuss the formation of the Pacific Fisheries Legislative Task Force. The prospect of a combined western states' legislative effort to address the Pacific Coast fishing industry is an exciting one.

Enclosed is a copy of my Senate Concurrent Resolution 22, which authorizes California's participation in the Task Force. The measure is largely being co-authored by the California Legislative Joint Committee on Fisheries and Aquaculture and is being sponsored by the Pacific Coast Federation of Fishermen's Association. The Resolution may be acted upon after April 7th.

As you know, I intend to amend the bill to clarify funding of the Task Force and to invite the Task Force to locate its headquarters in Sacramento.

It is my understanding that Greg de Giere has discussed staffing the Task Force through the Senate Office of Research, to the extent that funds are available and that the work is consistent with the Office's other functions, with the SOR Director, Elizabeth Kersten.

I look forward to working with the various states on this issue. The combined effort will provide unity and strengthen the western states' influence on relevant issues.

Sincerely,

Henry J. Mello

HENRY J. MELLO

HJM:TBC:lle

Enclosure: SCR 22

cc: Senator Barry Keene
Senator Milton Marks
Assemblyman Gerald Felando
Assemblyman Dan Hauser
Assemblyman Jim Costa
Assemblyman Sam Farr
Mr. J. William Yeates, PCFFA
Elizabeth Kersten, Director
Senate Office of Research
Mr. Greg de Giere, Senate
Office of Research

STATE CAPITOL
SACRAMENTO, CA 95814
(916) 445-5843

1200 AGUAJITO ROAD
MONTEREY, CA 93940
(408) 373-0773

701 OCEAN STREET
SANTA CRUZ, CA 95060
(408) 425-0401

[illegible] CHURCH STREET
SALINAS, CA 93901
(408) 757-4169

7305-G MONTEREY STREET
GILROY, CA 95020
(408) 848-1437

Introduced by Senator Mello
(Principal coauthors: Assembly Members Felando and Hauser)
(Coauthors: Senators Keene and Marks)
(Coauthors: Assembly Members Costa and Farr)

February 28, 1985

Senate Concurrent Resolution No. 22—Relative to the Pacific Fisheries Legislative Task Force.

LEGISLATIVE COUNSEL'S DIGEST

SCR 22, as introduced, Mello. Pacific Fisheries Legislative Task Force.

This measure would require the Senate Rules Committee and the Assembly Rules Committee to appoint 2 Senators and 2 Assembly Members, respectively, to represent the California Legislature on the Pacific Fisheries Legislative Task Force and to make funds available, in equal amounts, from the Senate Contingent Fund and the Assembly Contingent Fund, respectively, for the California share of the task force expenses.

Fiscal committee: no.

WHEREAS, The fishing, seafood, and aquaculture industries of the Pacific states and provinces of North America play a vital role in the economy of the region; and

WHEREAS, There is an obvious need to develop means for protecting and fostering these industries to maximize yield while protecting the resources for future generations; and

WHEREAS, The establishment of a task force composed of legislators of Pacific states and provinces would serve as a clearinghouse for opinions from all the interests involved in the Pacific fishing, seafood, and aguaculture industries, including reporting to the legislatures of the participating states and provinces and to their delegations to the United States Congress and the Parliament of Canada concerning means of fostering and protecting those industries in the region; now, therefore, be it

Resolved by the Senate of the State of Califonia, the Assembly thereof concurring, That the Senate Rules Committee and the Assembly Rules Committee, shall appoint two Senators and two Assembly Members, respectively, to represent the California Legislature on the Pacific Fisheries Legislative Task Force; and be it further

Resolved, That the Senate Rules Committee and the Assembly Rules Committee shall make funds available, in equal amounts, from the Senate Contingent Fund and the Assembly Contingent Fund, respectively, for the payment of the California share of expenses for the task force; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the presiding officers of the legislative bodies of British Columbia, Hawaii, Idaho, Oregon, and Washington.

O

Alaska State Legislature

House of Representatives

House Judiciary Committee

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4990

March 9, 1985

The Honorable Bill Bradbury
Oregon State Senate
Salem, Oregon 97310-1347

Dear Senator Bradbury:

Thank you for your recent letter regarding the proposed Pacific Fisheries Legislative Task Force for West Coast states.

The idea may have merit. I have taken the liberty of forwarding copies of your letter to Speaker of the House Ben Grussendorf; Rep. Peter Goll, chairman of the House Special Committee on Fisheries; Rep. Adelheid Herrmann, Co-Chairman of the House Resources Committee; Sen. Arliss Sturgulewski, Chairwoman of the Senate Resources Committee; Sen. Fred Zharoff, member of the Senate Finance Committee; and Rep. John Sund, one of our most knowledgeable fisheries experts in the Legislature, who chairs the House Committee on Loans.

If these Alaska legislators believe that the idea has merit and will be of benefit to Alaska, I would give serious consideration to a resolution similar to Oregon's HJR 2.

Sincerely,

Rep. M. Mike Miller
Juneau/District 4

cc: Rep. Ben Grussendorf
Rep. Peter Goll
Rep. Adelheid Herrmann
Rep. John Sund
Sen. Arliss Sturgulewski
Sen. Fred Zharoff

BILL BRADBURY
COOS, CURRY, DOUGLAS COUNTIES
DISTRICT 24

REPLY TO ADDRESS INDICATED:
☐ Senate Chamber
Salem, Oregon 97310-1347
☐ P.O. Box 1499
Bandon, Oregon 97411

COMMITTEES
Chairman:
Energy and Natural Resources
Vice-Chairman:
Joint Water Policy
Member:
Revenue
Agriculture and Forestry

OREGON STATE SENATE
SALEM, OREGON
97310-1347

February 8, 1985

The Honorable Mike M. Miller
Alaska State Legislature
Capitol, room 124
Juneau AK 99811

Dear Representative Miller:

There is one thing that all West Coast states share and that is our precious salmon resource. With the advent of federal/regional management of that resource, it seems wise for legislators from the affected states to meet on a regular basis to discuss matters of common concern and work toward positive solutions. Many of us on the West Coast of the lower forty-eight are hoping to create the Pacific Fisheries Legislative Task Force and we are hoping that Alaska will join us.

I have enclosed the amended House Joint Resolution 2 which establishes Oregon as a member of the Pacific Fisheries Legislative Task Force. Two senators and two representatives would meet on a regular basis with senators and representatives from other West Coast states to deal with the problems confronting our West Coast fishery.

In Oregon the bill creating the Pacific Fisheries Task Force has already moved out of committee toward the floor of the House where it is likely to be overwhelmingly approved. A similar resolution has been introduced in the State of California and numerous Washington legislators have expressed strong interest in the concept. I hope Alaska will join us.

The closest working model for the Fishery Task Force would be the Western States Legislative Forestry Task Force which meets in one of the western states quarterly and travels annually back to Washington, D.C. to discuss federal land management issues with the land managers in Washington. This Task Force was formed because so many of our western states have such large federal land ownership that the federal land management agencies are very important to our economic future. It seemed important for

legislators from the member states to stay on top of federal actions and work in a unified manner for positive changes. I believe the same can be said almost exactly for the state of our fishery today. There is increased federal control and management by region rather than management by state. It makes sense for all of us to communicate about these important issues that affect the vital fishing industry.

The funding model we are tentatively pursuing is that for the Pacific Marine Fisheries Commission. This formula assesses most of the costs of the task force on a flat per state basis but does adjust it slightly based on the amount of fish landings made in each state each year. There is also a provision that allows a noncoastal state to be a member for 5% of the total budget.

Given all the recent activities surrounding the U.S./Canada fish treaty we also have hopes of having the provincial government of British Columbia join the task force. If California, Oregon, Washington, British Columbia and Alaska all join I'm sure we will have plenty to talk about.

I hope you will give membership in the Pacific Fisheries Legislative Task Force serious consideration during this session of the Alaska legislature. I look forward to working with you on this important matter.

My Best,

Bill Bradbury
State Senator

Amended 1/29/85
Senator Bill Bradbury

63rd OREGON LEGISLATIVE ASSEMBLY--1985 Regular Session

House Joint Resolution 2

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of House Task Force on Fishery Resources)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Directs President of the Senate and Speaker of the House of Representatives to appoint, respectively, two Senators and two Representatives to serve on Pacific States Legislative Fishery Task Force.

JOINT RESOLUTION

Whereas fishing on the Pacific Coast plays a vital role in ~~Whereas the commercial fishing industries of the Pacific states play a vital role in the economic development of these states;~~ and economic development; and

Whereas there is an obvious need for developing means for protecting and fostering ~~these commercial~~ Pacific fishing ~~industries~~ so as to maximize yield while protecting the resource for future generations; and

Whereas the subjects that require interstate cooperation are many and know no state boundaries; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) The President of the Senate and the Speaker of the House of Representatives, joining with the presiding officers of the ~~legislatures of Washington, California and Alaska~~ other jurisdictions, shall appoint, respectively, two Senators and two Representatives to represent Oregon on the Pacific States Legislative ~~Fishery~~ Fisheries Task Force, which shall operate as a clearinghouse for opinion from all the various interests involved in ~~the Pacific states commercial~~ fishing ~~industries~~ and which shall include among its duties the duty to report to the legislatures of the participating ~~states~~ jurisdictions and to the state delegations in the United States Congress concerning means of protecting and fostering ~~the commercial fishing industries of the participating states~~ Pacific fishing in the participating jurisdictions.

(2) Copies of this resolution shall be sent to the presiding officers of the legislatures of Washington, California and Alaska.

NOTE: Matter in **bold face** in an amended section is new matter [*italic and bracketed*] is existing law to be omitted.

FISCAL AND/OR ORGANIZATIONAL
ANALYSIS OF HB 2112 BAM Analyst WATTS

Please check the action taken, complete if possible, and return one copy to the Budget and Management Division and one copy to the Legislative Fiscal Office.

X Fiscal and/or organizational; analysis given below.

_____ Unable to anticipate costs. (Explain under "Comments" below.)

_____ No fiscal or organizational impact to the agency or state and local governments.

Effect on Revenue (By Fund):	1985-87 $	1987-89
820500 General Fund Appropriation	$27,982	$29,241

Effect on Expenditures (By Fund):	1985-87 $	1987-89
Legislative Administration Committee		
920500 Instate Travel	$ 2,140	$ 2,236
921000 Out Of State Travel	9,680	10,116
929000 Other Services & Supplies	16,162	16,889
Total	27,982	29,241

Organizational Impact:

NA

Positions: What new positions or changes in levels of positions does the proposal require?

NA

Governor's Budget: Is the proposal anticipated in the Governor's Budget? Yes ___ No X

Comments:

The projected expenditures for the Pacific States Legislative Fishery Task Force consists of travel to quarterly meetings and membership dues. Membership dues cover Oregon's share of the task force's budget.

Prepared by Marlene Jack [illegible], Agency Legislative Administration

Title Accounting Manager Date February 4, 1985

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

DRAFT

Revision Date:

REQUEST:
Bill/Resolution No.: CS HB 331 (Fisheries)
Title: "An Act relating to the theft of commercial fishing gear."
Sponsor: Representative Thompson
Requestor: House Special Committee/Fisheries
Date of Request: April 12, 1985

FISCAL DETAIL:
Agency Affected: DEPARTMENT OF CORRECTIONS
Program Category Affected: Administration of Justice
BRU, Program or Subprogram(s) Affected: Offender Confinement, Reformation and Supervision

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

This legislation will have no fiscal impact on the Department of Corrections.

Prepared By: William W. Ladwig — Phone: 465-3376
Division: Deputy Commissioner - Administration — Date: April 22, 1985

Approved by Commissioner: — Date: April 22, 1985
Agency: DEPARTMENT OF CORRECTIONS

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency (ies)

7/1/84

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.

James O. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:21

Alaska State Legislature

House of Representatives

SPECIAL

COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: February 18, 1986 HB 355, HB 411

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Bob Clasby	Box 3-2000 Juneau	Fish + Game	Yes	4210
Beth Stewart/Roland Shanks	Box 3-2000 Juneau	Fish & Game	answer Q's on 411 if required	465-4110

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : 2/14/86

REQUEST

Bill/Resolution No. : HB 355
Title : ... Authorizing the establishment of onboard observer programs ...
Sponsor : Thompson
Requestor : House Special Comm. on Fisheries
Date of Request : 2/14/86

FISCAL DETAIL

Agency Affected : Fish & Game
BRU : Fisheries Resource Conservation
Components : Commercial Fisheries

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		278.2	313.5	353.3	398.2	448.8
TRAVEL		18.0	20.3	22.8	25.7	29.0
CONTRACTUAL		2.2	2.5	2.8	3.2	3.6
SUPPLIES		2.8	3.2	3.6	4.1	4.6
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS		-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS		-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING		301.2	337.0	382.5	431.2	486.0
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND		101.2	-0-	-0-	-0-	-0-	*
FEDERAL FUNDS							
OTHER		200.0	337.0	382.5	431.2	486.0	
TOTAL		301.2	337.0	382.5	431.2	486.0	

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

*(See attached sheet)

Prepared by : Robert C. Clasby
Division : Commercial Fisheries
Phone : 465-4210
Date : 2/14/86

Approved by Commissioner :
Agency : Fish and Game
Date : 2/18/86

Distribution (by Agency preparing fiscal note) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

10/25 35

Analysis:

This fiscal note shows a reduction in expenses and change in funding source from the fiscal note dated 2/4/86. The expenditures have been reduced by 98.8 thousand dollars for FY 87, and reflected through FY 91, based on the assumption that the NMFS will fund an onboard observer program for the Pacific cod fishery in the Bering Sea. The funding sources have been changed to show 200.0 thousand dollars as coming from the Fish and Game fund. This change is based on the assumption that the 200.0 thousand dollars from the civil settlement of the Baranof case will be approved by Legislative Budget and Audit for expenditure on the onboard observer program for FY 87. The "other" funding source for FY 88 through FY 89 is based on the assumption that the State of Alaska and the Federal Government will develop a funding mechanism that is acceptable to the fishing industry and will ensure adequate coverage of fisheries that take place in both state and federal waters.

Salmon catch sampling, such as the program for the South Unimak and Shumagin Islands fishery, is not covered under this fiscal note, as that program is funded under the Division of Commercial Fisheries operational budget.

LETTER OF INTENT FOR CSHB 355

The Legislature believes it is critical that the state's onboard observer program be funded through a variety of sources and not be entirely dependent upon direct funding from the state and federal treasuries. The Legislature respectfully requests the commissioner of the Department of Fish and Game to thoroughly explore the following funding concepts: (1) reasonable fees upon the fishing fleets for which the observer coverage is targeted; (2) fines and confiscation of vessels, gear and catches resulting from fishing violations in state and federal waters; and (3) the limited sale of "prohibited species" bycatches from vessels utilizing state-certified observers. The commissioner is requested to report back to the Legislature with the results of this study not later than January 31, 1987.

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: Feb 11, 1986 HB 355

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Bob Clasby	Box 3-2000 Juneau	Fish + Game	Yes	4210
Rick Lambert	Bx 1625 - Juneau	P.S.P.A.	YES	SPG-6766

Legislative Information and Teleconference Networks

SIGN-IN SHEET

Date: 2/11/86

Site/Location: Juneau

Sponsor/Subject: HB 355 On Board Fisheries Observers

Name/Representing	Address	Phone	Here to Testify	Here to Observe
Rep Gail				
Rep Thompson				
Barkley				
Merron				
Navarre				
Witness: Bob Clasby	Dept of Fish + Game	testifying at 9:40		
Rich Lauber	Pacific Seafood Processors Assoc			
Observers: 8				

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          02/11/86  TIME: 16:58                   *
* FROM:          LIODLG                                  *
* SUBJECT:       FINAL STATS                             *
* PRINT DATE:    02/11/86  TIME: 16:58                   *
*                                                        *
**********************************************************

DATE: FEBRUARY 11, 1986-TUESDAY
SITE: DILLINGHAM, ANNA MAY
SPONSOR\SUBJECT: HOUSE SPECIAL COMMITTEE ON FISHERIES, HB 355: ON
BOARD FISHERIES OBSERVERS

-2-  TESTIFIED      T\C STARTED 8:30 A.M.
-0- OBSERVED      T\C ENDED 10:00 A.M.
-2-  TOTAL

NAME\REPRESENTING    ADDRESS\PHONE
**************************************************************TE
1.  JOE MCGILL, WESTERN AK.  COOP., MARKETING ASSOC,  AND  UNITED
FISHERMEN ASSOC, DILLINGHAM, AK.99576
2. VAL ANGASAN, DILLINGHAM, AK.99576


          -----REGIONAL STATS-----
NAKNEK

-1- TESTIFIED
-0- OBSERVED
-1- TOTAL

NAME\REP. ADDRESS\PHONE
**********************************************************
NAKNEK
1. RALPH ANGASAN, BOX 334, KING SALMON, AK.99613, PH246-3371..EOM
```

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          02/11/86  TIME: 17:33                   *
* FROM:          TCMAT                                   *
* SUBJECT:       2/11 FNL STTS CRDVA/HB 355              *
* PRINT DATE:    02/11/86  TIME: 17:33                   *
*                                                        *
**********************************************************

                    *** FINAL T/C STATS***

     DATE: _____2/11/86_____________________________________
     SITE: _____CORDOVA_____________________________________
  SPONSOR: ___HOUSE SPEC COMTE_____________________________
  SUBJECT_____HB 355 - FISHERIES___________________________
  LOCAL MODERATOR__BARCLAY KOPCHAK-JONES___________________
**********************************************************
  TESTIFIED:
  NAME/REPRESENTING                ADDRESS          PHONE
1.PARTICIPANT DID NOT COME
**********************************************************
  OBSERVED:
  NAME/REPRESENTING              ADDRESS       PHONE

**********************************************************

TESTIFIED:__0_____                TIME START:_____________
 OBSERVED:__0_____                TIME END:_______________
    TOTAL:__0_____
```

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/11/86 TIME: 09:33
FROM: TCANC
SUBJECT: FINAL STATS-(H) FISHERIES COMM
PRINT DATE: 02/11/86 TIME: 09:33

*** FINAL T/C STATS ***

DATE: FEB 11, 1986
SITE: ANCHORAGE
SPONSOR: (H) COMMITTEE ON FISHERIES
SUBJECT: HB 355
LOCAL MODERATOR: DAVID

TESTIFIED:

NAME/REPRESENTING	ADDRESS			PHONE
JIM BRANSON	PO BOX 103136	ANCH	99510	274-4563
HENRY MITCHELL	632 CHRISTENSEN	ANCH		277-5845

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE

TESTIFIED: 02
OBSERVED: 00
TOTAL: 02

TIME START: 8:30A
TIME END: 10:00

DELIVER TO: TCJNU

ORIGINAL
SENT: 02/11/86 TIME: 10:06
FROM: LIOPSG
SUBJECT: FINAL STATS-2/11 FISH. T/C
PRINT DATE: 02/11/86 TIME: 10:08

*** FINAL T/C STATS ***

DATE: FEB 11, 1986
SITE: PETERSBURG
SPONSOR: (H) SPEC. COMM. ON FISHERIES
SUBJECT: HB 355 - ON BOARD OBSERVERS
LOCAL MODERATOR: CRIS

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE

NONE

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
1. MATT HOLMES/KFSK RADIO	BOX 149 PSG 99833	772-3808

TESTIFIED: 0
OBSERVED: 1
TOTAL: 1

TIME START: 8:30 AM
TIME END: 9:55 AM

EOM

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          02/11/86  TIME: 10:18                   *
* FROM:          ELAINE SUNDE                            *
* SUBJECT:       FINAL STATS                             *
* PRINT DATE:    02/11/86  TIME: 10:23                   *
*                                                        *
**********************************************************
```

TO LISA FR ELAINE/SITKA

FINAL STATS 2/11 HB 355

TESTIFYING IN SITKA:

1. BILL FROUST, ALASKA TROLLERS ASSOCIATION
   SR 3009 HPR, SITKA 99835
   747-8170

2. ERIC JORDAN, REPRESENTING SELF
   609 BIORKA, SITKA
   747-6743

3. ANN L. LOWE, TROLL PAC
   415 ARROWHEAD, SITKA
   747-8023

SUMMARY: 3 WITNESSES 0 OBSERVERS

```
*****************************************************************
*                                                               *
* DELIVER TO: TCJNU                                             *
*                                                               *
*                                                               *
* ORIGINAL                                                      *
* SENT:          02/11/86  TIME: 09:52                          *
* FROM:          LIOKOD                                         *
* SUBJECT:       KODIAK FINAL STATS                             *
* PRINT DATE:    02/11/86  TIME: 10:08                          *
*                                                               *
*****************************************************************
```

*** FINAL T/C STATS ***

DATE: ___FEBRUARY 11, 1986_____
SITE: ___KODIAK L.I.O._____
SPONSOR: ___HOUSE SPECIAL COMMITTEE ON FISHERIES_____
SUBJECT: ___HB 355: ONBOARD FISHERIES OBSERVERS_____
LOCAL MODERATOR: ___LORNA STEELMAN_____

****

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

1. JOHN PFEIFER/ KMXT RADIO STATION, P.O. BOX 484, KODIAK 99615
486-3181

****

TESTIFIED: ___0_____ TIME START: 9:00AM
OBSERVED: ___1_____ TIME END: 10:00AM
TOTAL: ___1_____

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/11/86  TIME: 10:01                               *
* FROM:          LIOBET                                              *
* SUBJECT:       FINAL STATS                                         *
* PRINT DATE:    02/11/86  TIME: 10:08                               *
*                                                                    *
**********************************************************************
```

FINAL STATS

T/C: HSC ON FISHERIES
SUBJECT: HB 355 ON BOARD FISHERIES OBSERVERS
DATE: 2-10-86
SITE: BETHEL
TIME IN: 8:27AM
TIME OUT: 10:00AM
MODERATOR: WALLY RICHARDSON

IN BETHEL TESTIFYING

1. DR. JOHN WHITE BOX 757 BETHEL, AK 99559 543-2926
   WESTERN ALASKA SALMON COALITION
2. HAROLD SPARK BOX 267 BETHEL, AK 99559 543-2856

OBSERVING

1. JEFF SANDERS BOX 527 BETHEL; AK 99559 543-2379
   WESTERN ALASKA SALMON COALITION

```
*                                                              *
* DELIVER TO: TCJNU                                            *
*                                                              *
*                                                              *
* ORIGINAL                                                     *
* SENT:          02/11/86  TIME: 10:39                         *
* FROM:          EVELYN JOHNSON                                *
* SUBJECT:       FINAL T/C STATS                               *
* PRINT DATE:    02/11/86  TIME: 10:39                         *
*                                                              *
****************************************************************
```

*** FINAL T/C STATS ***

DATE: ___FEBRUARY 11, 1986_____
SITE: ___KETCHIKAN LIO_____
SPONSOR: ___HOUSE SPECIAL COMMITTEE ON FISHERIES_____
SUBJECT: ___HB 355/ON BOARD FISHERIES_____
LOCAL MODERATOR: ___EVELYN JOHNSON_____

****

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

1. JIM BACON, SE SEINERS/UFA, BX 3065, KTN 99901 225-3723

****

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

NOTE: OUR PARTICIPANT WAS UNABLE TO TESTIFY/T/C TIME LIMITATIONS.

****

TESTIFIED: ____0____ TIME START: ___9:00 AM__
OBSERVED: ____1____ TIME END: ___10:00 AM
TOTAL: ____1____

```
**************************************************************
*                                                            *
```

```
**********************************************************************
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/18/86  TIME: 11:41                               *
* FROM:          LIOSOL                                              *
* SUBJECT:       NO PARTICIPANTS                                     *
* PRINT DATE:    02/18/86  TIME: 13:27                               *
*                                                                    *
**********************************************************************

                        * * * FINAL STATS * * *

DATE: 2/11/86
SITE: SOLDOT
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: BOARD OF FISHERIES

NO PARTICIPANTS FOR THIS TELECONFERENCE.
```

```
*                                                                    *
* DELIVER TO: TCJNU                                                  *
*                                                                    *
*                                                                    *
* ORIGINAL                                                           *
* SENT:          02/19/86  TIME: 08:26                               *
* FROM:          LIOSOL                                              *
* SUBJECT:       FINAL STATS                                         *
* PRINT DATE:    02/19/86  TIME: 08:26                               *
*                                                                    *
**********************************************************************
```

* * * FINAL STATS * * *

DATE: 2/11/86
SITE: HOMER
SPONSOR: HOUSE SPECIAL FISHERIES COMMITTEE
SUBJECT: BOARD OF FISHERIES

TESTIFIED:
1.PHIL MCCRUDDEN BOX 2271,HOMER,AK 99604

TOTAL TESTIFIED: 1
TOTAL OBSERVED:
TOTAL: 1

2/19

COMMITTEE REPORT

HOUSE

RESOURCES

FINANCE

(7)

FURTHER:

4/8/85

Date: 2-18-86

The Committee on HOUSE SPECIAL COMMITTEE ON FISHERIES has had HB 355

"An Act authorizing the establishment and implementation of onboard observer programs; and providing for an effective date."

under consideration and recommends:

[X] do pass [ ] do not pass

[ ] do pass with attached amendments(s)

[✓] replace with CS for HB 355 (Fish) [X] same title [ ] new title

and recommends Do pass

[X] AND attaches a "Letter of Intent" [✓] First New Fiscal Note Sep 88

[ ] Zero Fiscal Note Attached

[ ] reports it back without recommendation

[ ] referred to the _____ Committee

MEMBERS SIGNING DO PASS

Peter Joe

David W. Thompson

Mike Navarre

John Bishop

MEMBERS HAVING OTHER RECOMMENDATIONS:

Roger Jenkins No Rec

Al Marion No Rec.

Peter Joe

CHAIRMAN

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

February 18, 1986

Mr. Anthony Calio
NOAA Administrator
U.S. Department of Commerce
14th and Constitutional Avenue N.W.
Washington, D.C. 20730

Dear Mr. Calio:

The House Special Committee on Fisheries today approved legislation that would authorize an on-board observer program for domestic fishing vessels operating in Alaska waters. Since this is an issue of great concern to Alaska's fishing community, we are optimistic that the measure will be approved before the legislature adjourns in May.

We have directed the Alaska Department of Fish and Game to study methods of providing continuing funding for this program so it will not be solely dependent upon tax dollars in future years. The department also will be working closely with federal officials to ensure that we have a consolidated observer program in waters under state and federal jurisdictions.

The pilot program authorized by House Bill 355 will cost $300,000, but this falls far short of covering the basic immediate need for observer coverage on domestic fishing vessels in Alaska's 200-mile zone. Consequently, we strongly urge your endorsement of a request by the Alaska office of the National Marine Fisheries Service to allocate $250,000 for a pilot domestic observer program.

We hope to be working closely with the federal government in the structuring of a comprehensive on-board observer program that is funded through a variety of sources. Approval of these two pilot projects is essential to the establishment of a framework for an ongoing, cooperative effort.

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1256 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

Again, we strongly urge your support of the $250,000 NMFS pilot domestic fishing vessel observer program for Alaska waters. Thank you for your consideration of our request.

Sincerely,

Peter Goll
Chairman

c.c. Senator Ted Stevens
Senator Frank Murkowski
Representative Don Young

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 355
Title : An Act authorizing the Board of Fisheries to establish onboard observer program.
Sponsor : _____
Requestor : Governor
Date of Request : _____

FISCAL DETAIL

Agency Affected : Dept. of Fish & Game
BRU : Commercial Fisheries BRU and Components
Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		355.3	400.3	445.3	490.3	535.3
TRAVEL		37.5	42.5	46.3	50.9	55.3
CONTRACTUAL		3.2	3.2	3.8	4.0	4.3
SUPPLIES		4.0	4.0	4.6	4.8	5.1
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS		-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS		-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING		400.0	450.0	500.0	550.0	600.0
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND		400.0	450.00	500.0	550.0	600.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		0	0	0	0	0
PART-TIME		20	20	20	20	20
TEMPORARY		0	0	0	0	0

ANALYSIS : Attach a separate page if necessary

Prepared by : G W Thornbrugh
Division : Commercial Fisheries
Phone : 465-4210
Date : 1/30/86

Approved by Commissioner : _____
Date : _____
Agency : Department of Fish and Game

Distribution (by Agency preparing fiscal note) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

10/25/85

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 8, 1986

TO: Members, House Special Committee on Fisheries

FROM: Representative Peter Goll

SUBJECT: House Bill 355 (Onboard Observer Program)

House Bill 355 authorizes and funds an onboard observer program for the domestic fishing fleet under state jurisdiction. It will be considered at a public hearing at 8:30 a.m. Tuesday, February 11.

The legislation allows the state of Alaska to require that certain fishing operations have on-board observers hired by the state. The observers monitor catches coming aboard the vessel to gather biological information and to enforce some regulations.

The federal government now requires observers on foreign fishing operations in our 200-mile zone. The cost of the federal observer program is paid by the foreign fishermen through a fee process. The need for a program placing observers on domestic fishing vessels is a source of concern as American fishermen displace the foreign fleets in our offshore fisheries.

Under the terms of the Magnuson Fisheries Conservation Management Act, the federal government is precluded from assessing U.S. fishermen for more than the basic costs of administering the program. Their fees cannot be used to pay observer salaries, provide insurance coverage for sea duty or cover training costs.

The National Marine Fisheries Service recently submitted a $250,000 request to fund a pilot domestic observer programs, but the cost-cutting atmosphere currently surrounding the federal budgeting process raises many questions about whether the project will be funded.

The North Pacific Fishery Management Council may have discovered a mechanism that may help alleviate the funding issue. The NPFMC recently closed an area of the Bering Sea to domestic trawlers, except for vessels targeting on Pacific cod which have federal observers onboard. The U.S. fishermen will have to pay for the cost of the observers if they wish to fish in that particular area.

The Alaska fishing industry and state fisheries managers have been closely watching the progress with the federal program. The offshore trawl and pot fishing operations can catch large numbers of "incidental" species as they target on stocks, such as pollock, sole and crab. Since these incidental catches include salmon, halibut, sablefish and crab, the support on the state level for a domestic observer program appears to be very widespread.

Trawl and pot fishermen are prohibited from keeping most of the higher value species taken as incidental catches, although most are dead by the time they are hauled aboard the vessels. Many of the offshore fisheries have incidental catch lids that will close the target fishery once a certain number of so-called "prohibited species" are taken. A primary function of the onboard observers is to monitor the incidental catch and take of these prohibited species. Many Alaskans who depend on these higher value "prohibited species" obviously favor the close monitoring.

The observer data also can benefit the trawl fleet because fisheries managers are conservative unless solid, unbiased information is available. Unverified reports from trawlers that they have reduced incidental catches in a particularly fishery often are not sufficient to convince managers to allow more fishing time.

Since the state only has clear jurisdiction over fishing vessels that operate within three miles of our coastline, a state observer program must be accompanied by a cooperative agreement with federal authorities to be truly effective. Jim Branson, executive director of the NPFMC, is confident that federal officials would be pleased to work with the state under a cooperative program.

The Alaska Board of Fisheries has established authority for a state-run domestic observer program by regulation (5 AAC 39.141). House Bill 355 clearly establishes statutory authority for such a program and provides funding (fiscal note attached) for implementation.

ADF&G

On-Board Observer Program for groundfish and shellfish fisheries in the Central Gulf of Alaska, Alaska Peninsula and Bering Sea, and Southeast Alaska.

This document is designed to provide information and guidance for administrators in preparation of a budget document for a Westward groundfish--shellfish observer program. Attached is a detailed operational plan for groundfish observation procedures including the purpose, objectives and detailed sampling procedures. Included also is a table showing the proposed scheme of effort distribution relative to quarter, management area and species for the proposed budget by line item.

The primary purpose of this observer effort would be to monitor and document the composition of catches as they come aboard commercial groundfish and shellfish vessels during fishing operations. This purpose would be achieved through accomplishment of the following objectives:

1. Monitor the composition and catch per effort of target, incidental and prohibited species catches made by commercial shellfish-groundfish operations relative to time and area fished.

2. Study the spatial and temporal distribution of prohibited species catches in an effort to determine if cyclic spatial and/or temporal relationships can be detected for specific species groups.

3. Distribute observer effort on the various species based on the times and areas of primary fleet emphasis.

4. Work closely with the various user groups to learn the problem areas relative to prohibited species by-catches and the extent to which the fleet can avoid these species.

5. Continue to evaluate the sampling strategy, data collection procedures, and sampling methodologies used to collect, record and summarize shipboard observer data.

6. **Determine the statistical validity of expanding prohibited species catch rates into the catch by the total fleet on a time-geographic area basis. Revise existing procedures, if necessary.**

7. **Continue to develop summaries and overviews of observer results. Attempt to develop routine summaries which answer the many questions posed by the various user groups.**

8. **Attempt to improve the data exchange on observer results with NMFS. The goal of this coordination would be to develop an integrated observer reporting system which includes the domestic as well as joint venture and directed foreign fishing effort.**

9. **Develop a data summarization program with the flexibility to summarize the accumulated data base on any desired group of parameters so as to satisfy needs of diverse user and agency groups.**

This observation effort would be allocated quarterly on a prioritized basis among four fisheries management areas (Kodiak-Chignik, South Alaska Peninsula, the Bering Sea, and Southeast Alaska, and six species (Pacific cod, pollock, Tanner crab, Dungeness crab, king crab and sablefish). In terms of species priority, the catcher processing operations targeting on king crab, cod and pollock would have first priority, with the shore-based fleet targeting on cod and pollock having second priority. Effort would be most intense during the April-June quarter due to heavy effort for pollock and sablefish, with the least effort scheduled during the June-September quarter when the primary effort is for Pacific cod in the Bering Sea. This prioritization scheme is incorporated into the effort distribution table (Table 1) by quarter, management area and species group.

A breakdown of cost factors for this proposed observer effort by line item is shown in Table 2. Review of the proposed expenditures by line item shows that 88% of the costs would be in personnel services. These personnel services costs are based on Fishery Technician III salaries and the observers being paid sea pay for seven days a week during one-half of their total employment period. Sea pay is presently paid at the rate of 3.5 hours per weekday at sea

and 15 hours per weekend day or holiday while at sea. This calculates to 85 hours per full week at sea including base pay.

As mentioned above, this observation effort would be distributed over five fisheries-Pacific cod, king crab, pollock, sablefish and Tanner crab. The fisheries for cod and pollock use bottom trawl gear, those for king and Tanner crab utilize pots, and that for sablefish utilizes bottom trawls, longline gear as well as pots. While the majority of observation effort would be in the trawl and crab pot fisheries due to their higher potential for prohibited species catches, effort would be expended in the sablefish longline fishery on a time available basis due to its potential for catching halibut.

The final product of the observer data collection procedure would be estimates of the total catches of each species by haul. These estimates are coupled with the basic haul parameters from each tow via an integrated Lotus/R-base program which can summarize catches according to nearly any desired group of variables. In-depth operational plans for observation procedures including subsampling, effort distribution and data handling protocols trawl, have been developed and are available for use in this program.

Table 1. Distribution of FY 1987 shellfish and groundfish on-board observer effort (man-months) by quarter, management area, and species group.

Area	Species Group	Quarter Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Kodiak	PC-Pol	6	8	-	8
	Tanner	2	-	-	-
	Dungeness	-	2	0.5	-
	Sablefish	-	2	-	-
Shumagin	PC-Pol	2	2	2	-
	Tanner	2	-	-	-
Bering Sea	PC-Pol	3	9	6	3
	Tanner	-	-	-	-
	King Crab	-	-	-	2
Southeast	Rockfish	1.5	2	0.5	1.5
	Sablefish	-	2	0.5	-
	Flatfish	1.5	-	-	1.5
Totals		18	27	9.5	16

Table 2. Shipboard observer cost distribution.

ON-BOARD OBSERVER PROGRAM
Shellfish/Groundfish FY87
Proposed Expenditures

LINE ITEM			COST
100 Personal Services			
FB I - 6.0 MM @ 2518/mo.			$ 15.1
FT III - 64.6 MM @ $2185/mo.			140.9
900 hrs. sea pay @ 16.78/hr	(2 FB I's)		15.1
7316 hrs. sea pay @ 13.14/hr	(18 FT III's)		96.1
			267.2
Employee Benefits @ 33%			88.1
		Total	$355.3
200 Travel			
18 Roundtrip Kodiak-Dutch Harbor @ $854			$ 15.4
1080 days per diem on vessels @ 20			21.6
6 days commercial per diem @ $80			0.5
		Total	$ 37.5
300 Contractual Services			
Xerox charges			$ .6
Contingency inter-island air charter			1.0
Telephone charges			0.8
Printing of forms			0.2
Computer supplies			0.6
		Total	$ 3.2
400 Commodities			
Sampling Equipment:			
Plastic baskets			$ .5
Scales			.5
Repair & equipping of survival equipment			.6
Misc. sampling equipment			.4
Raingear			.5
Professional and scientific supplies			1.5
		Total	$ 4.0
		GRAND TOTAL	$400.0

5 AAC 39.141. ONBOARD OBSERVER PROGRAM. (a) The Board of Fisheries finds that, in particular fisheries, observers on board fishing vessels would greatly enhance management, primarily by facilitating information gathering, and by improving regulatory compliance. Onboard observers may be the only practical fishery monitoring, data-gathering, or enforcement mechanism in some Alaska fisheries where a large component of vessels, such as catcher/processors and floating processors, rarely or never enter Alaskan ports. The Board of Fisheries, therefore, finds it necessary to authorize the Alaska Department of Fish and Game to implement onboard observer programs in particular fisheries when the board determines that it

(1) is the only practical data-gathering or enforcement mechanism;

(2) will not unduly disrupt the fishery; and

(3) can be conducted at a reasonable cost.

(b) Onboard observers of the Departments of Public Safety and Fish and Game shall have free and unobstructed access to inspect the catch, equipment, gear or operations of the fishing vessel, tender or processor to which assigned while that vessel is

(1) within waters under the jurisdiction of the state;

(2) taking or intending to take any species of fish; or

(3) transporting or processing any species of fish.

(c) Onboard observers must be as unintrusive to vessel operations as practicable and must make the scheduling and scope of their activities predictable and practicable.

(d) Onboard observers are not required to obtain criminal or administrative search warrants to conduct their duties.

(e) Onboard observers shall carry out such scientific and other duties as deemed necessary or appropriate to manage, protect, maintain, improve, and extend the fish and aquatic plant resources of the state.

Authority: AS 16.05.251

5 AAC 39.145. ESCAPE MECHANISM FOR SHELLFISH AND BOTTOMFISH POTS. A sidewall of all shellfish and bottomfish pots must contain an opening with a perimeter equal to or exceeding one-half of the tunnel eye opening perimeter. For shrimp pots, the opening may be on the top of the pot. The opening must be laced, sewn, or secured together by untreated cotton twine or other natural fiber no larger than 120 thread. Dungeness crab and shrimp pots may have the pot lid tie-down strips secured to the pot at one end by untreated cotton twine no larger than 120 thread, as a substitute for the above requirement.

Authority: AS 16.05.251
AS 16.10.125

MEMORANDUM State of Alaska

DRAFT

TO: Molly McCammon
Special Staff Assistant
Office of the Governor

DATE: February 4, 1986

FILE NO:

TELEPHONE NO: 465-4100

FROM: Steven Pennoyer
Deputy Commissioner
Department of Fish and Game

SUBJECT: Onboard Observer Bills, SB 79 and HB 355

Enclosed is a bill analysis and fiscal note for HB 355, Representative Thompson's onboard observer bill. It is identical to the department's bill, SB 79, except that it contains no provision to fund the observer program through a fee structure system, or any other method.

During the last few years, there has been a growing interest, on the part of the public and the federal and state agencies, to develop an onboard observer program for the domestic fisheries. All feel that such a program is needed to provide basic biological data, particularly in the case of groundfish, as the domestic fleet replaces the foreign fleet. Observers can also be used to enforce regulations, such as those dealing with size and sex restrictions in the king and Tanner crab fisheries. Any effective observer program will have to be legally achievable in both federal and state waters and be funded.

The Magnuson Fishery Conservation and Management Act (MFCMA) allows the federal government to place observers on domestic fishing vessels. This authorization is by statute so does not require implementing regulations. The Board of Fisheries has authority to require onboard observers by regulation. Both the board and the North Pacific Fishery Management Council in 1984 decided to work towards a goal of complimentary onboard observer programs in state and federal waters. Since the regulatory mechanisms are in place, the major hurdle has been funding.

The department, in conjunction with the Department of Law, developed SB 79 as the state's answer to the funding problem. The primary purpose of that bill is to provide a source of funding, via permit fees, for the program. Declining revenues have caused reductions in operational budgets. The department cannot fund the observer program without taking cuts in other ongoing projects of high priority to the management of established fisheries. One option is for the program to fund itself. Originally, we thought this concept might be feasible. As it turns out, we are now unsure. The federal government cannot use such a fee structure to fund a domestic observer program since it is forbidden by the MFCMA. If the state accepts the king crab delegation, and I believe we will, we

the Magnuson Fishery Conservation & Management Act

most likely will fall under that prohibition. Since the king crab fishery is one of the two fisheries most in need of observers, this loss of a funding source will gut the program. Additionally, there seems to be a great deal of opposition from fishermen and processors for a fee structure. They are saying the state should fund the program out of current revenue sources.

The bottom line is that there is no money for an onboard observer program in the FY 86 or FY 87 budget. The department priority for such a program is above the increment level, and it is very unlikely the Legislature will approve a permit fee structure. Since the Board of Fisheries has already adopted a program identical to that suggested in the bill, the legislation is no longer necessary for the department to legally implement such a program if funds were made available.

The key point to get across to the Legislature and the public is that passage of either bill, without some funding source, will not cure the problems they perceive are happening.

The enclosed fiscal note and proposal reflect the minimum level observer program that both we and the Board of Fisheries feel is needed to provide basic coverage of current fisheries. Any increase in the king and Tanner crab harvests or implementation of additional prohibited species catch levels in the groundfish fisheries would require increased funding above the level in the fiscal note.

Enclosures

cc: J. Ayers
B. Clasby
K. Parker

KODIAK FISH & GAME ADVISORY COMMITTEE
211 Mission Rd.
Kodiak, Alaska 99615

January 7, 1986

JAN 13 1986

Alaska State Board of Fish
Box 3-2000
Juneau, Alaska 99802

Dear Board Members,

The Kodiak Fish & Game Advisory committee met on January 3, 1986 to discuss time and area closures for trawl gear in king crab sensitive areas. Approximately seventy eight people were in attendance. As mentioned in our January 4 letter to you, the K.A.C. recommends specific time and area closures for hard on the bottom trawling and strongly urges protection of Kodiak's rebuilding king crab stocks.

One important issue discussed was ADF&G funding for observers on trawl vessels to document incidental catch statistics on all species, i.e. salmon, halibut, tanner crab, etc. The K.A.C. voted unanimously, vote 9-0, to put pressure on the ADF&G and the legislature stressing the importance of obtaining funds for observer programs for all fisheries which ADF&G needs to obtain incidental catch information.

It was brought to the K.A.C. attention that $100,000 in fines from the "Baranof case" was earmarked to be spent on observers. The committee is also aware that in most cases fines from violations are deposited directly into the state's general fund. However, in this case, since the $100,000 from the "Baranof case" has been specifically earmarked already for use in funding observers, the K.A.C. requests your assistance in assuring this much needed observer money does not get deposited into the General Fund but into the ADF&G observer program.

Cordially,

Sid Omlid, Chairman
Kodiak Fish & Game Advisory Committee

cc Governor Sheffield
Don Collinsworth, Commissioner ADF&G
Senator Fred Zharoff
Representative Dave Thompson

BUSINESS • FISHERMEN • PROCESSORS • INDIVIDUALS

ALASKA COASTAL COMMUNITIES ALLIANCE

P.O. Box 382 Kodiak, Alaska 99615 Phone (907) 486-5096

Kevin O'Leary
486
486-5[redacted]
try after 4:00

March 21, 1985

Senator Arliss Sturgulewski
Senate Resources Committee
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Senator Sturgulewski,

The Alaska Coastal Communities Alliance would like to express its support for Senate Bill 79 which would authorize an onboard observer program on certain fishing vessels engaged in Alaskan fisheries. We agree that direct benefits would be derived through enhanced management, more reliable data gathering, and improved compliance.

In addition to the obvious improved enforcement and compliance, the data gathered could certainly aid in the management of a particular fishery or fisheries. New knowledge gained could include, but definitely not limited to; predator-prey relationships between species of different fisheries, the effects that catching non-targeted species (incidental catch) have on one fishery by another fishery, the optimum timing or area of harvesting a given fishery to reduce any impact on other fisheries or to enhance the impact on the primary fishery, the benefits of a total ecological approach to managing a fishery versus a single species approach, and of course many other areas of needed new information.

Of particular concern to many fishermen and processors lately is the predator-prey and incidental catch relationships between fisheries. Examples of some questions that reflect on these relationships are in the following sentences. If one fishery targets on and harvests a predator species, does it directly enhance the yields and fortunes of another fishery engaged in harvesting a prey species? If one fishery takes a proportionately high incidental catch of a species being targeted on by another fishery, does it significantly detract from the yields and fortunes of the other fishery? We feel these and other questions could best be answered through the implementation of an onboard observer program.

Our support for the onboard observer program is not without qualifications however. First and foremost among these is the addition of subsection 14(D) to section 2AS 16.05.050 dealing with fees being assessed to the operators of vessels within the given fishery to pay for the onboard observer program. We are adamant and unanimous in our opposition to the assessment of any new and extraneous fees to cover the cost of this program. We feel the operators of these vessels and processors are currently paying sufficient fees (such as gear, vessel, and crew licenses, and etcetera) and taxes to support this and other management programs. We further feel that with the improved compliance resulting from this program the State should realize particular cost

savings through reduced enforcement burden and overhead. Again, we ask that the offending 14(D) subsection be stricken from this bill.

A related area of concern is the increased operational costs incurred by the vessel operator due directly to the onboard observer program. We feel an actual reimbursement to these vessel operators needs to be considered. An example being the cost of food. Some operators pay insurance premiums based on crew size and with the addition of an observer onboard could be liable for increased insurance costs. Costs which we might add are already out of reach of some vessel operators and owners. In the case of insurance, simple reimbursement of increased premiums is not enough. We feel that the State should bear the full liability for the observer beyond the gross negligence of the operator or vessel owner. Some sort of hold-harmless clause protecting the vessel operators from frivolous or occupational related lawsuits needs to be considered to make this bill palatable to the majority of our fishermen.

If the above concerns are addressed then we feel we can be wholeheartedly behind the passage of Senate Bill 79. This bill properly enacted could go a long ways toward enhancing and protecting the various fisheries of Alaska.

In closing we wish to thank you for taking the time to consider this letter and wish you the very best in your decisions and deliberations. Again, thank you.

Sincerest Regards,
ALASKA COASTAL COMMUNITIES ALLIANCE

Slim M. Jorgensen
Member-Director

cc: Alliance's Member Organizations
Representative David W. Thompson
Senator Fred F. Zharoff

Domestic Observers: Is it Time to Start Watching Ourselves?

by John van Amerongen

I feel like a doctor trying to find the cure for AIDS." That's how fisherman Bart Eaton described his frustration at the first meeting of the NPFMC workgroup on domestic observers. The seven-man team met in Seattle October 14 at the Wharf restaurant.

The challenge for the workgroup is to come up with a method for implementing observer coverage on U.S. vessels operating within the 200-mile FCZ. It's an ironic twist to the whole concept of Americanization—once the foreigners have gone, we have to start watching ourselves.

Since the Magnuson Act was amended in 1982 and provisions were made for an observer surcharge to foreign fleets, the NMFS goal has been to place an observer on every foreign fishing vessel. Actual coverage is somewhat less. During 1984 the Foreign Fisheries Observer Program provided more than 24,000 days of observer coverage on foreign and joint-venture fisheries. Actual coverage attained in the Bering Sea-Aleutians amounted to 86.3 percent and Gulf of Alaska coverage was better than 90 percent.

The federally mandated role of the observer on a foreign vessel is twofold. Not only is he present to record catch data, but he is also there to ensure the vessel is operated in accordance with current U.S. fishery regulations.

As observers train their binoculars from the foreign to the domestic fleet, three key questions must be answered: 1) Will domestic observers continue to be both biologists and policemen? 2) How many will be needed to adequately cover the domestic fleet? 3) Who's going to pay for them? These questions, of course, are predicated on the assumption that observers are necessary at all.

Why do we need observers on U.S. vessels? According to Russ Nelson, who coordinates the NMFS observer program at the Northwest and Alaska Fisheries Center, observer data is necessary to round out and verify the data collected by NOAA vessels on their annual stock assessment surveys. As fishermen themselves often argue, survey data does not always mirror information collected from actual fishing vessels involved in an ongoing fishery.

Nelson, who did not attend the October meeting, admits that observers aren't necessary for all information on the domestic catch. Data on the total retained catch is generally available when domestic vessels off-load, particularly when they off-load unprocessed fish.

When the catch is filleted, formed, or minced, however, it becomes much more difficult to generate information on the size, sex and age composition of the catch. Nevertheless, the focus isn't just on catcher/processors. Important data on incidental catches and discards of prohibited and low-quota species need to represent all vessels in the fishery if it's to be accurate. And accuracy counts.

If biologists and fishery managers don't get enough information, as Nelson puts it, "They have to live with the data they have."

According to Nelson, there are data gaps already developing as a result of Americanization. A prime area of concern right now is Shelikof Strait. Both foreign and joint-venture fisheries will likely be eliminated next year due to a decline in pollock stocks and an increase in domestic effort.

Shelikof stock assessments in the past have been based on a combination of survey and foreign observer data. Said Nelson, "For the past 4-5 years we've used both sources." Soon there will be no foreign observer data on that fishery, one less piece in the puzzle.

Faced with a shortage of verifiable data, managers take a more cautious, conservative approach to OY figures and quotas—at least that's what fishermen claim. Since nobody wants to take responsibility for wiping out a resource, ties go to the fish, not the fishermen.

Better domestic coverage, some argue, would not only decrease the possibility of a manmade resource disaster, but it would likely result in more liberal quotas for verifiably healthy stocks. Accurate recording might also open the door to retention of non-target species that would otherwise have to be discarded. That's the bottom-line reason for fishermen to support the domestic observer program—but unfortunately, nothing is simple.

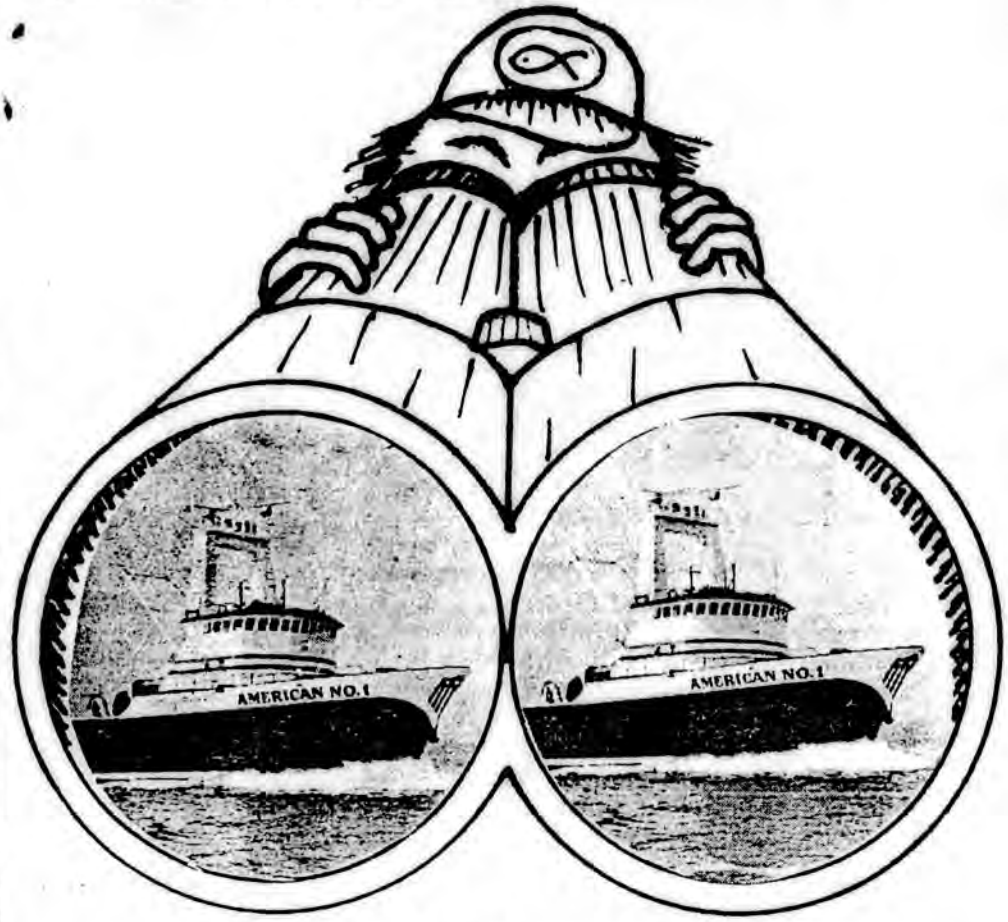
As Councilman Rudy Peterson put it, "It's a tough nut."

The first tough question is whether domestic observers should also be policemen. Most of those attending the October workgroup meeting agreed that fishermen would not likely welcome a Big Brother onboard.

Councilman Oscar Dyson questioned whether it would be reasonable to expect observers to report violations by domestic fishermen. "Unless the observer is trained," Dyson noted, "you put him in a hostile environment . . . he's not going to do it."

Bob Alverson, chairman of the workgroup, noted that observers and their logs would be subject to subpoena, whether the intent was scientific, or not.

The next big question deals with observer coverage. Just how many



If biologists and fishery managers don't get enough information . . . they have to live with the data they have.

observers would it take to handle the domestic fishery? According to Russ Nelson, and these were his personal ideas, "somewhere between 25 and 30 percent" coverage would be enough to get a scientific picture of the catch.

Nelson's estimate was a far cry from Oscar Dyson's suggestion to keep one observer in Kodiak year round and assign him to special target fisheries as needed. Dyson's philosophy was to "start small... and see where it goes."

One observer would be enough, said Nelson, if he were sampling a four-boat fishery. Larger fleets would require more observers to obtain a statistically representative sampling. Said Nelson, "You need to get enough to make some judgments about the data you get."

If you want observers to be enforcement officers in the domestic fishery, coverage would have to be closer to 100 percent, Nelson said. It's safe to say that would cause a more than small rumble in the fishing community, especially if fishermen had to pay for the service themselves. And that brings up the third big question: Who's going to pay for this?

Foreign fleets pay for the observers on their own vessels through the observer surcharge authorized by Congress in 1982, but there are no funds currently available to fund domestic observers. Some fishermen think the federal government should pick up the tab for Americanization of the observer program, but Rudy Peterson thinks the Feds have other ideas.

Commenting on the federal trend toward user fees, Peterson said, "I don't think anybody in government has any other idea than this (funding) coming out of the industry."

That makes the nut particularly tough, especially when you figure in insurance cost. Some consider insurance liability the ultimate roadblock to the implementation of the program. Given the large awards available to crewmen injured at sea, what's to prevent an injured observer—or worse, the family of a dead observer—from suing the vessel owners for millions? The question has yet to be answered fully.

Bob Alverson brought with him some estimates of liability insurance premiums. According to Alverson, $2 million worth of liability insurance for one observer on a dragger in the Bering Sea would cost the vessel owner about $1800 a month. That's just for the insurance; the cost of the observer would be extra.

There are some in the industry who claim nothing will happen until the insurance crisis is solved. Still, there are plenty of other questions to be answered: Is this just a program for draggers, or are pot vessels and longliners eligible as well? Surely longliners would benefit from closer scrutiny of dragger bycatch, so wouldn't they be considered users and share the cost? What about salmon fishermen and crabbers? What if there isn't a bunk available for the observer? What if the skipper refuses to take an observer aboard? Who's going to administer the program, the Council or NMFS? And what if the Council can't get the information it needs to make sound management decisions?

Fishermen with answers, opinions, or further questions about the domestic observer program can attend the next meeting of the domestic observer workgroup to be held in conjunction with the Anchorage meeting of the North Pacific Fishery Management Council. Call the Council office (907) 274-5467 for time and location. Those not able to attend can send written comments to Ron Miller at the Council office (P.O. Box 103163, Anchorage 99501) or contact the following workgroup members: Bob Alverson, Rudy Peterson, Bart Eaton, John Winther, Barry Fisher or Oscar Dyson. □

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

February 18, 1986

Mr. Anthony Calio
NOAA Administrator
U.S. Department of Commerce
14th and Constitutional Avenue N.W.
Washington, D.C. 20730

Dear Mr. Calio:

The House Special Committee on Fisheries today approved legislation that would authorize an on-board observer program for domestic fishing vessels operating in Alaska waters. Since this is an issue of great concern to Alaska's fishing community, we are optimistic that the measure will be approved before the legislature adjourns in May.

We have directed the Alaska Department of Fish and Game to study methods of providing continuing funding for this program so it will not be solely dependent upon tax dollars in future years. The department also will be working closely with federal officials to ensure that we have a consolidated observer program in waters under state and federal jurisdictions.

The pilot program authorized by House Bill 355 will cost $300,000, but this falls far short of covering the basic immediate need for observer coverage on domestic fishing vessels in Alaska's 200-mile zone. Consequently, we strongly urge your endorsement of a request by the Alaska office of the National Marine Fisheries Service to allocate $250,000 for a pilot domestic observer program.

We hope to be working closely with the federal government in the structuring of a comprehensive on-board observer program that is funded through a variety of sources. Approval of these two pilot projects is essential to the establishment of a framework for an ongoing, cooperative effort.

Again, we strongly urge your support of the $250,000 NMFS pilot domestic fishing vessel observer program for Alaska waters. Thank you for your consideration of our request.

Sincerely,

Peter Goll
Chairman

c.c. Senator Ted Stevens
Senator Frank Murkowski
Representative Don Young

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : 2/14/86

REQUEST

Bill/Resolution No. : HB 355
Title : ... Authorizing the establishment of onboard obsever programs ...
Sponsor : Thompson
Requestor : House Special Comm. on Fisheries
Date of Request : 2/14/86

FISCAL DETAIL

Agency Affected : Fish & Game
BRU : Fisheries Resource Conservation
Components : Commercial Fisheries

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		278.2	313.5	353.3	398.2	448.8
TRAVEL		18.0	20.3	22.8	25.7	29.0
CONTRACTUAL		2.2	2.5	2.8	3.2	3.6
SUPPLIES		2.8	3.2	3.6	4.1	4.6
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS		-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS		-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING		301.2	337.0	382.5	431.2	486.0
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND		101.2	-0-	-0-	-0-	-0- *
FEDERAL FUNDS						
OTHER		200.0	337.0	382.5	431.2	486.0
TOTAL		301.2	337.0	382.5	431.2	486.0

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

* (See attached sheet)

Prepared by : Robert C. Clasby
Division : Commercial Fisheries
Phone : 465-4210
Date : 2/14/86

Approved by Commissioner :
Agency : Fish and Game
Date : 2/18/86

Distribution (by Agency preparing fiscal note) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

10/25.85

Analysis:

This fiscal note shows a reduction in expenses and change in funding source from the fiscal note dated 2/4/86. The expenditures have been reduced by 98.8 thousand dollars for FY 87, and reflected through FY 91, based on the assumption that the NMFS will fund an onboard observer program for the Pacific cod fishery in the Bering Sea. The funding sources have been changed to show 200.0 thousand dollars as coming from the Fish and Game fund. This change is based on the assumption that the 200.0 thousand dollars from the civil settlement of the Baranof case will be approved by Legislative Budget and Audit for expenditure on the onboard observer program for FY 87. The "other" funding source for FY 88 through FY 89 is based on the assumption that the State of Alaska and the Federal Government will develop a funding mechanism that is acceptable to the fishing industry and will ensure adequate coverage of fisheries that take place in both state and federal waters.

Salmon catch sampling, such as the program for the South Unimak and Shumagin Islands fishery, is not covered under this fiscal note, as that program is funded under the Division of Commercial Fisheries operational budget.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M February 8, 1986

TO: Members, House Special Committee on Fisheries

FROM: Representative Peter Goll

SUBJECT: House Bill 355 (Onboard Observer Program)

House Bill 355 authorizes and funds an onboard observer program for the domestic fishing fleet under state jurisdiction. It will be considered at a public hearing at 8:30 a.m. Tuesday, February 11.

The legislation allows the state of Alaska to require that certain fishing operations have on-board observers hired by the state. The observers monitor catches coming aboard the vessel to gather biological information and to enforce some regulations.

The federal government now requires observers on foreign fishing operations in our 200-mile zone. The cost of the federal observer program is paid by the foreign fishermen through a fee process. The need for a program placing observers on domestic fishing vessels is a source of concern as American fishermen displace the foreign fleets in our offshore fisheries.

Under the terms of the Magnuson Fisheries Conservation Management Act, the federal government is precluded from assessing U.S. fishermen for more than the basic costs of administering the program. Their fees cannot be used to pay observer salaries, provide insurance coverage for sea duty or cover training costs.

The National Marine Fisheries Service recently submitted a $250,000 request to fund a pilot domestic observer programs, but the cost-cutting atmosphere currently surrounding the federal budgeting process raises many questions about whether the project will be funded.

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

February 13, 1986

TO: Representative Peter Goll

FROM: Rodger Painter

SUBJECT: Amendments to HB 355

Page 5, lines 11-18, replace existing language with the following:

(12) requiring, in a fishery, observers on board fishing vessels, as defined in AS 16.05.475(d), that are registered under the laws of the state, as defined in AS 16.05.475(c), after making a written determination that an onboard observer program

(A) is a practical data-gathering or enforcement mechanism for that fishery;

(B) will not unduly disrupt the fishery;

(C) can be conducted at a reasonable cost; and

(D) can be coordinated with observer programs promulgated by other agencies, including the National Marine Fisheries Service, North Pacific Fishery Management Council and the International Pacific Halibut Commission.

Page 1, line 21, make the following change after "(1) is":

[THE ONLY] a

Page 5, line 26, add a new section 5 as follows and renumber accordingly:

* Sec. 5. AS 16.05.055. ONBOARD OBSERVER PROGRAM. The commissioner may enter into appropriate contracts and agreements with other agencies, such as the National Marine Fisheries Service, North Pacific Fishery Management Council and the International Pacific Halibut Commission, designed to ensure onboard observer programs conducted in the fisheries off Alaska are coordinated and consistent for vessels operating in state and federal waters.

Page 5, line 26, add the following language to session law:

The Legislature finds that it is important to explore long-term financing mechanisms that ensure a stable onboard observer program not solely dependent upon state and federal appropriations. The legislature believes that the program should be funded through a variety of sources. The legislature also finds it critical that fishing vessels within state and federal waters are subject to identical regulations, permits and fees. To this end, the commissioner of the Department of Fish and Game shall study funding and jurisdictional issues and report back to the legislature with his findings and recommendations no later than January 31, 1987.

Hein
2/18/86

Original sponsors: Thompson, Goll
and Binkley

IN THE HOUSE

BY THE HOUSE SPECIAL
COMMITTEE ON FISHERIES

CS FOR HOUSE BILL NO. 355 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act authorizing the establishment and implementation of on-board observer programs; and providing for an effective date."

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

* Section 1. FINDINGS. (a) The legislature finds that, in particular fisheries, observers on board fishing vessels would greatly enhance management, primarily by facilitating information gathering, and additionally by improving compliance. In fact, in those fisheries, on-board observers may be the only practical data-gathering or enforcement mechanism. Some Alaska fisheries include a large component of vessels, such as catcher/processors and floating processors, that rarely or never enter Alaskan ports. These situations are virtually impossible to monitor without the systematic coverage of observers actually on board. The legislature therefore finds it necessary to authorize the Board of Fisheries to establish, and the Department of Fish and Game to implement, on-board observer programs in particular fisheries if the board determines that it (1) is a practical data-gathering or enforcement mechanism, (2) will not unduly disrupt the fishery, and (3) can be conducted at a reasonable cost. The board may require observers on board vessels registered under the laws of the state, even if the vessels do not take fish within three miles of shore, because the catch beyond three miles can have significant impact upon state management considerations. A search warrant, criminal or administrative, should not be required in the implementation of a program, since the process of obtaining one would be so cumbersome as to defeat the purpose of the

program.

(b) The legislature finds that it is important to explore long-term financing mechanisms that ensure a stable on-board observer program not solely dependent upon state and federal appropriations. The legislature believes that the program should be funded through a variety of sources. The legislature also finds it critical that fishing vessels in state and federal waters be subject to identical regulations, permits, and fees.

* Sec. 2. AS 16.05.050 is amended to read:

Sec. 16.05.050. POWERS AND DUTIES OF COMMISSIONER. The commissioner has, but not by way of limitation, the following powers and duties:

(1) assist the United States Fish and Wildlife Service in the enforcement of federal laws and regulations pertaining to fish and game;

(2) through the appropriate state agency, acquire by gift, purchase, or lease, or other lawful means, land, buildings, water, rights-of-way, or other necessary or proper real or personal property when the acquisition is in the interest of furthering an objective or purpose of the department and the state;

(3) design and construct hatcheries, pipelines, rearing ponds, fishways, and other projects beneficial for the fish and game resources of the state;

(4) accept money from any person under conditions requiring the use of the money for specific purposes in the furtherance of the protection, rehabilitation, propagation, preservation, or investigation of the fish and game resources of the state or in settlement of claims for damages to fish or game resources;

(5) collect, classify, and disseminate statistics, data and information that, in the commissioner's discretion, will tend to

promote the purposes of this title except AS 16.51 and AS 16.52;

(6) capture, propagate, transport, buy, sell, or exchange fish or game or eggs for propagating, scientific or stocking purposes;

(7) provide public facilities where necessary or proper to facilitate the taking of fish or game, and enter into cooperative agreements with any person to effect them;

(8) exercise administrative, budgeting, and fiscal powers;

(9) construct, operate, supervise, and maintain vessels used by the Department of Fish and Game;

(10) authorize the holder of an interim-use permit under AS 16.43 to engage on an experimental basis in commercial taking of a fishery resource with vessel, gear, and techniques not presently qualifying for licensing under this chapter in conformity with standards established by the Alaska Commercial Fisheries Entry Commission;

(11) not later than January 31 of each year, provide to the commissioner of revenue the names of those fish and shellfish species which the commissioner of fish and game designates as developing commercial fish species for that calendar year; a fish or shellfish species is a developing commercial fish species if, within a specified geographical region,

(A) the optimum yield from the harvest of the species has not been reached;

(B) a substantial portion of the allowable harvest of the species has been allocated to fishing vessels of a foreign nation; or

(C) a commercial harvest of the fish species has recently developed;

(12) initiate or conduct research necessary or advisable to carry out the purposes of this title except AS 16.51 and AS 16.52;

(13) enter into cooperative agreements with agencies of the federal government, educational institutions, or other agencies or organizations, when in the public interest, to carry out the purposes of this title except AS 16.51 and AS 16.52;

(14) implement an on-board observer program authorized by the Board of Fisheries under AS 16.05.251(a)(12); implementation

(A) must be as unintrusive to vessel operations as practicable;

(B) must make scheduling and scope of observers' activities as predictable as practicable; and

(C) does not require criminal or administrative search warrants.

* Sec. 3. AS 16.05 is amended by adding a new section to read:

Sec. 16.05.055. ON-BOARD OBSERVER PROGRAM. The commissioner may enter into appropriate contracts and agreements with agencies, such as the National Marine Fisheries Service, North Pacific Fishery Management Council, and the International Pacific Halibut Commission, designed to ensure that on-board observer programs conducted in the fisheries of the state are coordinated and consistent with each other for vessels operating in state and federal water.

* Sec. 4. AS 16.05.251(a) is amended to read:

(a) The Board of Fisheries may adopt regulations it considers advisable in accordance with the Administrative Procedure Act (AS 44.-62) for

(1) setting apart fish reserve areas, refuges and sanctuaries in the waters of the state over which it has jurisdiction, subject to the approval of the legislature;

(2) establishing open and closed seasons and areas for the taking of fish;

(3) setting quotas, bag limits, harvest levels, and sex and size limitations on the taking of fish;

(4) establishing the means and methods employed in the pursuit, capture and transport of fish;

(5) establishing marking and identification requirements for means used in pursuit, capture and transport of fish;

(6) classifying as commercial fish, sport fish or predators or other categories essential for regulatory purposes;

(7) watershed and habitat improvement, and management, conservation, protection, use, disposal, propagation and stocking of fish;

(8) investigating and determining the extent and effect of disease, predation, and competition among fish in the state, exercising control measures considered necessary to the resources of the state;

(9) prohibiting and regulating the live capture, possession, transport, or release of native or exotic fish or their eggs;

(10) establishing seasons, areas, quotas and methods of harvest for aquatic plants;

(11) establishing the times and dates during which the issuance of fishing licenses, permits and registrations and the transfer of permits and registrations between registration areas is allowed; however, this paragraph does not apply to permits issued or transferred under AS 16.43;

(12) requiring, in a fishery, observers on board fishing vessels, as defined in AS 16.05.475(d), that are registered under the laws of the state, as defined in AS 16.05.475(c), after making a written determination that an on-board observer program

(A) is the only practical data-gathering or

enforcement mechanism for that fishery;

(B) will not unduly disrupt the fishery;

(C) can be conducted at a reasonable cost; and

(D) can be coordinated with observer programs of other agencies, including the National Marine Fisheries Service, North Pacific Fishery Management Council, and the International Pacific Halibut Commission.

* Sec. 5. AS 16.05.940 is amended by adding a new paragraph to read:

(28) "fishery" means a specific administrative area in which a specific fishery resource is commercially taken with a specific type of gear; however, the Board of Fisheries may designate a fishery to include more than one specific administrative area, gear type, or fishery resource; in this paragraph "gear" and "type of gear" have the meanings given in AS 16.43.990.

* Sec. 6. In order to further the goals set out in sec. 1(b) of this Act, the commissioner of fish and game shall study funding and jurisdictional issues related to the on-board observer programs, and submit a report on the matter to the legislature not later than January 31, 1987.

* Sec. 7. This Act takes effect immediately in accordance with AS 01.-10.070(c).

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.

James O. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:22

IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

CS FOR HOUSE BILL NO. 411 (Fisheries)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the composition of the Board of Fisheries and the Board of Game."

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

* Section 1. AS 16.05.221 is amended to read:

Sec. 16.05.221. BOARDS OF FISHERIES AND GAME. (a) For purposes of the conservation and development of the fishery resources of the state, there is created the Board of Fisheries composed of seven members appointed by the governor, subject to confirmation by a majority of the members of the legislature in joint session. The appointed members shall be residents of the state who are knowledgeable about the allocation and use of fisheries resources. Members [AND] shall be appointed without regard to political affiliation or geographical location of residence. The commissioner is not a member of the Board of Fisheries, but shall be ex officio secretary.

(b) For purposes of the conservation and development of the game resources of the state, there is created a Board of Game composed of seven members appointed by the governor, subject to confirmation by a majority of the members of the legislature in joint session. The appointed members shall be residents of the state who are knowledgeable about the allocation and use of game resources. Members [, AND] shall be appointed without regard to political affiliation or geographical location of residence. The commissioner is not a member of the Board of Game, but shall be ex officio secretary.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

	DIVISION	BILL NUMBER	SPONSOR
Game	Boards	HB 411	Shultz

	DATE	COMMISSIONER'S SIGNATURE
art		

SUMMARY

D BY BILL	CONSTITUENT GROUP(S) AFFECTED BY BILL
Fish and Game	Hunters and fishermen
FOR BILL	**ORGANIZATIONAL OPPOSITION TO BILL**
	Unknown

☐ NONE ☐ FISCAL NOTE ATTACHED

INTENT

d in 1986 by Shultz and Marrou

M EFFECTS

hed narrative.

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANAL

urrently, the combined Boards of Fisheries and Game
embers from each of the six fish and game resource
egions, as follows:

REGION	GAME BOARD	FISHERIES
outheast	Bennett (Juneau)	Garner (Juneau) Museth (Elfin
outhcentral	Massey (Girdwood) Scanlan (Anchorage) Jackson (Gakona)	Bonney (Anch
outhwest	0	Angasan (D Jolin (Kod
astern	0	Foster (Quin
rctic	Johnson (Nome)	0
nterior	Huntington (Galena) Van Ballenberghe (Fairbanks)	Carter (Fa

ne Game Board has members from four regions; two
nterior Region, two from the Southcentral Region, and one
ne Arctic Region. The Fisheries Board has two members
ne Southeast Region and one from all other regions exc
rctic Region.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 411
Title : , , , composition of the Boards of Fisheries and Game

Sponsor : Shultz & Marrou
Requestor : House Fisheries Committee
Date of Request : _____

FISCAL DETAIL

Agency Affected : Fish and Game
BRU : Boards

Components : Boards of Fisheries and Game

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

This bill is not expected to require an increased appropriation.

Prepared by : Beth Stewart
Division : Boards
Phone : 465-4110
Date : _____

Approved by Commissioner : Don Collinsworth
Agency : Fish and Game
Date : 2/8/86

Distribution (by Agency preparing fiscal note) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

10/25/85

Alaska State Legislature

COMMITTEES

Co-Chairman — House Resources Committee
Member — House Transportation Committee

While in Session:
P O Box V
State Capital
Juneau, Alaska 99811
Phone (907) 465-4951
465-4940

Home - SR 790
Tok, Alaska 99780

House of Representatives

Dick Shultz

MEMORANDUM

TO: REP. PETER GOLL / CHAIRMAN SPECIAL COMMITTEE ON FISHERIES

FROM: REP. DICK SHULTZ

DATE: FEB. 17, 1986

RE: HB 411

********* ********* ********* ********* ********* *********

The new language that this bill would add to statute would bring about some very positive changes in the makeup of the Boards of Fish and Game.

Advisory Committees in my district have been very frustrated in having to deal with Board members who are not even basically familiar with the resources they are charged with allocating. Without resorting to citing specific individuals or embarrasing details, I would ask that your committee consider the wisdom in requiring Governors to appoint knowledgeable people to these Boards. Realizing that we can not prevent politically motivated appointments, I still believe our constituents will be better off if those appointees have some relevent background for the tasks that they are being charged to fullfill.

The other change this bill would make involves the selection of Board members from differant geographic regions of the State. The idea here of course is to bring about better representation for each area of the State and as a result have Boards that are better able to deal with prblems and interests that may be unique to each area. The idea is not dissimilar to the rationale used in the establishment of Senate or House Districts and I am sure few here would argue the merits of that system.

Thank you for your time and consideration on this legislation.

BILL SHEFFIELD
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

TO: The Honorable Peter Goll
Alaska State Legislature
House of Representatives

DATE: February 17, 1986

FROM: Barbara A. Dale
Special Staff Assistant
to the Governor
Boards and Commissions

SUBJECT: House Bill 411

The Governor's office of Boards and Commissions does not support House Bill 411.

In order to provide the best possible options for public representation on boards and commissions it is unwise to limit the Governor's flexibility in making the best possible appointment. This bill attempts to limit the appointing authority of the executive branch and would place an undue burden on that authority.

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.

James O. Smith
Signature of Camera Operator

12/12/89
Date

02-619 (REV 8/78)

SCOMM

#48:23

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 467
Title : "an act relating to the herding of fish"

Sponsor : Rep. Goll
Requestor : House Fisheries
Date of Request : 1/21/86

FISCAL DETAIL

Agency Affected : Public Safety
BRU : Fish & Wildlife Protection

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : K Niles Kathy Niles, Administrative Ass't — Phone : 465-4336
Division : Commissioner's Office — Date : 1/17/86

Approved by Commissioner : [signature] — Date : 1-17-86
Agency : Public Safety

Distribution (by Agency preparing fiscal note) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

10/25/85

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: Jan. 21, 1986 HB 467

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Conrad Seibel	2760 Sherwood Lane Juneau	Dept. Public Safety	Yes	789-2161
Bob Clasby	Box 3-2000 Juneau	Dept. Fish & Game	Yes	4210
Jon Newstrom	Pouch V "	Rep Grussendorf	No	3720
Jack Cadigan		UFA	Yes	6-2820

HOUSE
COMMITTEE REPORT

RESOURCES
JUDICIARY

Date referred: 1/17/86

FURTHER REFERRALS: FINANCE

DATE: _____

The HOUSE SPECIAL COMMITTEE ON FISHERIES Committee has considered SSHB 467

"An Act relating to the herding of fish."

and recommends:

[ ] do pass

[ ] do not pass

[ ] do pass with attached amendment(s)

[ ] no recommendation

[X] replace with CS SS HB 467 [X] same title

[ ] new title

and recommends _____

[ ] further referral to the _____ Committee

and attaches: [ ] letter of intent
[ ] first fiscal note
[ ] new fiscal note
[X] zero fiscal note

SIGNING DO PASS:

Peter Jane

Mike Navarre w/ amendments

John B[illegible] w/ amd.

SIGNING OTHER RECOMMENDATIONS:

Roger Jenkins No Rec without Amendment

A. V. M. MARROU NO REC

Peter Jane
Chairman

cc 1/22 (7)

HOUSE
COMMITTEE REPORT

RESOURCES
JUDICIARY

Date referred: 1/17/86

FURTHER REFERRALS: FINANCE

DATE: _____

The HOUSE SPECIAL COMMITTEE ON FISHERIES Committee has considered SSHB 467

"An Act relating to the herding of fish."

and recommends:

[ ] do pass

[ ] do not pass

[ ] do pass with attached amendment(s)

[ ] no recommendation

[✓] replace with CS SSHB 467 (Fish) [✓] same title

[ ] new title

and recommends do pass

[ ] further referral to the _____ Committee

and attaches: [ ] letter of intent
[ ] first fiscal note
[ ] new fiscal note
[X] zero fiscal note

SIGNING DO PASS:

Gell Peter Jane

Navarre Mike Navarre w/ amendments

Binkley John Binkley w/ amend

Katie Hurley

David W. Thompson

SIGNING OTHER RECOMMENDATIONS:

Roger Jenkins No Rec without Amendments

A. V. H. Marrou NO REC

Peter Jane
Chairman

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M January 18, 1986

TO: Members
House Special Committee on Fisheries

FROM: Representative Peter Goll
Chairman

SUBJECT: SSHB 467

The first meeting this session of the House Special Committee on Fisheries will take place at 8:30 a.m. Tuesday, January, 21, 1986, in Room 17 of the Capitol Building. Up for consideration will be SSHB 467, An Act relating to the herding of fish.

This legislation is designed to prevent the use of aircraft in the herding of fish into commercial fishing gear. I drafted the legislation at the request of commercial fishermen who wished to halt what they considered to be a dangerous and unfair use of aircraft in fishing operations.

This concern was raised when a helicopter was successfully used to drive herring from shallow waters into a waiting seine during the Sitka herring fishery last spring. The estimated value of helicopter-aided haul of herring was $400,000.

The fishermen who approached me contend the practice not only represented an unfair use of aircraft but endangered other vessels crowded into an extremely small fishing area. The Department of Fish and Game and Division of Fish and Wildlife Protection have voiced concern about the practice becoming more widespread.

As the attached correspondence from the Departments of Law and Fish and Game reveal, present law does not provide the state with the necessary legal tools to halt the herding of fish by aircraft. After discussing the matter with the Department of Law, I introduced the sponsor substitute to shift the focus of enforcement from the fisherman to the pilot.

The sponsor substitute is patterned after a regulation prohibiting the use of aircraft to herd or drive wildlife. This regulation has been successfully used several times, the most recent conviction coming in a case where a big game guide used an airplane to drive brown bear toward his clients.

Some attorneys in the Department of Law believe the actions of an aircraft in driving fish toward a fishing net will be easier to prove than the mental state of a fisherman.

commodity bidding business." In other words, a crab stick is a crab stick is a crab stick.

While some experts claim "the end of the boom is nowher: in sight" and suggest that the market could hit a billion pounds by 1990, Berelson offers a more sobering vision. "Once the novelty wears off," he said, "the consumer will be disenchanted if quality slips. People have too many options today, and low quality gets lost in the backwater."

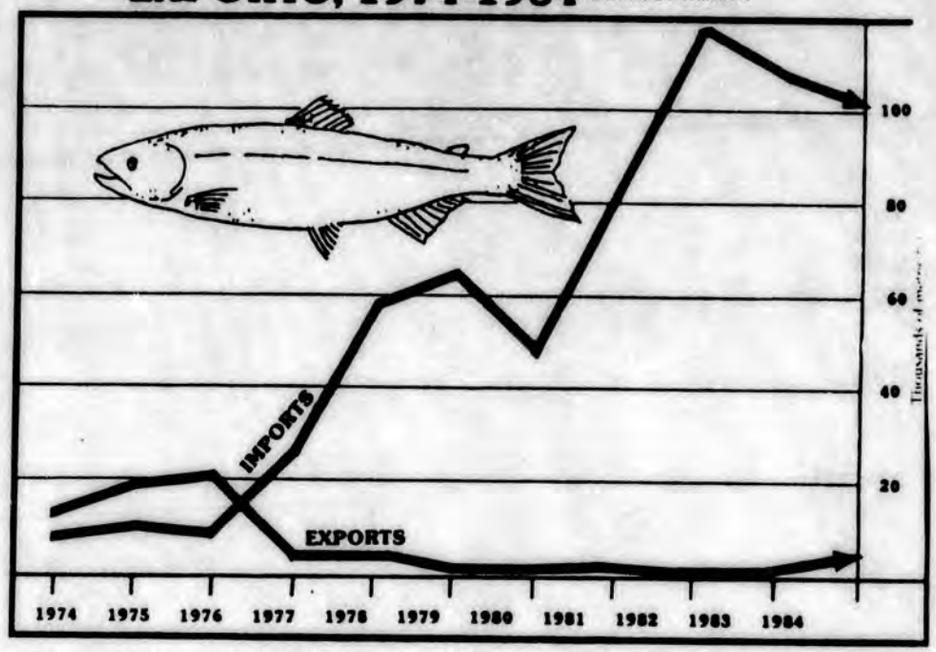
Hopefully, Berelson's boom and doom scenario is premature, but it'll be up to the industry to see that quality and value stay high. Seafood analogs don't have to go the way of the fish stick.

Fish sticks don't even have to go the way of the fish stick, judging from the new products in John Oaksmith's freezer case at Fisherman's Terminal. How about minced pollock nuggets or reformed pollock fillets from the 'Arctic Trawler?' Solves the problem of portioning small fillets and you'd be surprised how they hang together. Breaded or not, here they come. Good, too!

If you've got a helicopter, here's a tip for next year: Sitka herring. One enterprising skipper reportedly nailed 400 tons by stretching his net across the mouth of a bay filled with herring and seiners trying to catch them. When the herring saw the helicopter hovering overhead like a giant eagle, they split for deep water, right into the waiting purse seine. Now who would ever have thought of that?

Speaking of herring, you already know the Southeast prices, $1000 a ton for seine and $1350 for gillnet. Beats the pants off of last year, and bodes well for the next herring stops. No doubt you'll know the halibut price by the time the issue hits the streets. At press time all we know is that last year's cold storage fish have been spoken for and everyone's waiting for the Canadians to deliver their fish.

JAPAN SALMON IMPORTS AND EXPORTS, 1974-1984 (PRODUCT WEIGHT)



Prior to passage of the Magnuson Act, Japan caught 65% of its salmon on the high seas and exported more than it imported. Since then imports have grown steadily along with demand, and by 1983 the high seas catch represented only 15% of the total supply.

the fresh again. Prices should start high for them and drop like a rock when the rest hits the wharf.

U.S. Customs law requires that some species, including rockfish, taken by a Canadian vessel must be caught within their territorial waters (12-miles) if direct delivery is made to U.S. ports. Under the provisions of the IPHC, however, a Canadian fisherman is allowed to deliver halibut directly to ports in the United States. "As far as we know he doesn't need anything [in the way of special permits]."

MEMORANDUM

State of Alaska

TO: Steven Pennoyer
Deputy Commissioner
Dept. of Fish & Game

Norman C. Gorsuch
Attorney General

FROM:
By: Larri Irene Spengler
Assistant Attorney General
Department of Law

DATE: May 29, 1985

FILE NO:

TELEPHONE NO: 465-3600

SUBJECT: helicopter herring herding

Attached is a copy of a letter I recently prepared in response to questions from Representative Ben Grussendorf on the herding of herring by helicopter. It sounds as though he and Representative Goll are concerned about the same episode. As you can see, I agree with your analysis, and have added more information, in response to the specific questions put by Representative Grussendorf.

LIS:dlm

Attachment

cc w/attachment: Representative Peter Goll ✓
Ken Parker, ADF&G

BILL SHEFFIELD, GOVERNOR

REPLY TO:

☐ 1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

☐ 1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

☑ POUCH K · STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

May 29, 1985

The Honorable Ben Grussendorf
Speaker of the House
P.O. Box 928
Sitka, Alaska 99835

Re: helicopter herring herding

Dear Representative Grussendorf:

You have asked several questions based on an incident which apparently occurred during the Sitka herring sac roe fishery in April, involving the herding of herring by a helicopter. The activity as you described it involved a helicopter hovering near the beach a few feet above the water, frightening the herring away from the aircraft. This is probably not illegal under current statutes and regulations. It is fairly clear that the helicopter would be exempt from vessel licensing requirements, since vessel is defined in AS 16.05.940(27) as a floating craft. However, the pilot of the helicopter would probably have to have a commercial fishing license, since commercial fisherman is defined in AS 16.05.940(4) as individuals who participate directly or indirectly in the taking of fish.

The activity you described probably does not constitute waste of herring, which would be prohibited by AS 16.10.173. That statute defines waste as the failure to use the flesh of commercially-taken herring for certain specified purposes, which does not seem on its face to apply. In any event, there would be a factual question. Further, the prohibition on wanton waste in AS 16.30.010 applies only to specified game animals.

The Board of Fisheries technically has the authority to prohibit the use of helicopters or aircraft in fishing, under the general regulatory powers set out in AS 16.05.251(a). However, it has been the experience of the Department of Public Safety, Division of Fish and Wildlife Protection, in the past that such prohibitions are very hard to enforce, if not virtually impossible. The board does not have the authority to prohibit helicopters or airplanes from flying at certain heights or speeds, nor from entering certain areas. That authority is preempted by the

federal government through the FAA. Therefore, if helicopters or airplanes are present above an area where fishing is going on, it is necessary to prove that the helicopter or airplane was participating in the fishing, in association with a vessel or set of gear below. It might be helpful for you to contact the Division of Fish and Wildlife Protection about the enforcement problems.

Of course, putting aside the enforcement problems, any individual may submit a regulatory proposal to the Board of Fisheries under 5 AAC 96.610. Interested people could contact the Department of Fish and Game, Division of Boards, 465-4110, about the time frame for submitting such proposals. Of course, simply because a proposal is submitted does not mean the board will automatically adopt it in regulation, since the board must weigh all factors, including enforceability.

If you have any further questions, please give me a call.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

/s/
By:
Larri Irene Spengler
Assistant Attorney General

LIS:dlm

cc: Elizabeth A. Stewart
Director
Division of Boards
Department of Fish & Game

Captain Jack Jordan
Division of Fish & Wildlife Protection
Department of Public Safety

MEMORANDUM State of Alaska

TO: Larri I. Spengler
Assistant Attorney General
Department of Law

DATE: May 22, 1985

FILE NO:

TELEPHONE NO: 465-4100

FROM: Steven Pennoyer
Deputy Commissioner
Department of Fish and Game

SUBJECT: Commercial Fishing--Aircraft

Representative Goll sent two of his constituents over to talk to us about an incident that occurred during the 1985 Sitka Sound herring sac-roe fishery. The two, who are participants in that fishery, observed a helicopter being used to herd herring into a seine. They felt that type of activity was illegal, and that both the aircraft and the pilot should be licensed. We told them that as far as we could determine, there are no laws that prohibit the harassing of fish or the use of aircraft to take fish. It did seem clear that AS 16.05.940(27) would exempt such aircraft from the vessel licensing requirements, and that since the pilot's activities were a direct participation in the taking of fish, he would have to have a Commercial Fisheries Entry Commission permit or a crew member's license.

Representative Goll requested that if we determined that the helicopter's activities were not prohibited by law, we would ask you for your determination. If you agree with us, I think Representative Goll will plan on introducing some type of legislation to prohibit or restrict the activity.

cc: The Honorable Peter Goll
Ken Parker

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF FISH AND GAME
OFFICE OF THE COMMISSIONER

P.O. BOX 3-2000
JUNEAU, ALASKA 99802
PHONE: 907 / 465-4100

June 11, 1985

The Honorable Peter Goll
Alaska State House
P. O. Box 581
Haines, AK 99827

JUN 14 1985

Dear Representative Goll:

Thank you for your letter of May 28 regarding use of aircraft in fishing. We will be available to assist you in developing the recommendations, although, quite frankly, I am not sure what the "solution" will be.

The first decision point is: what are the problems and what needs to be done about it. The use of aircraft has its advantages and disadvantages. In some locations, for example, the Togiak herring fishery, the use of spotters makes the fishery operate efficiently. On the flip side, driving herring with a helicopter in a very fast-paced fishery, like Sitka herring, can cause management problems. These two factors will most likely have to be considered in any piece of legislation which is drafted. Also, in some cases, restricted use of aircraft could have allocative overtones, i.e., big boat vs. small boat, local vs. nonlocal, and seine vs. gill net. The department will have to be careful to not appear to favor one side over the other as we assist you and then testify before the various legislative committees.

An equally difficult task is going to be the forging of something that is enforceable. The major problem the Board of Fisheries has had with requests to restrict the use of aircraft is that its authorities are limited in the field. I expect the Legislature will have the same problem. While both bodies can restrict the use of aircraft in fishing operations, the state cannot control the airspace; only the federal government has the authority. So, what happens is a situation where if restrictions are in place, the pilot and fishermen can avoid citation by saying the aircraft was used for supplies or navigation, and the state must prove otherwise. This is the experience we had when spotter aircraft were prohibited in the Kodiak herring fishery.

My staff will be glad to contribute our past experience regarding regulations relative to the use of aircraft in fishing operations to your drafting process. I will ask Bob Clasby to work directly with Rodger Painter on this.

Sincerely,

Don W. Collinsworth
Commissioner

cc: Bob Clasby
Rodger Painter
Larri Spengler

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 467
Title : "an act relating to the herding of fish"

Sponsor : Rep. Goll
Requestor : House Fisheries
Date of Request : 1/21/86

FISCAL DETAIL

Agency Affected : Public Safety
BRU : Fish & Wildlife Protection

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : K Niles Kathy Niles, Administrative Ass't — Phone : 465-4336
Division : Commissioner's Office — Date : 1/17/86

Approved by Commissioner : [signature] — Date : 1-17-86
Agency : Public Safety

Distribution (by Agency preparing fiscal note) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

10/25/85

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-819 (REV 8/78)

SCOMM

#48:24

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - HB 492

OPPOSED

February 3, 1986

SB 492 - "An Act relating to sport fishing from commercially licensed troll vessels; and providing for an effective date."

The Department of Public Safety is opposed to this bill. To allow sport fishing from commercial trollers could create an enforcement problem in that it would make it very difficult to prevent the movement of sport caught fish from going into the commercial market.

The Board of Fisheries has considered various proposals over the past years for allowing sport fishing from commercial troll vessels. The Board has taken the position to not relax prohibition against sport fishing from troll vessels as this could have an effect on the allocation of the commercial catch between the power and hand troll vessels. The U.S. - Canadian treaty presently regulates the number of King Salmon that can be taken by the commercial fishermen. If sport fishing is allowed, the present allocation could be jeopardized. The Board of Fisheries did pass a regulation at the December meeting to allow sport fishing for bottom fish and halibut from commercial troll vessels in Southeast and Yakutat. The regulation prohibits Halibut being on board the vessel if there are salmon on board.

To further relax the prohibition against sport fishing from troll vessels by passing this bill would increase the enforcement effort and inability to properly assist in the management of the salmon fisheries.

To allow sport fishing from commercial troll vessels means that during periods of troll closures commercial vessels can legally be sport fishing in the same waters they commercially fish. In addition, prior to any commercial troll openings, vessels can be on the grounds and be illegally fishing for, and retaining, salmon for their commercial catch, but under the guise of "sport fishing". We cannot legally inspect or search the holds of fishing vessels without first receiving permission from the commercial fishermen or by having probable cause to enforce and apprehend a fisherman retaining sport caught salmon who has the intent of selling them through a commercial market.

In the past when a troll closure occurred, aerial patrols were maintained of the area and any commercial trollers still fishing would be readily visible. We have not had problems in the past as the regulations were very clear. In the last 12 months only two citations were issued.

It is our position to oppose this bill and recommend that the board of Fisheries continue to address the methods and means of taking fish as it relates to the management of the troll fisheries.

James W. Wade for
Robert J. Sundberg

5 AAC 49.050. WATERS CLOSED TO SPORT FISHING. (a) The Situk River drainage is closed to king salmon fishing upstream from the U.S. Forest Service Middle Cabin from July 1 through August 31 and is closed to all fishing from the old railroad bridge downstream to its mouth.

(b) The Lost River drainage is closed to fishing upstream from the Lost River bridge from August 15 through December 31.

(c) Tawah Creek drainage, tributary to Lost River, is closed to fishing within 50 yards of the R.E.L. Bridge. (In effect before 1985; am 5/31/85, Reg. 94)

Authority: AS 16.05.251

5 AAC 49.060. SPORT FISHING FROM COMMERCIALLY LICENSED VESSELS. (a) No person may sport fish from a registered salmon hand troll or power troll vessel, as those vessels are identified by the marking requirements of 5 AAC 39.270(c) and (d), except that this prohibition does not apply

(1) to charter vessels;

(2) in derby zones during derbies authorized by the department.

(b) The owner or operator of a charter vessel shall register that vessel annually with the department before the vessel is used for sport fishing. The following information must be provided at the time of registration with the department:

(1) the name of the individual or company owning the charter service;

(2) the permanent residence address, and mailing address, of the owner or company;

(3) the permanent vessel license plate number (ADF&G number) for the vessel;

(4) a photostatic copy of the current Alaska Business License of the company or individual owning the charter service; and

(5) a photostatic copy of the U.S. Coast Guard license to carry passengers for hire issued to the owner or operator of the vessel.

(c) Each person who sport fishes from a vessel licensed for commercial fishing, including a charter vessel, in waters closed to commercial salmon fishing shall, immediately upon boating, mark each salmon by removing its dorsal (large back) fin.

(d) Sport fishing is illegal in waters closed to commercial fishing while commercially caught troll salmon are in possession. (In effect before 1984; am 4/28/84, Reg. 90; am 5/31/85, Reg. 94)

Authority: AS 16.05.251

CHAPTER 49.

YAKUTAT AREA

5 AAC 49.050(a) is amended to read

5 AAC 49.050. WATERS CLOSED TO SPORT FISHING. (a) The Situk River drainage is closed to king salmon fishing upstream from the U.S. Forest Service middle cabin from July 1 through August 31, and is closed to all fishing from the old railroad bridge downstream to its mouth from June 15 through October 14. (In effect before 1985; am 5/31/85, Register 94; am __/__/86, Register __)

Authority: AS 16.05.251

5 AAC 49.060(a)(3) is added and (b)(4) and (5) are amended to read:

5 AAC 49.060. SPORT FISHING FROM COMMERCIALLY LICENSED VESSELS. (a) No person may sport fish from a registered salmon hand troll or power troll vessel, as those vessels are identified by the marking requirements of 5 AAC 39.119, except that this prohibition does not apply

(3) to sport fishing for bottomfish and halibut; no halibut may be on board the vessel if there are salmon on board.

(b) The operator of a charter vessel shall register that vessel annually with the department before the vessel is used for sport fishing in salt water. The following information must be provided at the time of registration with the department:

(4) the number of the current Alaska Business License of the company or individual owning the charter service; and

(5) the number of the U.S. Coast Guard license to carry passengers for hire issued to the operator of the vessel.

(In effect before 1984; am 4/28/84, Register 90; am 5/31/85, Register 94, am __/__/86, Register __)

Authority: AS 16.05.251

5 AAC 46.060. SPORT FISHING FROM COMMERCIALLY LICENSED VESSELS. (a) No person may sport fish from a registered salmon hand troll or power troll vessel, as those vessels are identified by the marking requirements of 5 AAC 39.270(c) and (d), except that this prohibition does not apply

(1) to charter vessels;

(2) in derby zones during derbies authorized by the department.

(b) The owner or operator of a charter vessel shall register that vessel annually with the department before the vessel is used for sport fishing. The following information must be provided at the time of registration with the department:

(1) the name of the individual or company owning the charter service;

(2) the permanent residence address, and mailing address, of the owner or company;

(3) the permanent vessel license plate number (ADF&G number) for the vessel;

(4) a photostatic copy of the current Alaska Business License of the company or individual owning the charter service; and

(5) a photostatic copy of the U.S. Coast Guard license to carry passengers for hire issued to the owner or operator of the vessel.

(c) Each person who sport fishes from a vessel licensed for commercial fishing, including a charter vessel, in waters closed to commercial salmon fishing shall, immediately upon boating, mark each salmon by removing its dorsal (large back) fin.

(d) Sport fishing is illegal in waters closed to commercial fishing while commercially caught salmon are in possession. (In effect before 1984; am 4/28/84, Reg. 90; am 5/31/85, Reg. 94)

Authority: AS 16.05.251

CHAPTER 48.
AREA 1–SOUTHEAST ALASKA

Article

1. Freshwater (5 AAC 48.010–5 AAC 48.030)
2. Saltwater (5 AAC 48.040–5 AAC 48.092)
3. Definition of Area (5 AAC 48.100)

ARTICLE 1.
FRESHWATER

Section

10. (Repealed)
20. (Repealed)
30. (Repealed)

5 AAC 48.010. OPEN SEASON. Repealed 5/6/81.

5 AAC 48.020. BAG LIMITS. Repealed 5/6/81.

5 AAC 48.030. EXCEPTIONS. Repealed 5/6/81.

ARTICLE 2.
SALTWATER

Section

40. (Repealed)
50. (Repealed)
60. (Repealed)
70. (Repealed)
80. (Repealed)
90. (Repealed)
92. (Repealed)

5 AAC 48.040. OPEN SEASON. Repealed 5/6/81.

5 AAC 48.050. BAG LIMIT. Repealed 5/6/81.

5 AAC 48.060. EXCEPTIONS. Repealed 5/6/81.

5 AAC 48.070. SPORT FISHING FOR SALMON WITH COMMERCIALLY CAUGHT TROLL SALMON IN POSSESSION. Repealed 5/6/81.

(B) the Klawock River drainage upstream from the Klawock River bridge is closed to red salmon fishing.

(d) In salt water

(10) the area between the Klawock River bridge and a line from the Klawock blinker light to the Klawock oil dock is closed to red salmon fishing, and is closed to snagging; fish hooked elsewhere than in the mouth must be released immediately. (In effect before 1983; am 4/3/83; Register 85; am 4/28/84, Register 90; am 5/31/85, Register 94; am __/__/86, Register __)

Authority: AS 16.05.251

5 AAC 46.060 (a)(3) is added and (b)(4) and (5) are amended to read:

5 AAC 46.060. SPORT FISHING FROM COMMERCIALLY LICENSED VESSELS. (a) No person may sport fish from a registered salmon hand troll or power troll vessel, as those vessels are identified by the marking requirements of 5 AAC 39.119, except that this prohibition does not apply

(3) to sport fishing for bottomfish and halibut; no halibut may be on board the vessel if there are salmon on board.

(b) The operator of a charter vessel shall register that vessel annually with the department before the vessel is used for sport fishing in salt water. The following information must be provided at the time of registration with the department:

(4) the number of the current Alaska Business License of the company or individual owning the charter service; and

(5) the number of the U.S. Coast Guard license to carry passengers for hire issued to the operator of the vessel.

(In effect before 1984; am 4/28/84, Register 90; am 5/31/85, Register 94, am __/__/86, Register __)

Authority: AS 16.05.251

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: Feb 4 HB 227 HB 492

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Paul Johnson	Box 22 Elfin Cove	Self	Yes HB492	
LT. Conrad Seibel	2760 Sherwood Ln Juneau	Dept. Public Safety	Yes HB492	789-2161
Pat Young	17001 Towerskd. Juneau	Juneau Hand Trollers	Yes HB492	789-2069
Ned Thom	9454 La Perouse	SELF	No 492	789-7092
DAN BATES	5971 North St	Self	Yes HB 492	780-6638
LYALL HADSEL	2201 MUIR ST	SELF	NO 492	789-3419
Ron Williams	8131 Dogwood Juneau	AMB, Grand Camp	Yes 492	586-7600
Francis W. Dunne	PO Box 1421 JNU, AK	Self	Yes	586-7569
Keith Hutchison	Box 876 Jno. 99802	Juneau Hand Trollers	Yes 492	789-9489
Thomas M. Gemmell	2291 Vowell Ave	Juneau Hand Trollers	Yes 492	586-2362
Beth Stewart		ADF&G	YES 492	465-4100
Greg Fisk		ATA	Yes 492	
Rapa Andrews		AK Outdoors Council	Yes 492	

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - HB 492

NEUTRAL

February 5, 1986

SB 492 - "An act relating to sport fishing from commercially licensed troll vessels; and providing for an effective date."

The Board of Fisheries has considered various proposals over the past years for allowing salmon sport fishing from commercial troll vessels. The Board has taken the position to not relax prohibition against salmon sport fishing from troll vessels as this could have an effect on the allocation of the commercial catch between the power and hand troll vessels. The U.S. - Canadian treaty presently regulates the number of King Salmon that can be taken by the commercial fishermen. They felt sport fishing if allowed could alter the present allocation and jeopardize the treaty. The Board of Fisheries did pass a regulation at the December meeting to allow sport fishing for bottom fish and halibut from commercial troll vessels in Southeast and Yakutat. The regulation will prohibit halibut being on board the vessel if there are salmon aboard. The enforcement will not be fully known until spring when commercial salmon trolling is in full swing.

Under the current regulations, only two citations were issued over the past twelve months, for observed violations of this regulation.

Robert J. Sundberg
Commissioner

MEMORANDUM State of Alaska

TO: Rodger Painter
Legislative Aide to
The Honorable Peter Goll

DATE: January 31, 1986

FILE NO:

TELEPHONE NO:

FROM: Kurt Schelle KS
Director of Research
Commercial Fisheries Entry
Commission

SUBJECT: Hand Troll Data Request

Enclosed are data on the hand troll fishery which you requested. The following reports have been included:

1. Southeast Salmon Permits Issued and Fished 1975-1985

   This report includes data on all of the gear types harvesting salmon in Southeast Alaska with the exception of Yakutat set net. The number of persons who fished have been reported by resident type. The 1984 and 1985 data from the report should be considered preliminary because of the status of the fish ticket files.

2. Southeast Hand Troll Permits Issued and Fished 1982-1985

   This report concentrates on the hand troll fishery since entry limitation. It includes a breakout by transferable and non-transferable permits. Again, the 1984 and 1985 data should be considered preliminary.

3. Estimated Earnings for Southeast Salmon Permits by Gear Type 1975-1985

   This report includes estimates of total and average gross earnings by gear type. Please note that the averages represent averages per permit. 1984 and 1985 data should be considered as preliminary.

4. Definitions

   This brief report provides an explanation on how the resident types are defined which are used in reports 5 and 6 below.

5. Summary of Net Changes in the Distribution of Permit Ownership, by Resident Type, 1982-1985 - Southeast Alaska Hand Troll

This report provides detailed information on the distribution of hand troll entry permits since limited entry. Resident type breakouts are provided. Of particular interest is the relatively large number of revokes over this time period. The vast majority of these are due to forfeitures resulting from two year non-renewals.

6. Summary of Yearly Net Changes in Permit Ownership, Southeast Alaska Hand Troll, 1982-1985

This report provides summary data on net changes in permit ownership by resident type in the hand troll fishery. The net results of transfers and the effects of revocations can be clearly seen.

The Rutter status report which you requested has not yet been completed. The data is being prepared by Karen Wells of our adjudictions section. She will forward the information to you as soon as possible.

Please let me know if you have any questions concerning these reports. If we can be of further assistance, please don't hesitate to ask

KS/dw

cc: Bruce Twomley
Karen Wells

SOUTHEAST SALMON PERMITS ISSUED AND FISHED 1975-1985

		PERMITS ISSUED			---- PEOPLE WHO FISHED ----			
		PERMANENT PERMIT HOLDERS	IUP PERMIT HOLDERS	TOTAL	RESIDENTS LOCAL TO FISHERY	OTHER ALASKA RESIDENTS	NON-RESIDENTS	TOTAL
1985	PURSE SEINE	416	4	420	162 (44.3)	3 (0.8)	201 (54.9)	366 (100.0)
	DRIFT GILLNET	468	16	484	309 (68.4)	8 (1.8)	135 (29.9)	452 (100.0)
	POWER TROLL	942	20	962	633 (76.0)	14 (1.7)	186 (22.3)	833 (100.0)
	HAND TROLL	1987	44	2031	814 (91.3)	14 (1.6)	64 (7.2)	892 (100.0)
1984	PURSE SEINE	417	5	422	167 (43.3)	2 (0.5)	217 (56.2)	386 (100.0)
	DRIFT GILLNET	467	14	481	309 (69.4)	4 (0.9)	132 (29.7)	445 (100.0)
	POWER TROLL	940	23	963	603 (75.3)	12 (1.5)	186 (23.2)	801 (100.0)
	HAND TROLL	2120	27	2147	799 (93.0)	4 (0.5)	56 (6.5)	859 (100.0)
1983	PURSE SEINE	416	5	421	158 (46.5)	2 (0.6)	180 (52.9)	340 (100.0)
	DRIFT GILLNET	467	13	480	300 (68.5)	4 (0.9)	134 (30.6)	438 (100.0)
	POWER TROLL	939	29	968	620 (75.1)	9 (1.1)	197 (23.8)	826 (100.0)
	HAND TROLL	2121	29	2150	878 (92.3)	16 (1.7)	57 (6.0)	951 (100.0)
1982	PURSE SEINE	414	7	421	154 (41.3)	6 (1.6)	213 (57.1)	373 (100.0)
	DRIFT GILLNET	466	20	485	296 (66.7)	5 (1.1)	143 (32.2)	444 (100.0)
	POWER TROLL	940	28	968	607 (74.6)	15 (1.8)	192 (23.6)	814 (100.0)
	HAND TROLL	696	1212	1908	990 (92.8)	13 (1.2)	64 (6.0)	1067 (100.0)
1981	PURSE SEINE	414	4	418	171 (47.0)	4 (1.1)	189 (51.9)	364 (100.0)
	DRIFT GILLNET	464	23	487	311 (68.5)	5 (1.1)	138 (30.4)	454 (100.0)
	POWER TROLL	939	31	970	593 (74.1)	11 (1.4)	196 (24.5)	800 (100.0)
	HAND TROLL	0	2048	2048	1052 (91.7)	21 (1.8)	74 (6.5)	1147 (100.0)
1980	PURSE SEINE	414	3	417	157 (47.1)	4 (1.2)	172 (51.7)	333 (100.0)
	DRIFT GILLNET	464	25	489	324 (72.0)	4 (0.9)	122 (27.1)	450 (100.0)
	POWER TROLL	939	35	974	616 (72.6)	17 (2.0)	216 (25.4)	849 (100.0)
	HAND TROLL	0	2436	2436	1484 (89.0)	32 (1.9)	151 (9.1)	1667 (100.0)
1979	PURSE SEINE	413	5	418	156 (48.9)	4 (1.3)	159 (49.8)	319 (100.0)
	DRIFT GILLNET	464	27	491	326 (71.0)	4 (0.9)	129 (28.1)	459 (100.0)
	POWER TROLL	939	40	978	617 (74.4)	19 (2.3)	193 (23.3)	829 (100.0)
	HAND TROLL	0	3700	3700	1917 (87.0)	45 (2.0)	242 (11.0)	2204 (100.0)
1978	PURSE SEINE	413	7	420	165 (43.5)	8 (2.1)	206 (54.4)	379 (100.0)
	DRIFT GILLNET	463	28	490	333 (68.7)	11 (2.3)	141 (29.1)	485 (100.0)
	POWER TROLL	934	42	976	629 (76.4)	15 (1.8)	179 (21.7)	823 (100.0)
	HAND TROLL	0	3921	3921	2394 (91.2)	30 (1.1)	200 (7.6)	2624 (100.0)

		PERMITS ISSUED			----PEOPLE WHO FISHED-----			
		PERMANENT PERMIT HOLDERS	IUP PERMIT HOLDERS	TOTAL	RESIDENTS LOCAL TO FISHERY	OTHER ALASKA RESIDENTS	NON-RESIDENTS	TOTAL
1977	PURSE SEINE	411	3	414	160 (49.1)	0 (0.0)	166 (50.9)	326 (100.0)
	DRIFT GILLNET	460	14	474	315 (70.6)	4 (0.9)	127 (28.5)	446 (100.0)
	POWER TROLL	929	41	968	591 (78.0)	5 (0.7)	162 (21.4)	758 (100.0)
	HAND TROLL	0	2951	2951	1753 (95.6)	12 (0.7)	69 (3.8)	1834 (100.0)
1976	PURSE SEINE	409	9	416	146 (51.8)	1 (0.4)	135 (47.9)	282 (100.0)
	DRIFT GILLNET	449	38	483	305 (69.0)	3 (0.7)	134 (30.3)	442 (100.0)
	POWER TROLL	915	83	976	567 (76.0)	6 (0.8)	173 (23.2)	746 (100.0)
	HAND TROLL	0	2082	2082	1187 (96.1)	4 (0.3)	44 (3.6)	1235 (100.0)
1975	PURSE SEINE	398	77	444	163 (55.6)	1 (0.3)	129 (44.0)	293 (100.0)
	DRIFT GILLNET	431	80	497	315 (68.9)	2 (0.4)	140 (30.6)	457 (100.0)
	POWER TROLL	849	230	1044	574 (74.0)	5 (0.6)	197 (25.4)	776 (100.0)
	HAND TROLL	0	2087	2087	1043 (95.5)	5 (0.5)	44 (4.0)	1092 (100.0)

NOTES FOR TABLE:

1) Excludes permits landing fish only from Annette Island waters.

2) 1985 data is preliminary.

3) Because of inseason transfers, the number of people who fished will be greater than the number of permits landing fish reported in other tables.

4) Source programs: All years -- 85301.03

SOUTHEAST HAND TROLL PERMITS ISSUED AND FISHED 1982-1985

		PERMITS ISSUED			----PEOPLE WHO FISHED-----			
		PERMANENT PERMIT HOLDERS	IUP PERMIT HOLDERS	TOTAL	RESIDENTS LOCAL TO FISHERY	OTHER ALASKA RESIDENTS	NON-RESIDENTS	TOTAL
1985	TRANSFERABLE	730	44	774	439 (91.3)	9 (1.9)	33 (6.9)	481 (100.0)
	NON-TRANS.	1257	0	1257	375 (91.2)	5 (1.2)	31 (7.5)	411 (100.0)
1984	TRANSFERABLE	697	27	724	401 (93.3)	2 (0.5)	27 (6.3)	430 (100.0)
	NON-TRANS.	1423	0	1423	398 (92.8)	2 (0.5)	29 (6.8)	429 (100.0)
1983	TRANSFERABLE	698	29	727	430 (93.7)	5 (1.1)	24 (5.2)	459 (100.0)
	NON-TRANS.	1423	0	1423	449 (91.1)	11 (2.2)	33 (6.7)	493 (100.0)
1982	TRANSFERABLE	696	1212	1908	990 (92.8)	13 (1.2)	64 (6.0)	1067 (100.0)

NOTES FOR TABLE:

1) Excludes permits landing fish only from Annette Island waters.

2) 1985 data is preliminary.

3) Because of inseason transfers, the number of people who fished will be greater than the number of permits landing fish reported in other tables.

4) Source programs: All years -- 85301.03

ESTIMATED EARNINGS FOR SOUTHEAST SALMON PERMITS BY GEAR TYPE 1975-1985

Year	Gear Type	Permits Landing Fish	Total Gross Earnings	Average Gross Earnings
1985	Purse Seine	364	$ 50,105,334	$137,652
	Drift Gillnet	440	15,748,906	35,793
	Power Troll	821	19,014,559	23,160
	Hand Troll	835	3,648,677	4,370
1984	Purse Seine	383	$ 34,372,420	$ 89,745
	Drift Gillnet	435	13,165,030	30,264
	Power Troll	786	21,529,614	27,391
	Hand Troll	837	3,669,225	4,508
1983	Purse Seine	337	$ 32,610,927	$ 96,768
	Drift Gillnet	429	7,458,751	17,386
	Power Troll	808	13,457,290	16,655
	Hand Troll	921	2,483,900	2,697
1982	Purse Seine	369	$ 27,921,202	$ 75,667
	Drift Gillnet	431	10,613,954	24,626
	Power Troll	808	20,333,936	25,166
	Hand Troll	1054	4,037,725	3,831
1981	Purse Seine	365	$ 38,470,492	$105,398
	Drift Gillnet	446	9,379,807	21,030
	Power Troll	790	16,110,489	20,393
	Hand Troll	1129	3,400,658	3,012
1980	Purse Seine	334	$ 30,213,235	$ 90,458
	Drift Gillnet	444	9,441,006	21,263
	Power Troll	834	13,125,024	15,737
	Hand Troll	1615	3,149,520	1,950
1979	Purse Seine	320	$ 20,505,573	$ 64,079
	Drift Gillnet	447	11,428,132	25,566
	Power Troll	807	20,989,328	26,009
	Hand Troll	2151	6,285,056	2,921
1978	Purse Seine	374	$ 29,815,380	$ 79,720
	Drift Gillnet	473	9,553,300	20,197
	Power Troll	803	17,251,547	21,483
	Hand Troll	2549	5,609,528	2,200
1977	Purse Seine	325	$ 24,698,101	$ 75,994
	Drift Gillnet	436	11,785,704	27,031
	Power Troll	740	11,954,524	16,154
	Hand Troll	1781	3,267,463	1,834

Year	Gear Type	Permits Landing Fish	Total Gross Earnings	Average Gross Earnings
1976	Purse Seine	278	$ 11,068,853	$ 39,816
	Drift Gillnet	429	8,581,710	20,003
	Power Troll	736	8,447,049	11,476
	Hand Troll	1185	1,481,621	1,250
1975	Purse Seine	282	$ 6,008,403	$ 21,306
	Drift Gillnet	438	4,096,559	9,352
	Power Troll	738	3,996,776	5,415
	Hand Troll	964	554,134	574

Notes for table:

1) Excludes Annette Island catch.

2) Permit holders earning less than a specified amount have not been counted on this table. This is intended to prevent average earnings from being understated.

3) 1985 data is preliminary (updated 1/15/86).

4) Source programs: 1984-85 -- 85301.02-B3
1983 ----- 84270.06-M2
1982 ----- 84004.01
1975-81 -- 83056.01

Definitions

Urban/Rural

1. Urban includes all towns with 1980 U.S. Census populations of 2,000 or more.

2. Communities are designated urban even though their populations are under 2,000 if they lie within an "urbanized area." Urbanized areas are defined as all communities and places connected by highway to urban centers with populations of 6,000 or more and lying within a 20-mile radius of the urban center (for cities from 6,000 to 20,000 population) or a 40-mile radius (for cities of more than 20,000). The radius is measured from the center of the city as denoted by the city location point on maps, rather than from the city limits. An exception to the radius rule is that the Anchorage "urbanized area" does not extend north of Knik Arm nor south of Turnagain Arm.

   The cities of 6,000 to 20,000 population are Juneau, Ketchikan and Sitka. The cities above 20,000 are Anchorage and Fairbanks.

Local/Nonlocal

1. On the coast, area lines are based on Fish and Game salmon regulatory areas. Residences in both Southeast and Yakutat are designated local to the hand and power troll fisheries. In accord with permit and fishery regulations, residences with the Cape Yakataga and Port Heiden overlap areas are "local" for both relevant overlap areas.

2. The Upper and Lower Yukon and Kuskokwim River fishery areas are based on immediate river drainages. The Lower Yukon area extends up the Yukon River to just above Holy Cross. The Upper Yukon "local" area extends up the Koyukuk tributary as far as Huslia, the Chandalar as far as Venetie and the Tanana to Delta Junction, 30 miles beyond the upper limits of commercial fishing on that river. The Kuskokwim local area extends 30 miles upriver beyond the limit of commercial fishing on that river and includes the Stony River tributary as far as Lime Village and the Holitna River as far as Kasheglok.

3. The Bristol Bay area extends inland up the Nushagak River and includes the entire Tikchik Lake system as well as Lake Iliamna and Lake Clark.

4. The Cook Inlet local area includes all but the eastern edge of the Anchorage Borough. The line dividing the Cook Inlet and

Prince William Sound ADF&G regulatory areas are extended inland directly north. That is, the line runs from Cape Fairfield at 148°50'W, north to 61°32'N (just north of Bodenburg Butte and south of Palmer) and thence west to 150°30'W (to the community of Susitna) and thereafter follows, at a little distance inland, the western shore of Cook Inlet, ending at Cape Douglas.

5. The Prince William Sound area extends up the Copper River to the confluence of the Bremner River. Taking in the census subareas of Prince William Sound and Cordova, but not the Copper River subarea, it excludes the interior Copper River as well as the Edgerton, Richardson and Glenn Highway communities.

Summary of Yearly Net Changes in Permit Ownership, 1982 - 1985

SOUTHEAST ALASKA HAND TROLL

	ALASKA RURAL LOCAL				ALASKA RURAL NONLOCAL				ALASKA URBAN LOCAL				ALASKA URBAN NONLOCAL				NON RESIDENTS				DOC
	TRANS	MIGR	REV	NET	TRANS	MIGR	REV	NET	TRANS	MIGR	REV	NET	TRANS	MIGR	REV	NET	TRANS	MIGR	REV	NET	TRANS
1982	-2	0	0	-2	2	0	0	2	-2	0	0	-2	1	0	0	1	1	0	0	1	0
1983	-7	1	0	-6	0	0	0	0	1	1	0	2	1	-1	0	0	5	-1	0	4	0
1984	-11	12	0	1	1	1	0	2	-1	-20	0	-21	0	3	0	3	11	4	-1	14	0
1985	-3	-4	-25	-32	1	2	-1	2	-2	11	-77	-68	-5	0	-5	-10	9	-9	-27	-27	0
	-23	9	-25	-39	4	3	-1	6	-4	-8	-77	-89	-3	2	-5	-6	26	-6	-28	-8	0

Trans = net change in resident type due to permanent transfers.
Migr = net change in resident type due to migrations (permit holder moving from one city to another.
Rev = net change in resident type due to revocation proceedings.
(including deaths of nontransferable permits holders, PERMITS FORFEITED DUE TO NONRENEWAL, AND criminal revokes.

Net = total net change in resident type.

Alaska Rural Local: ALASKA resident of a RURAL community which is LOCAL to the fishery for which the permit applies.

Alaska Rural Nonlocal: ALASKA resident of a RURAL community which is LOCAL to the fishery for which the permit applies.

Alaska Urban Local: ALASKA resident of an URBAN community which is LOCAL to the fishery for which the permit applies.

Alaska Urban Nonlocal: ALASKA resident of an URBAN community which is LOCAL to the fishery for which the permit applies.

Nonresident: Nonresident of ALASKA

DOC : Department of Commerce signifies permits which have been forclosed and which are temporarily the property of the state (DOC) or of the Commercial Fishing and Agriculture Bank (CFAB).

Summary of Net Changes in the Distribution of Permit Ownership,
by Resident Type, 1982 - 1985

SOUTHEAST ALASKA HAND TROLL

Fishery	Transaction	ALASKA RURAL LOCAL	ALASKA RURAL NONLOCAL	ALASKA URBAN LOCAL	ALASKA URBAN NONLOCAL	NON-RESIDENT	DEPT OF COMMERCE	TOTAL
HAND TROLL	82 INITIAL ISSUES	286	1	361	11	37	0	696
HAND TROLL	82 TRANSFERS	-2	2	-2	1	1	0	0
	82 TOTAL	284	3	359	12	38	0	696
HAND TROLL	83 INITIAL ISSUES	391	5	873	40	116	0	1,425
HAND TROLL	83 TRANSFERS	-7	0	1	1	5	0	0
HAND TROLL	83 MIGRATIONS	1	0	1	-1	-1	0	0
	83 TOTAL	669	8	1,234	52	158	0	2,121
HAND TROLL	84 TRANSFERS	-11	1	-1	0	11	0	0
HAND TROLL	84 MIGRATIONS	12	1	-20	3	4	0	0
HAND TROLL	84 FORFEITS	0	0	0	0	-1	0	-1
	84 TOTAL	670	10	1,213	55	172	0	2,120
HAND TROLL	85 INITIAL ISSUES	0	0	1	0	0	0	1
HAND TROLL	85 TRANSFERS	-3	1	-2	-5	9	0	0
HAND TROLL	85 MIGRATIONS	-4	2	11	0	-9	0	0
HAND TROLL	85 FORFEITS	-17	0	-66	-3	-26	0	-112
HAND TROLL	85 LAPSED	-7	-1	-11	-2	-1	0	-22
HAND TROLL	85 CRIMINAL REVOKES	-1	0	0	0	0	0	-1
	85 TOTAL	638	12	1,146	45	145	0	1,986

Migrations: changes in resident type resulting from permit holders moving from one city to another.
Forfeits: permits which have been revoked because renewal fees have not been paid for two years.
Lapsed: nontransferable permits no longer fishable due to the death of the permit holder.
Criminal Revokes: permits which have been revoked due to criminal action.

Alaska Rural Local: ALASKA resident of a RURAL community which is LOCAL to the fishery for which the permit applies.
Alaska Rural Nonlocal: ALASKA resident of a RURAL community which is LOCAL to the fishery for which the permit applies.
Alaska Urban Local: ALASKA resident of an URBAN community which is LOCAL to the fishery for which the permit applies.
Alaska Urban Nonlocal: ALASKA resident of an URBAN community which is LOCAL to the fishery for which the permit applies.
Nonresident: Nonresident of ALASKA
Dept of Commerce: permits which have been forclosed and which are temporarily the property of the state (DOC) or of the Commercial Fishing and Agriculture Bank (CFAB).

CHAPTER 49.

YAKUTAT AREA

5 AAC 49.050(a) is amended to read

5 AAC 49.050. WATERS CLOSED TO SPORT FISHING. (a) The Situk River drainage is closed to king salmon fishing upstream from the U.S. Forest Service middle cabin from July 1 through August 31, and is closed to all fishing from the old railroad bridge downstream to its mouth from June 15 through October 14. (In effect before 1985; am 5/31/85, Register 94; am __/__/86, Register __)

Authority: AS 16.05.251

5 AAC 49.060(a)(3) is added and (b)(4) and (5) are amended to read:

5 AAC 49.060. SPORT FISHING FROM COMMERCIALLY LICENSED VESSELS. (a) No person may sport fish from a registered salmon hand troll or power troll vessel, as those vessels are identified by the marking requirements of 5 AAC 39.119, except that this prohibition does not apply

(3) to sport fishing for bottomfish and halibut; no halibut may be on board the vessel if there are salmon on board.

(b) The operator of a charter vessel shall register that vessel annually with the department before the vessel is used for sport fishing in salt water. The following information must be provided at the time of registration with the department:

(4) the number of the current Alaska Business License of the company or individual owning the charter service; and

(5) the number of the U.S. Coast Guard license to carry passengers for hire issued to the operator of the vessel.

(In effect before 1984; am 4/28/84, Register 90; am 5/31/85, Register 94, am __/__/86, Register __)

Authority: AS 16.05.251

(B) the Klawock River drainage upstream from the Klawock River bridge is closed to red salmon fishing.

(d) In salt water

(10) the area between the Klawock River bridge and a line from the Klawock blinker light to the Klawock oil dock is closed to red salmon fishing, and is closed to snagging; fish hooked elsewhere than in the mouth must be released immediately. (In effect before 1983; am 4/3/83; Register 85; am 4/28/84, Register 90; am 5/31/85, Register 94; am __/__/86, Register __)

Authority: AS 16.05.251

5 AAC 46.060 (a)(3) is added and (b)(4) and (5) are amended to read:

5 AAC 46.060. SPORT FISHING FROM COMMERCIALLY LICENSED VESSELS. (a) No person may sport fish from a registered salmon hand troll or power troll vessel, as those vessels are identified by the marking requirements of 5 AAC 39.119, except that this prohibition does not apply

(3) to sport fishing for bottomfish and halibut; no halibut may be on board the vessel if there are salmon on board.

(b) The operator of a charter vessel shall register that vessel annually with the department before the vessel is used for sport fishing in salt water. The following information must be provided at the time of registration with the department:

(4) the number of the current Alaska Business License of the company or individual owning the charter service; and

(5) the number of the U.S. Coast Guard license to carry passengers for hire issued to the operator of the vessel.

(In effect before 1984; am 4/28/84, Register 90; am 5/31/85, Register 94, am __/__/86, Register __)

Authority: AS 16.05.251

STATE OF ALASKA 1[illegible] LEGISLATIVE SESSION
FISC[illegible] NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 492
Title : " An Act relating to sport fishing from commercially licensed troll vessels..."
Sponsor : Duncan
Requestor : House Fisheries
Date of Request : 2/03/86

FISCAL DETAIL

Agency Affected : Public Safety
BRU : Fish & Wildlife Protection

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Kathy Niles, Admin. Ass't — Phone : 465-4336
Division : Commissioner's Office — Date : 2/03/86

Approved by Commissioner : [signature] — Date : 2/3/86
Agency : Public Safety

Distribution (by Agency preparing fiscal note) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

10/25/85

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1257 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86 1422

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:25

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: April 10, 1986 HB 596 HB 695

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Bill Ross	Po Box O	D.E.C.	YES	
Scott Highleyman	204 N. Franklin, Suite 3 Juneau	AK Environmental Lobby	yes HB695	
Eldon Fritts	Box 3-2000 Juneau	ADFG	No	
Jim J Nonn	P.O Box 630	D.O.L		465-4839
McKie Campbell	Pouch V	Senate Resources Comm.	YES	4907

Bill No. House Bill 596 **Date** April 7, 1986

Title "An Act relating to fishermen's liens" **Contact:** Eileen Plate
465-2700
James J. O'Connor
465-4842

House Bill 596 proposes to expand upon the assets which are liened by a person who sells fish to a processor or primary fish buyer. Under present law only the property of the processor or buyer is liened. Under the provisions of this bill, the lien would also extend to the fish themselves and products made from them, and to proceeds received by the processor or buyer for the resale of the fish or products made from them.

The Department of Labor supports House Bill 596 since it would provide additional mechanisms for the collection of earnings due Alaska's fishermen.

APPROVED:

Jim Robison, Commissioner
Department of Labor

POSITION PAPER/Department of Labor

Alaska State Legislature

COMMITTEES:

Committee on Community and Regional Affairs
Committee on Transportation
Special Committee on Oil and Gas
Special Committee on Fisheries
Finance Sub-committee on Fish and Game

Andre Marrou
Representative

District 5

Kenai	Sterling
Soldotna	Anchor Point
Homer	Port Graham
Seldovia	English Bay
Kachemak	Nikolaevsk
Kasilof	Halibut Cove
Ninilchik	Clam Gulch

April 10, 1986

To: Chairman Peter Goll and Members of the H. Fisheries Committee
From: Andre Marrou, Representative

Subject: HB 596, Fishermans Liens

We know from deliberations on HB 277 "Fish Processors and Primary Fish Buyers" in this Committee that many fisherman sometimes have trouble collecting their due. HB 596 will help to alleviate this problem.

HB 596 automatically extends a fisherman's property rights in his/her catch until payment in full is received. It does this without the trouble or expense of attorneys and litigation to establish the same.

Your support is appreciated.

Enclosures:
Legal opinion, March 18, showing no conflict with UCC
Position paper from Dept. of Labor, supports HB 596
Fiscal note, Feb. 28, showing zero fiscal impact

During Session: P. O. Box V, Juneau, Alaska 99811, (907) 465-2719 During Interim: Box 1572, Homer, Alaska 99603, (907) 235-8200

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 18, 1986

SUBJECT: HB 596 and the UCC
TO: Rep. Andre Marrou
FROM: Ed Hein, LAA EH

You have asked, through your assistant Jack Sanderson, whether HB 596 conflicts with the Uniform Commercial Code. Also, you have asked how the UCC applies to fishermen's liens.

The relevant provisions of the UCC are in Article 9, Secured Transactions. Section 9-104, however, specifically exempts from coverage all statutory liens for services or materials. This is codified in Alaska under AS 45.09.104(3). In addition, the fishermen's lien takes priority over a perfected security interest. AS 45.09.310.

Thus, I do not see any conflict between HB 596, which adds provisions to the statutory fishermen's lien, and UCC Article 9. The UCC simply does not apply to this type of statutory lien. #

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 596
Title : "An Act relating to Fishermen's Liens."

Sponsor : Marrou
Requestor : Spec. Committee on Fisheries
Date of Request : 2/18/86

FISCAL DETAIL

Agency Affected : Labor
BRU : Labor Standards and Safety

Components : Wage and Hour

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Robert J. Bacolas, Sr. Phone : 465-4870
Division : Labor Standards and Safety Date : 2/28/86

Approved by Commissioner : Jim Robison Date : 2/28/86
Agency : Labor

Distribution (by Agency preparing fiscal note) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

[redacted]

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:26

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 695
Title : An Act relating to regulation of water quality in placer mining.

Sponsor : House Resources Committee
Requestor : _____
Date of Request : _____

FISCAL DETAIL

Agency Affected : Environmental Conservation
BRU : _____

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS : None

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Amy D. Kyle, Deputy Commissioner Phone : 465-2600
Division : Office of the Commissioner Date : 4/01/86

Approved by Commissioner : Bill Ross Date : 4/01/86
Agency : Environmental Conservation

Distribution (by Agency preparing fiscal note) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

10/25/85

SCSCSHB627 (Resources) poses a number of problems. According to an April 22, 1986 letter from the attorney general's office, the senate version has the following problems:

1. Effectively nullifies existing state water quality standards.

2. Would result in EPA pre-emption of state water quality standards.

3. Eliminates ability of the state to assume the federal water pollution permitting system.

4. Would prohibit the state from certifying the federal permits.

5. Would turn over management of water quality completely to the federal government.

In addition, the Senate version:

1. Does not provide relief for the placer mining industry because federal rules will prevail with no chance for moderating state influence.

2. Expands the discharge exemption to all industries.

3. Allows incremental degradation of water quality standards on streams with several placer mining operations.

BILL SHEFFIELD, GOVERNOR

REPLY TO:

☐ 1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

☐ 1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

☑ POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

April 22, 1986

Honorable Arliss Sturgulewski
Alaska State Senate
P.O. Box V
Juneau, Alaska 99811

Re: Senate Committee Substitute for Committee Substitute for House Bill No. 627 (Resources)

Dear Senator Sturgulewski:

On April 21, 1986 the Department of Environmental Conservation ("DEC") requested the Attorney General's Office to provide you with an analysis of SCS CSHB 627 (Res.). This letter constitutes our response to DEC's request. As discussed below, SCS CSHB 627 (Res.) will have major impacts on the existing state water quality regulatory structure, particularly in the area of placer mining. Because of the limited time available for this review, our discussion focuses on the major legal impacts of the bill. Additional impacts may well exist.

Section 3, the bill's key provision, provides as follows:

> AS 46.03 is amended by adding a new section to read:
>
> Sec. 46.03.892. Regulation of appropriated water. (a) When considering the quality of appropriated water and establishing regulations for the quality of appropriated water, the commissioner may require a person who appropriates water to meet a standard that is equal to but not higher than a standard attainable through the application of best practicable and economically sustainable technology associated with the particular use.

> (b) The commissioner may not require a higher discharge quality standard for appropriated water than the quality of water received for use.

When read in context, it becomes apparent that the term "appropriated water" means "water used in placer mining." 1/ Section 3 would prohibit DEC from requiring a placer miner to meet any water quality standard more stringent than those standards "attainable through the application of best practicable and economically sustainable technology" ("BPEST").

To understand the problems associated with Sec. 3, one must recognize that the federal Clean Water Act ("CWA"), 33 U.S.C. § 1251 et seq., establishes a comprehensive scheme for the control and abatement of water pollution. Under the doctrine of supremacy, where a state law conflicts with a federal law the federal law preempts the state law and the state law becomes void. See United States Constitution, Art. VI, cl.2. SCS CSHB 627 (Res.) appears to conflict with several major provisions of the CWA.

CWA § 301(b)(2)(A) imposes an attainability requirement different from BPEST. CWA § 301(b)(2)(a) requires "application of the best available technology economically achievable [BATEA] ... which will result in reasonable further progress toward the national goal of eliminating the discharge of all pollutants." By its terms, the BPEST attainability requirement appears less stringent than the federally-mandated BATEA attainability requirement. Hence, the BPEST requirement conflicts with the CWA BATEA requirement and would be preempted.

Aside from the preemption problem, adoption of SCS CSHB 627 (Res.) would assure that the state could not assume control of the CWA National Pollution Discharge Elimination System (NPDES) permit process. CWA § 402(b) authorizes states to assume, subject to EPA approval, EPA's NPDES permit issuance functions. Alaska's placer mining community has long sought state assumption of the NPDES process from EPA. However, CWA §

1/ Appropriation of water occurs through the process set forth in the Alaska Water Use Act, AS 46.15. The appropriation of state waters for placer mining purposes is commonplace and occurs via the "tri-agency application" process.

402(b) provides that EPA cannot approve state assumption of the NPDES process if the state lacks legal authority to issue permits which "insure compliance" with various provisions of the CWA. Under CWA § 402(b), before the state can assume the NPDES process, the state must possess legal authority to issue permits that insure compliance with federally-adopted BATEA limits (CWA § 301) and with federally-adopted national performance standards (CWA § 306). Under CWA § 402(b), before the state can assume the NPDES process, the state must also possess legal authority to "abate violations of the [NPDES] permit." SCS CSHB 627 (Res.) would remove the state's legal authority to "insure compliance" with or "abate violations" of any permit or water quality standard more stringent than BPEST. In the absence of adequate state legal authority, EPA could not transfer the NPDES program to the state.

SCS CSHB 627 (Res.) also constitutes a de facto revision of existing state water quality standards. This legislative revision would occur because the bill effectively nullifies any existing state water quality standard which is more stringent than BPEST. Such an attempt to revise existing state water quality standards violates the CWA. The CWA establishes specific requirements for the revision of existing state water quality standards. CWA § 303(c) provides that whenever the state revises water quality standards, the state must submit the revised standards to EPA for approval. Under 40 C.F.R. Part 131, state water quality standards cannot be revised unless the water uses sought to be excluded (i) do not currently exist, and (ii) are not attainable through the imposition of BATEA-based effluent limits and national performance standards. 40 C.F.R. § 131.10. To determine the non-attainability of a use, a use attainability analysis usually must be performed. 40 C.F.R. § 131.10(j). Also, before water quality standards may be revised, the state must hold public hearings in conformity with EPA hearing requirements. 40 C.F.R. § 131.20(b).

If EPA determines that the state's attempted revision of water quality standards fails to conform to the CWA requirements, federal law requires that EPA "shall promptly prepare and promulgate such standard[s]" for the state. 40 C.F.R § 131.22(a). Thus, to the extent EPA construes SCS CSHB 627 (Res.) as an attempt to unlawfully revise state water quality standards, the bill opens the door to the imposition upon Alaska of federally-mandated water quality standards by EPA.

In addition, SCS CSHB 627 (Res.) would hamper the state's ability to certify NPDES permits. 2/ SCS CSHB 627 (Res.) would preclude the state from certifying NPDES permits which contain terms based on existing water quality standards if the standards are more stringent than BPEST. The bill could force the state to waive the state's certification opportunity, and thereby forfeit the major opportunity for the state to influence the federal permit adoption process. Waiver of certification would leave the entire NPDES permit adoption process to EPA. Since a certified NPDES permit also serves as the state discharge permit required by AS 46.03.100, waiver of certification would force the state to promulgate its own discharge permits -- a lengthy and expensive process.

SCS CSHB 627 (Res.) would also damage the state's ability to work with the federal government toward fair and reasonable enforcement of placer mining water quality violations. The EPA assistant regional administrator for Alaska, Al Ewing, informs us that, from EPA's perspective, adoption of SCS CSHB 627 (Res.) would remove the state from cooperative federal/state placer mining enforcement efforts. Such removal would cut off state input into EPA's placer mining enforcement decisions, and would eliminate the state's opportunity to incorporate Alaskan concerns into the enforcement decision process.

Other sections of SCS CSHB 627 (Res.) also impact the existing regulatory structure. Section 1 of SCS CSHB 627 (Res.) might impair the Department of Fish and Game's ability to regulate placer mining activities and to otherwise protect waters "important for the spawning, rearing, and migration of anadromous fish" under AS 16.05.870. Section 2 of SCS CSHB 627 (Res.) would, in broad terms, prohibit DNR from any regulation of appropriated waters. Such a prohibition might restrict DNR's regulatory authority under the Water Use Act, AS 46.15.

2/ CWA § 401(a) and 40 C.F.R. § 124.53(a)-(c) provide the state with an opportunity to review and certify NPDES permits prior to issuance of the final permits by EPA.

If you have any questions concerning our analysis of SCS CSHB 627 (Res.) please contact us. Thank you for your consideration.

HAROLD M. BR[illegible]
ATTORNEY GENE[illegible]L

By:
John A. McDonagh
Assistant Attorney General

JAM/ja

cc: William Ross, Commissioner
Dept. of Environmental Conservation
Ronald Lorensen, Deputy Attorney General
Department of Law

Introduced: 3/5/86
Referred: House Special Committee on
Fisheries and Resources

IN THE HOUSE BY THE RESOURCES COMMITTEE

HOUSE BILL NO. 695

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to regulation of water quality in placer mining."

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

* Section 1. AS 16.05.930 is amended by adding a new subsection to read:

(g) The commissioner may not require a person engaged in placer mining to discharge water used in the placer mining with a higher quality than the water initially received for use in the placer mining.

* Sec. 2. AS 38.95 is amended by adding a new section to read:

ARTICLE 5. WATER QUALITY IN PLACER MINING.

Sec. 38.95.180. PLACER MINING WATER QUALITY REGULATION. The commissioner may not require a person engaged in placer mining to discharge water used in the placer mining with a higher quality than the water initially received for use in the placer mining.

* Sec. 3. AS 46.03 is amended by adding a new section to read:

Sec. 46.03.892. PLACER MINING WATER QUALITY REGULATION. The commissioner may not require a person engaged in placer mining to discharge water used in the placer mining with a higher quality than the water initially received for use in the placer mining.

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION

Telephone:(907)
Address:

OFFICE OF THE COMMISSIONER
P.O. BOX O, JUNEAU, ALASKA 99811-1800

(907) 465-2600

April 1, 1986

The Honorable Peter Goll
Alaska State House
P.O. Box V
Juneau, AK 99811-3100

Dear Representative Goll:

HB 695 would prevent the Departments of Natural Resources (DNR), Fish and Game (DF&G), and Environmental Conservation (DEC) from requiring a person engaged in placer mining to discharge water that is of a higher quality than that person's intake water. DEC believes the bill to be counterproductive to the efforts to both responsibly regulate the impacts from placer mining and to ease the regulatory burden on the placer mining industry.

The bill appears to be aimed at assuring that enforcement efforts do not require miners to either a) make placer discharges cleaner than the stream from which the water came; or b) treat the discharges of miners upstream from them. I believe that current agency authority and practice have already taken care of these two issues.

With respect to the concern that miners might be required to make water cleaner than the natural water source, this should not be a real concern. Alaska's water quality standards make reference to the natural background condition of the receiving waters into which a miner discharges. For both settleable solids and turbidity, the two parameters of greatest interest in placer mining, the water quality standards set limits on increases above background levels. Hence, the water quality standards do not require discharges that are cleaner than existing streams.

With respect to whether miners are required to treat discharges from upstream users, there have been no instances of enforcement actions to date which have required a downstream miner to treat the discharge from an upstream miner. Passage of HB 695 could force DEC to use a "linear" enforcement process of securing injunctions against all miners downstream of any miner who was polluting in order to make sure we were not causing downstream miners to treat the effluent of upstream miners. We would then need to work with the sole remaining miner on each stream to address his or her pollutant load. Once that person was in

compliance, we could allow one additional downstream miner, get that person in compliance, and then allow one more, etc. This is obviously an awkward method at best for working with the industry to install methods to reduce pollution in discharges.

In order to understand the impact of the proposed legislation upon current enforcement efforts, it is again necessary to refer to settleable solids and turbidity. Well-sited, designed, and maintained settling ponds are necessary to remove settleable solids to acceptable levels. Such ponds are capable of reducing the settleable solids in placer discharges to 0.2 ml/l, which is the legally permitted discharge, or better. This level can be achieved no matter what the quality of the water going into the pond is. For example, sluice box effluents generally range from 50-250 ml/l, and settling ponds are capable of reducing settleable solids to the legally permitted 0.2 ml/l. DEC requires all miners to use settling ponds or other means of reducing settleable solids. The effect of the amendment could be to preclude DEC from taking enforcement action against a miner for failing to install a settling pond, if indeed an upstream miner did not also install a pond. The fact that an upstream miner fails to install a pond should not become an excuse for a downstream miner not to have one. If it were the case that two miners on the same stream did not have ponds, DEC would enforce against them simultaneously.

The treatment of turbidity is in its beginning stages in the placer mining industry. Most mine sites do not currently employ techniques to deal expressly with turbidity. Approximately a dozen mine sites were successful this summer in developing and employing techniques which greatly reduced turbidity. DEC has worked with the industry as a whole to develop these new techniques. We will continue to concentrate individual technical assistance and enforcement efforts on those areas of user conflict. It is this process that will best assist the industry in developing the tools to address turbidity. HB 695 could preclude this approach.

The legislation also could interfere with other efforts to assist the industry. DEC is interested in exploring the benefits of assuming the federal water pollution permit process for placer mining under section 402 of the federal Clean Water Act. The permit is based on the technological treatment capabilities of the industry, not on the quality of the intake water. Failure to have the capability to enforce permit limitations such as the settleable solids limit of 0.2 ml/l could provide a legal impediment to the State's assumption of the 402 permit process. All other things being equal, it could be in the State's interest to assume this permit program and reduce the paperwork burden on the industry.

It is for these major reasons that DEC must oppose this legislation. I would be glad to discuss these and other issues that the bill raises with you or members of the Legislature at your convenience.

Sincerely

Bill Ross
Commissioner

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:27

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3500

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 5/2/85, 8:30 am

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date:

REQUEST
Bill/Resolution No.: HCR No. 32
Title: Relating to Pacific Fisheries Legislative Task Force
Sponsor: House Special Comm on Fish.
Requestor: House Spec Comm on Fish
Date of Request: 5/1/85

FISCAL DETAIL
Agency Affected: Legislative Affairs
Program Category Affected: General Government
BRU, Program or Subprogram(s) Affected: Council & Subcommittees

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL		11.6				
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		11.6				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		11.6				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

HCR 32 if passed has the President of the Senate appoint two (2) senators and the Speaker of the House appoint two (2) representatives to serve on the Pacific Fisheries Legislative Task Force. Anticipated costs would be for travel to four task force meetings.

Prepared By: Pamela A. Calhoon, Manager Pamela A. Calhoon Phone: 465-3850
Division: Administrative Services Date: 05/01/85
Approved by: Executive Director, Warren W. Endicott by [illegible] for: Date: 05/01/85
Agency: Legislative Affairs Agency

Distribution (by Agency preparing fiscal note):
Legislative Finance
[redacted]
Requestor
Office of Management and Budget
Impacted Agency(ies)

7/1/84

Introduced: 4/19/85
Referred: Community & Regional Affairs, Labor & Commerce and Finance

IN THE HOUSE

BY THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

HOUSE BILL NO. 391

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act authorizing the Alaska Power Authority to transfer certain projects to public utilities; and providing for an effective date."

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

* Section 1. Notwithstanding AS 44.83.380 -- 44.83.425, the Alaska Power Authority may transfer the following projects to appropriate public utilities: City of Kobuk + Port Lions

(1) Port Lions transmission line, funded by sec. 1, ch. 90, SLA 1981, as amended by sec. 69, ch. 92, SLA 1981;

(2) Kobuk - Shungnak transmission line, funded by sec. 4, ch. 90, SLA 1981.

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-10.070(c).

STATE OF ALASKA 1985 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No.: HCR No. 32

Title: Relating to Pacific Fisheries Legislative Task Force

Sponsor: House Special Comm on Fish.

Requestor: House Spec Comm on Fish

Date of Request: 5/1/85

FISCAL DETAIL

Agency Affected: Legislative Affairs

Program Category Affected: General Government

BRU, Program or Subprogram(s) Affected: Council & Subcommittees

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL		11.6				
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		11.6				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		11.6				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

HCR 32 if passed has the President of the Senate appoint two (2) senators and the Speaker of the House appoint two (2) representatives to serve on the Pacific Fisheries Legislative Task Force. Anticipated costs would be for travel to four task force meetings.

Prepared By: Pamela A. Calhoon, Manager Pamela A. Calhoon Phone: 465-3850

Division: Administrative Services Date: 05/01/85

Approved by: Executive Director, Warren W. Endicott by Margaret K. Brooks for: Date: 05/01/85

Agency: Legislative Affairs Agency

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

7/1/84

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:28

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

January 22, 1985

TO: House Resources Committee
Representative Adelheid Herrmann
Representative Richard Shultz
Co-Chairs

FROM: Special Committee on Fisheries
Representative Peter Goll
Chairman

SUBJECT: HJR 8/Effect of Incidental Catch Allocations

Information supplied by federal fisheries agencies should be carefully considered during committee discussions regarding HJR 8. Examination of the enclosed statistics reveals that the amount of sablefish for incidental catches of sablefish in the Gulf of Alaska by joint venture fisheries will vary by as much as 1.3 million pounds, depending upon the mechanism selected for determing the allocations.

The National Marine Fisheries Service staff says that joint venture operations will take place in 1985 only in the Western and Central regulatory areas of the Gulf.

According to an analysis by the NPFMC staff, the "observed bycatch rate" for the types of joint ventures planned in the Gulf during 1985 would result in the need for setting aside 1,057 metric tons of sablefish. If the sablefish incidental catch allocation is set at 10% of the Optimum Yield for the two regulatory areas, joint venture operations would be allowed to catch 473 metric tons of sablefish.

Based upon this information, it is suggested that the following amendment be made to HJR 8:

(1) Insert the following language on line 7, page 2, after the words "...fish fishery":

", and set aside reserves to allow incidental catch of sablefish based on 10 percent of the Optimum Yield for the Western and Central regulatory areas"

North Pacific Fishery Management Council

James O. Campbell, Chairman
Jim H. Branson, Executive Director

411 West 4th Avenue
Anchorage, Alaska 99510

Mailing Address: P.O. Box 103136
Anchorage, Alaska 99510

Telephone: (907) 274-4563
FTS 271-4064

December 28, 1984

Robert D. Alverson
Fishing Vessel Owners' Assn.
Building C-3, Room 232
Fishermen's Terminal
Seattle, Washington 98119

Dear Bob:

Thank you for your letter of December 13, 1984. As requested, I have enclosed a copy of the bycatch data that I used during the December Council meeting. In addition to bycatch rates for sablefish, the worksheets also include bycatch rates and amounts for POP, Atka mackerel and other rockfish.

Table 1 shows the "Final JVP" estimates that were adopted by the Council. These JVP estimates were used to calculate expected bycatches by joint ventures in 1985. As you are well aware, as a result of the U.S.-Japan Industry meetings, the 1985 JVP needs are now considered lower than estimated during the Council meeting.

Table 2 provides my JV bycatch estimates for the Western Regulatory Area. You will note that a bycatch rate is provided for incidental species. These rates were obtained from the Northwest and Alaska Fisheries Center's observer program and reflect "observed bycatch rates" during 1984. The data base used to calculate these rates were examined to eliminate data where there appeared to be targeted fishing on these species. However, it must be assumed that the resulting bycatch rates probably include some targeting that we were not able to eliminate due to the resolution of the data base.

These bycatch rates observed during 1984 were then applied to our estimated 1985 JVP. The calculation (bycatch rate x estimated JVP) provides a bycatch amount that would be required to harvest the JVP. This same procedure was used for the Central Regulatory Area (see Table 3).

You also asked where the 1,000 mt of sablefish bycatch came from. As you will recall, during the Council meeting, I was asked what the estimated bycatch needs would be for sablefish during 1985. I answered that my calculations showed that 339 mt and 731 mt would be needed in the Western and Central Areas respectively. John Peterson noted that the total sablefish bycatch would be about 1,000 mt or approximately 10% of the sablefish OY for the Gulf of Alaska. This is how the 1,000 mt number was generated.

Since the Council meeting I have made several observations which you may find of interest. First, given that the Japanese JVP is lower than originally anticipated, the total JVP for the Western and/or Central areas is

31D/II

by CATCH OF HALIBUT is Approx 10-15%
ALL FISHERIES WILL STOP WHEN B.C. QY is TAKEN

subsequently lower. It is also likely that a 70,000 mt Polish JV for pollock will not materialize. With a lower JVP, bycatch needs will be smaller. Second, with the Council's "10% Rule" for JV bycatch, where a maximum limit of 10% of the sablefish OY is set aside for JV bycatch purposes, it is clear that given my calculated bycatch amounts, there could be severe limitations on JVs. In the case of the Shelikof Strait pollock fishery, I see no problem with trawlers taking the entire JVP. The observed bycatch rates for this fishery are very low. However, trawlers fishing for flounder, Atka mackerel or cod could find themselves approaching the bycatch limit before their JVP goal is reached. These vessels will have to clean up their operation or cease fishing. Examining the potential bycatch ceilings for sablefish, POP and other rockfish using the 10% rate, it is clear that sablefish will be the limiting species to joint ventures.

If you have any additional questions on my calculations, feel free to contact me.

Sincerely,

Steve Davis
Plan Coordinator

Enclosures

1985 Final JVP Estimates

1. Western Area

all bottom trawl	Pacific cod	= 7,327	(from Permit Review Committee)
	Atka mackerel	= 4,678	(increased by Council; permit review estimates all in W. area)
	Flounder	= 102	(600 mt total Gulfwide; 1984 proportion of total joint venture flounder catch was 17% in W. area, 83% in Central)
Total Western JVP =		12,107 mt	

2. Central Area

mid water trawl	Pollock	= 263,925	(90% of the 1984 pollock harvest was taken by this gear in Shelikof Strait 90% of 1985 pollock JVP = 263,925)
Total mid water trawl JVP		263,925	
bottom trawl	Pollock	= 29,325	(10% 1985 pollock JVP)
	Pacific cod	= 10,073	(from Permit Review Committee)
	Flounder	= 498	(83% 1985 flounder JVP)
Total bottom trawl JVP		39,896	

Note: JVP for thornyhead, squid and other species is viewed as a bycatch to the targetted species identified above. Therefore, inclusion of the JVP estimates is not necessary when calculating the JVP base for use in determining bycatch amounts of fully-utilized species.

Gulf of Alaska - Western Regulatory Area

Proposed JV Bycatch Rates and Amounts for 1985

Given: Western area bottom trawl JVP = 12,107 mt Pacific cod = 7,327
Atka mackerel = 4,678
est. flounder = 102

Incidental species:

1667 T.	Sablefish	bycatch rate = 2.8%	bycatch amount = 339 mt 167 T.
	POPc	bycatch rate = 0.6%	bycatch amount = 73 mt
	Atka mackerel	bycatch rate = 6.4%	bycatch amount = 775 mt
	Other rockfish	bycatch rate = 0.5%	bycatch amount = 261 mt

Given: Western area mid-water trawl JVP = ?

Incidental species:

Sablefish	bycatch rate =	bycatch amount =
POPc	bycatch rate =	bycatch amount =
Atka mackerel	bycatch rate =	bycatch amount =

Western area JVP breakdown by gear for 1984.

100% JVP harvested by bottom trawl.

0% JVP harvested by mid-water trawl.

3060 DY

Gulf of Alaska - Central Regulatory Area

306 TONS Max By Catch with 10% limit

Proposed JV Bycatch Rates and Amounts for 1985

Given: Central area mid-water trawl JVP = 263,925 mt

Central 90% Pollock JVP = 263,925 mt

Incidental species:

Sablefish	bycatch rate = 0.005%	bycatch amount = 13 mt
POPc	bycatch rate = 0.02%	bycatch amount = 53 mt
Atka mackerel	bycatch rate = 0.002%	bycatch amount = 5 mt

Given: Central area bottom-trawl JVP = 39,896 mt → 10% pollock = 29,325
Pacific cod = 10,073
est. flounder = 498

LAST YEAR

Incidental species:

Sablefish	bycatch rate = 1.8%	bycatch amount = 718
POPc	bycatch rate = 0.2%	bycatch amount = 80
Atka mackerel	bycatch rate = 0.7%	bycatch amount = 279
Other rockfish	bycatch rate = 0.3%	bycatch amount = 120

Total Central Area bycatch amounts:

Sablefish	= 731 mt
POPc	= 133 mt
Atka mackerel	= 284 mt
Other rockfish	= 120 mt

Central area JVP breakdown by gear for 1984.

10% pollock JVP harvested by bottom trawl.

90% pollock JVP harvested by mid-water trawl.

DEC84/Z-4

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M

January 16, 1985

TO: House Resources Committee
Representative Adelheid Herrmann
Representative Richard Shultz
Co-Chairs

FROM: Special Committee on Fisheries
Representative Peter Goll
Chairman

SUBJECT: HJR 8

After reviewing HJR 8 and discussing the matter with interested members of the Special Committee on Fisheries, it is suggested that the following amendments be made to address the concerns of Kodiak-based fishermen.

(1) Insert the following language on line 7, page 2, after the words "..fish fishery":

", and set aside reserves to allow incidental catch of sablefish based on actual needs rather than Optimum Yield"

DISCUSSION--This amendment is designed to allow the continuation of the joint venture fisheries in the Gulf of Alaska without cutting back on the amount of sablefish available for harvest by Alaska's longline fleet. All parties agree that the 10 percent figure is too high.

(2) Delete the following language on line 10, page 2:

[ALASKA]

DISCUSSION--Under the MFCMA, no distinction may be made between U.S. fishermen on the basis of residency in individual states.

Alaska State Legislature

Speaker of the House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3720

Official Business

To: Reps. Herrmann and Schultz
House Resource Committee

Fr: Rep. Ben Grussendorf
Speaker

Dt: 1/15/85

Re: HJR 8

My intent on this resolution is to have it through both houses in time for the February 8th Meeting of the North Pacific Fisheries Management Council.

Longliners in Sitka, and the rest of state have shown they can harvest the entire OY of sablefish (black cod). They are quite concerned about a 10% allocation to Joint Venture by-catch. A method of allowing by-catch not tied to the OY is highly desirable.

Another area of concern is pot fishing. Pots lost off Cape Edgecumbe are fishing to this day, damaging longline gear and automatically depleting the sablefish stocks.

Both of these areas need to be handled by the N.P.F.M.C. on an emergency basis. This can be done under section 304(e) 16 USC 1855 by requesting the Secretary of Commerce to "promulgate emergency regulatory action." Without quick action it will be six months before the issue will make it through the process. In that time pot fishermen can enter the fishery, making it difficult to later remove them. The term hook-and-line can be substituted for longline fishing, if you feel pot fisherman could claim to be longliners by attaching pots instead of hooks.

The council should also take action to rescind their December vote on the 10% allocation.

Background material is attached: the N.P.F.M.C.'s December newsletter, a very good letter-to-the-editor from a Sitka longliner, and data sheets from the N.P.F.M.C.

Ron Hegge of the Alaska Longline Fishermans Association (ALFA) should be added to your contact list. ALFA will be interested in commenting on HJR 8 and other fishing measures which come before your committee. I will let you know if other Sitkans show an interest as well.

Alaska State Legislature

Speaker of the House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3720

Official Business

MEMORANDUM

TO: Rep. Peter Goll, Chair
Special Committee on Fisheries

FROM: Rep. Ben Grussendorf
Speaker

DATE: January 14, 1985

RE: HJR 8

Please ask your committee to review informally HJR 8, relating to the allocation of Gulf of Alaska sablefish harvest by the North Pacific Fishery Management Council, and to provide your recommendations, comments, amendments, etc., to the Resources Committee at your earliest convenience.

Thank you.



North Pacific Fishery Management Council

James O. Campbell, Chairman
Jim H. Branson, Executive Director

411 West 4th Avenue
Anchorage, Alaska 99510

Mailing Address: P.O. Box 103136
Anchorage, Alaska 99510

Telephone: (907) 274-4563
FTS 271-4064

MEMORANDUM

TO: Council and SSC Members

FROM: Jim H. Branson
Executive Director

DATE: January 8, 1985

SUBJECT: Council Mailing

I hope the holidays treated all of you well. In any case, a belated Merry Christmas from all of the staff and our best wishes for the New Year. We took it on a pretty slow bill Christmas week, but everyone is hitting it hard in the new year. It's already beginning to look like the Council may be favored with that old Chinese curse, "May you live in interesting times" for 1985. Of course, we have since 1976 so we should be getting quite practiced by now.

There have been a number of developments since the last Council meeting, not all of which I have been able to send to you or cover until this mailing.

February Agenda

The February agenda gets longer almost daily. The Council will start its meeting at 1:30 p.m. Tuesday, meet with the Board on Wednesday, and try to conclude their meeting on Thursday. If things get really tight, and I think they will, that would give us Friday to finish our business and still let people get out both north and south that afternoon. That will allow the SSC and AP to meet on Monday and, if they wish, the Council Subcommittee on plan objectives.

While we will not have to spend a great deal of time with the Board on deciding how many salmon can be taken in 1985, there does promise to be a great deal of discussion and testimony on when during the year those salmon should be taken. We should plan on a full day together. They may wish to discuss some groundfish matters, such as rockfish off Southeast Alaska, but we don't have a clear fix on that yet.

We can expect a great deal of public testimony on the longline-only proposal for sablefish, perhaps most of one day. Adjusting DAHs for the Gulf and deciding whether or not there should be some TALFF in that area is also going to take time and probably a lot of public testimony. Discussion and completion of our December move toward establishing bycatch limits for the trawl fisheries for such species as sablefish is also going to take a

considerable amount of time. Much of the work that was done in December establishing estimates for DAP and JVP has to be repeated in February because of the changes in estimates as a result of the industry negotiations.

I'd suggest you plan on getting to Sitka by noon Tuesday and hold your return reservations for Friday.

The AP and SSC will start at 1:00 p.m. on Monday.

We need your advice on this draft Agenda - it will have to go out by the 16th.

U.S.-Japan Industry Agreement

All of the Council members received copies of the agreement between the U.S. and Japanese industry groups made in Seattle on December 9-11. Council members teleconferenced on December 20 to discuss a response to that agreement, particularly as it related to the verbal commitment of the U.S. industry to ask the Council to open the Gulf to the Japanese for 15,000 tons of Pacific cod and 50,000 tons of Alaska pollock, contingent on the Japanese submitting proposals to the Council that would guarantee their fisheries for those species would be relatively free of bycatch valuable to the American fishermen.

During the teleconference you decided that industry requests to implement the agreement could not be considered except in a regular open Council meeting and remained silent on the question of opening the Gulf to foreign fishing and changes in the DAH for Bering Sea. Individual expressions by Council members allowed the Regional Director to get some feeling for how Secretarial action addressing some of those items might be received by the Council.

The members agreed that the Chairman should write a letter to Mr. Imanaga telling him that the Council would consider the industry agreement at the February meeting (Attachment 1). The Japanese had been expressing great concern through cables and verbal messages about getting immediate action from the Council on industry proposals. It was hoped that the letter to Imanaga would encourage them to continue normal operations and implementation of their agreement with U.S. industry. We have since received a response from Mr. Imanaga (Attachment 2).

On January 1 the State Department (cable, Attachment 2A) released approximately half of the TALFF the Council had identified as being available in the Bering Sea, some 233,500 tons. Of that, approximately 167,000 tons went to the Japanese, 42,000 tons to Korean, 11,600 tons to the Soviet Union, 7, 500 tons to Poland, and 600 tons to Portugal. I understand that the Regional Director has about finished an emergency amendment to the Gulf plan that would allow the catch of 4,500 tons of Pacific cod with associated bycatch by foreign longliners. It's expected that emergency amendment would be expedited and at least a portion of that amount would probably be caught before the Council meets in February.

We have received supporting letters for the industry agreement from Oscar Dyson (Attachment 3), Hugh Reilly (Attachment 4), Dave Harville (Attachment 5), and Al Burch (Attachment 6). We also received one from Wally Pereyra of ProFish about the closure of the Gulf by the Council (Attachment 7), a letter from the Pacific Marine Fisheries Commission urging

full domestic utilization of the groundfish resources (Attachment 8), and a letter from Steve Hughes on behalf of the Midwater Trawl Association urging a lesser allocation to the Soviets than they had asked for at the December meeting (Attachment 9).

10% Sablefish Bycatch Allocation for Joint Venture Trawlers

There is a great deal of confusion and misunderstanding about the motion made by Rudy Petersen and adopted by the Council at the December meeting that put a ceiling on the joint venture trawl catch of sablefish at 10% of the OY in the Gulf of Alaska. I have discussed that motion with Rudy and the Council's action with several other Council members. It is clear that their understanding of the action does differ from the exact wording of the motion. It was intended to set a ceiling on the bycatch of sablefish by joint venture trawlers of 10% of the sablefish OY by regulatory area, i.e., 10% of the OY for the Central Area, 10% of the OY for the Western Area, etc. and that where there were no joint ventures conducted, as is the case in the Eastern Regulatory Area, there would be no need to reduce the sablefish OY for joint venture bycatch. In any case, it's clear that the action has confused a number of people and it needs to be clarified. We will put it on the agenda for the February meeting.

Directed Sablefish Fishery for Longliners Only

There continues to be a very strong push for immediate action by the Council to make the sablefish fishery a longline-only fishery, i.e., excluding all other forms of gear from the directed fishery for sablefish. ALFA has submitted a letter asking that an emergency amendment to make the sablefish fishery a longline-only fishery for the Eastern Regulatory Area be put on the Council agenda for February. The Interim Action Committee teleconferenced on January 3 to discuss action on that request and recommended that it be placed on the agenda so that there would be a forum for discussion and action if the Council wishes. We have asked ALFA to submit their arguments and any material they have supporting the proposal early enough so that it can be reviewed by the SSC at the Sitka meeting before it comes to the Council. Discussion and action will be confined to the Eastern Regulatory area, from Dixon Entrance to 147°W longitude.

A letter from Mr. Svensson supporting a longline-only fishery is Attachment 10, the ALFA request is Attachment 11, and a proposal for a sablefish management plan from Al Kapp is Attachment 12.

Halibut Update

Planning for the halibut roundtables is proceeding. We have asked NMFS for programmatic monies to supplement our administrative budget for this project and hope to have a report for you at the February meeting on progress. The roundtables are going to take some time to put together if they're to be done properly, we need to spend more time discussing when and where they should be held. The coverage should be thorough and outside of the busy fishing season. It may not be possible to do an adequate job until next fall.

Attachment 13 is a letter from Blake Kinnear on the halibut issue.

Council Funding

After again discussing programmatic funding with the SSC chairman, we sent the Council's request for FY/85 to Bob McVey on December 12 (Attachment 14). The total was for $240,000 with funding for the halibut management options workshops as first priority. On December 21 we sent a letter to Bill Gordon on our problems with our administrative budget. We pointed out that the Council needs an additional $80,000 to carry out its programs for the remainder of FY/85 but that if the programmatic funds for the halibut management options workshops were available it would reduce the requirement for additional administrative funding, since some of that programmatic money would be used for existing staff salary (Attachment 15). The Regional Director endorsed the Council request (Attachment 16) in a later letter to Bill Gordon.

We've also received a copy of a letter from the New England Council to Bill Gordon on priorities between programmatic and administrative funding (Attachment 17).

U.S.-Canada Negotiations

I'm sure that you are all aware that the U.S.-Canada talks reached a successful semi-conclusion. Harold Lokken participated in those discussions as the Council representative. Attachment 18 is a copy of his report and a memo from Jim Glock laying out the details that will most directly affect the Council at the February meeting.

Reorganizing the Advisory Panel

The existing Advisory Panel went out of business on December 31. The Council had asked the Council AP Nominating Committee to meet and make recommendations on members for the reorganized AP so they could be appointed in time for the February meeting. The Committee teleconferenced on December 31 and concluded that it was going to be difficult to appoint a new Advisory Panel in time for the February meeting, that the list of candidates available was not adequate to offer a full selection for the Council and that final decisions should be made by the full Council. While that might conceivably be done by teleconferencing, it would be better for the Council to do it in closed session in Sitka.

In a teleconference January 8, the Council decided to ask the 1984 Advisory Panel to serve for one more meeting. They were not at all comfortable with covering the complex and contentious Sitka agenda without the advice and counsel of the AP.

Incidental Salmon in the Trawl Fisheries

Attachment 19 is the first two pages of the NMFS observer report for November. The tables and statistics are available if you want them. You'll note that the incidental catch of salmon in both the Bering Sea and in the Gulf of Alaska is quite high, high enough so that it deserves careful investigation and probably some action by the Council. I have put Jim Glock to work on analyzing the catch and developing recommendations for the groundfish teams that might help them in their study of this problem.

Bird Problems

Attachment 20 is an article from the Anchorage Daily News outlining the reproductive failure of two species of birds on the Pribilofs this year. There is some concern expressed in the article that fishing may be reducing the food supply in the Bering Sea enough to cause this phenomena. While I know of no factual basis for that supposition, it is something that we need to track carefully to see if we can avoid having it become a cause celebre.

Action by the Japanese on Violations by their Squid Fleet

At the September Council meeting the Coast Guard law enforcement report noted that they had found a number of Japanese squid vessels fishing in areas closed to them by Japanese regulation. That information was sent to the Japanese government, they have investigated and taken action on some that they concluded were in fact in violation. They are described in a letter from the Japanese Fishery Agency (Attachment 21).

Analysis of Pacific Ocean Perch Populations and the Effect of Rebuilding Them

Attachment 22 is the analysis of Pacific ocean perch and associated rockfish requested of the Northwest and Alaska Fisheries Center last year. It's very comprehensive and greatly extends our understanding of Pacific ocean perch population dynamics and the economics of trying to rebuild this resource. Copies of this document were limited, so if you would like a copy and did not receive one in this packet, please call the Council office.

Miscellaneous Items

Attachment 23 is a letter from Randy Ackerman on the problems he's had with competition from foreign trawlers north of Unimak Pass.

Attachment 24 is a memo from Bill Aron outlining an offer that Iceland has made to do some capelin research off Alaska.

Attachment 25 is the last issue of Atkinson's Newsletter and Attachments 26 and 27 are the last two Council Memorandum.

Happy Reading.

Attachments

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

M E M O R A N D U M January 16, 1985

TO: Representative Ben Grussendorf
Speaker
Alaska House of Representatives

FROM: Representative Peter Goll
Chairman
Special Committee on Fisheries

SUBJECT: HJR 8

After reviewing HJR 8 and discussing the matter with interested members of the Special Committee on Fisheries, I would respectfully recommend the following changes to address the concerns of Kodiak-based fishermen.

(1) Insert the following language on line 7, page 2, after the words "..fish fishery":

", and set aside reserves to allow incidental catch of sablefish based on actual needs rather than Optimum Yield"

DISCUSSION--This amendment is designed to allow the continuation of the joint venture fisheries in the Gulf of Alaska without cutting back on the amount of sablefish available for harvest by Alaska's longline fleet. All parties agree that the 10 percent figure is too high.

(2) Delete the following language on line 10, page 2:

[ALASKA]

DISCUSSION--Under the MFCMA, no distinction may be made between U.S. fishermen on the basis of residency in individual states.

(3) Insert the following language on line 11, page 2, after the words "...in the Gulf of Alaska":

"east of 147° West."

DISCUSSION--This amendment is aimed at establishing an exclusive longline fishery in those areas traditionally fished by the longline fleet without displacing other gear types dependent upon the resource.

Rep. Thompson:

Here are the two amendments suggested by Grussendorf's staffer that should take care of your concerns with the present language in HJR 8. This language is rough and must be refined before actually being introduced as amendments, but the general thrust will remain the same.

(1) The following language would be added to the first resolved clause after the words ."Gulf of Alaska groundfish fishery,..:
"...and set aside reserves to allow incidental catch of sablefish based on actual needs rather than Optimum Yield;"

(2) The following language would be added to the second resolve clause after the words..."sablefish fishery in the Gulf of Alaska.."
"...east of 147 (140) degrees."

This language will be refined; consider it only as a rough draft.

Rodger Painter

Roger
file with the bill

See me please
to track files

Introduced: 1/14/85
Referred: Resources

IN THE HOUSE

BY GRUSSENDORF,DUNCAN,M.M.MILLER, TAYLOR,GOLL AND CATO

HOUSE JOINT RESOLUTION NO. 8

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

Relating to the allocation of Gulf of Alaska sablefish harvest by the North Pacific Fishery Management Council.

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

WHEREAS the North Pacific Fishery Management Council on December 8, 1984, voted to allocate 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery to incidental catch by joint venture fishermen; and

WHEREAS joint venture operations in the Gulf of Alaska have expanded dramatically in recent years; and

WHEREAS continued expansion of joint venture participation with foreign processors in the Gulf of Alaska will diminish the tonnage of fish landed in Alaska and jeopardize the survival of small business commercial fishermen in Alaska; and

WHEREAS use of longline gear in catching sablefish is ecologically sound; and

WHEREAS Alaska longline fishermen have the capacity to harvest, and United States processors have the capacity to process, the entire allowable catch of sablefish in the Gulf of Alaska; and

WHEREAS the Magnuson Fishery Conservation and Management Act establishes a priority for United States fishermen delivering to United States processors; and

WHEREAS the North Pacific Fishery Management Council, in allocating fishing privileges among fishermen and among gear types, is directed by management plan guidelines to consider such relevant factors as the

economic and social consequences of the allocation scheme and the dependence on the fishery by present participants and coastal communities;

BE IT RESOLVED by the Alaska State Legislature that the North Pacific Fishery Management Council is respectfully requested to rescind its action allowing joint venture fishermen an incidental catch of sablefish equal to 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery; and be it

FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to take action at its February 1985 meeting to grant Alaska longline fishermen exclusive fishing rights in the sablefish fishery in the Gulf of Alaska.

COPIES of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; to the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives; to the Honorable John B. Breaux, chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; to the Honorable Malcolm Baldrige, Secretary of Commerce; and Mr. James Campbell, chairman, North Pacific Fishery Management Council.

DISTRICT 27:
AKHIOK
CHIGNIK
CHIGNIK LAGOON
CHIGNIK LAKE
CHINIAK
IVANOF BAY
KARLUK
KODIAK
LARSEN BAY
OLD HARBOR
OUZINKIE
PERRYVILLE
PORT LIONS
WOMEN'S BAY

Alaska State Legislature

House of Representatives

REPRESENTATIVE
DAVE THOMPSON
WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-2487
(907) 465-2498
P.O. BOX 75
KODIAK, ALASKA 99615
(H)(907) 486-4899
(LIO)(907) 486-8116

January 19, 1985

To: Representative Ben Grussendorf, Speaker
Alaska House of Representatives

From: Representative Dave Thompson

Re: HJR #8

After much discussion with all interested parties, I would respectfully recommend the following additional change to the above referenced Resolution.

(3) Insert the following language on line 11, Page Two (2),

" in the Eastern regulatory area of the Gulf of Alaska, from Dixon entrance to a West longitude determined by the NPFMC."

I believe this substitution will satisfy the concerns of all parties, including the Kodiak-based fleet.

Thank you for your consideration of my suggestion.

Hein
1/21/85

Original sponsors: Grussendorf, Duncan,
M.M.Miller, et al

IN THE HOUSE BY THE RESOURCES COMMITTEE

CS FOR HOUSE JOINT RESOLUTION NO. 8 (Resources)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

Relating to the allocation of Gulf of Alaska sablefish harvest by the North Pacific Fishery Management Council.

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

WHEREAS the North Pacific Fishery Management Council on December 8, 1984, voted to allocate 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery to incidental catch by joint venture fishermen; and

WHEREAS joint venture operations in the Gulf of Alaska have expanded dramatically in recent years; and

WHEREAS continued expansion of joint venture participation with foreign processors in the Gulf of Alaska should be accommodated by the North Pacific Fishery Management Council in such a manner as to enhance, and not restrict, development of the domestic fishery; and

WHEREAS use of longline gear in catching sablefish is ecologically sound; and

WHEREAS Alaska longline fishermen have the capacity to harvest, and United States processors have the capacity to process, the entire allowable catch of sablefish in the Gulf of Alaska; and

WHEREAS the Magnuson Fishery Conservation and Management Act establishes a priority for United States fishermen delivering to United States processors; and

WHEREAS the North Pacific Fishery Management Council, in allocating fishing privileges among fishermen and among gear types, is directed by management plan guidelines to consider such relevant factors as the

economic and social consequences of the allocation scheme and the dependence on the fishery by present participants and coastal communities;

BE IT RESOLVED by the Alaska State Legislature that the North Pacific Fishery Management Council is respectfully requested to rescind its action allowing joint venture fishermen an incidental catch of sablefish equal to 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery, and set aside reserves to allow incidental catch of sablefish based on actual needs rather than optimum yield; and be it

FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to take action at its February 1985 meeting to grant longline fishermen exclusive fishing rights in the sablefish fishery in the Eastern Regulatory Area of the Gulf of Alaska, from Dixon Entrance to a west longitude determined by the North Pacific Fishery Management Council.

COPIES of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; to the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives; to the Honorable John B. Breaux, chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; to the Honorable Malcolm Baldrige, Secretary of Commerce; and Mr. James Campbell, chairman, North Pacific Fishery Management Council.

TABLE 1

GULF OF ALASKA GROUNDFISH
1985 OYS, DAPS, JVPS, AND TALFF (MT)

Species	Area	1985 OY	1985[1/] DAP	1985[2/] JVP	Reserves[3/]	TALFF
Pollock	Western/Central	305,000	9,371	293,250	61,000	0
	Eastern[4/]	16,600	2	0	3,320	0
Pacific cod[4/]	W	16,560	2,460	7,327	3,312	~~0~~ 4,600
	C	33,540	8,624	10,073	6,708	~~0~~
	E	9,900	766	0	1,980	0
Flounders[4/]	W	10,400	400	102	2,080	0
	C	14,700	1,781	498	2,940	0
	E	8,400	627	0	1,680	0
Pacific ocean perch	W	1,302	1,302[5/]	0	260	0
	C	3,906	3,906[5/]	0	781	0
	E	875	875[5/]	0	175	0
Sablefish	W	1,670	1,670[5/]	0	334	0
	C	306 - 3,060	3,060[5/]	0	612	0
	W. Yakutat	1,680	1,680[5/]	0	336	0
	E. Yakutat	1,135	1,135	0	0	0
	S.E. Outside	1,435	1,435	0	0	0
Atka Mackerel	W	4,678	0	4,678	936	0
	C	bc	0	0	0	0
	E	bc	0	0	0	0
Rockfish	Gulfwide	5,000	4,600	0	1,000	0
Thornyhead[4/]	GW	3,750	0	10	750	0
Squid[4/]	GW	5,000	0	10	1,000	0
Other Species[4/]	GW	22,430	69	1,400	4,486	0
TOTAL		471,021	43,763	317,348	93,690	0

bc = bycatch amounts only.
1/ Estimates determined by NMFS Industry survey.
2/ Estimates determined by joint venture permit applications.
3/ Reserves = 20% OY.
4/ OY = DAH not to exceed stated OY for each species.
5/ DAP estimates have been reduced to equal OY.

DEC84/ZB-1

Fg: For Steve Davis

Pollock JVP incorporates JV agreement
Other TALFF's are arithmetic spinoffs
Pacific Cod JV allocation of 15,000 mt can come from W or C (with

Fishery Management Operations Division
NMFS, Alaska Region
Juneau, Alaska
December 19, 1984

RECEIVED DEC 2 6 1984

GULF OF ALASKA
Groundfish Apportionments (mt), 1985

Species	Area	OY	DAP	JVP	Reserve	TALFF
Pollock	W/C	305000	9371	203250	61000	31379
	E	16600	2	0	3320	13278
Pacific cod	W	16560	2460	7327	3312	3461
	C	33940	8624	10073	6708	8135
	E	9900	766	0	1980	7154
Flounders	W	10400	400	102	2080	7818
	C	14700	1781	498	2940	9481
	E	8400	627	0	1680	6093
POP	W	1302	1302	0	0	0
	C	3906	3906	0	0	0
	E	875	875	0	0	0
Sablefish	W	1670	1670	0	0	0
	C	3060	3060	0	0	0
	W.YK	1680	1680	0	0	0
	E.YK	1135	1135	0	0	0
	SE	1435	1435	0	0	0
Atka mackerel	W	4678	50	3692	836 736	100 to Sycatch
	C	100	30	30	20	20 to
	E	10	6	0	2	2
Rockfish	C-W	5000	4000	0	1000	0
Thornyhead	C-W	3750	0	10	750	2990
Squid	C-W	5000	0	10	1000	3990
Other sp	C-W	22433	69	1400	4487	16479
W/C total		305000	9371	203250	61000	31379
Western total		34610	5882	11121	6228	11379
Central total		55306	17401	10601	9668	17636
Eastern total		40035	6526	0	6982	26527
C-W total		36185	4069	1420	7237	23459
TOTAL		471136	43249	226392	91115	110380

Letters to the Editor

Dear Editor: The following letter was sent to Gov. Bill Sheffield.

Dear Governor: Thank you for personally reading this letter. I'm writing in regard to recent action by the North Pacific Fishery Management Council. Serious errors were made by the Council in their December meeting in Anchorage.

I have been a fisherman here in Sitka and gulf-wide for thirteen years. Being born and raised in Sitka and now having four children, I'm naturally very concerned with maintaining the quality lifestyle that exists. Unfortunately, a situation has developed that will definitely, unquestionably result in the destruction of the small and medium boat longline fisheries in the Gulf of Alaska. These developments are upon us now and we have little to no time to act to ensure that we don't allow an irreversible situation to get established and out of control.

The NPFMC is, responsible, for making tremendously important decisions in the course of maintaining our fisheries. In doing this they are required to adhere to strict guidelines including those set forth in the Magnusson Act and the National Register. They have not done this.

At the December meetings in Anchorage they blatantly ignored these guidelines more than once.

In 1982, the NPFMC agreed to adopt an amendment proposed by Alaska Longline Fisherman's Associaton of Sitka. Formal presentation was made at the meeting by then executive director of ALFA, Greg Baker, and president Orrie Bell. This was accompanied by testimony by numerous fishermen. The purpose of the amendment (Amendment 12) was to ban the use of pot longline and trawl gear for black cod in the eastern Gulf of Alaska, so essentially, the eastern Gulf would be a hook and line sanctuary. Much testimony was given to support the amendment after which Mr. Jim Branson of the Council staff made the public comment that "this was one of the best presentations made by any fishermen's organizations we've seen; everyone's impressed, this thing should fly through." Well, it flew to Juneau and sat on someone's desk for a year and a half. Then, in June of 1985 we got a hold of a letter written by the same Mr. Branson to the Council members recommending throwing it out for lack of substance, not enough evidence of gear conflicts, etc. Then began the process of trying to find out who to believe.

The danger we face with pot gear and trawl gear is that both types have already damaged traditional fishing grounds in their own way.

Pot boats lose gear regularly and render otherwise productive grounds totally useless for our relatively light hook and line gear. The lost pots also continue to fish. It takes a large boat to fish pots. One estimate was that eight to ten large pot boats would, with gear loss and the amount of gear they can lay out, pretty much take over the black cod fishery of southeast Alaska alone. I believe that is not an exaggeration by any means.

The fishable ground for black cod is a strip that runs along the continental shelf. There is not much actual fishable ground to begin with. The same sets would be used by both fisheries. Pot fishing and hook and line fishing don't co-habitate. Gear conflicts are already well-documented in southeast Alaska. I am among the fishermen who have lost valuable hook and line gear to lost pot gear.

The other menace on the horizon is the trawl fleet. Admission of trawl effort to continue in the Gulf of Alaska means the end of small and medium boat hook and line fisheries i.e. black cod, halibut, rockfish, etc. The stocks simply won't support it. Certain trawlers might try to tell you differently, but they don't live here, don't care about our area and communities, and traditionally don't give a damn about the stocks anywhere.

We are currently harvesting the quota of black cod in southeast Alaska and in the central Gulf with hook and line gear. Southeast area longliners have already taken voluntary reductions in their black cod OY. There simply is no room for more effort; especially of the magnitude we would see without this amendment in place. So what did our Council do? The totally disregarded the guidelines of the National Standard concerning gear loss, social and economic ramifications and denied our request. Their next bit of business was to give the trawlers their request of an emergency allocation of 10 percent of the OY for the Gulf of Alaska rather than allowing for a reasonable by-catch. In other words, the allocation granted by our Council is to come out of quotas that are currently being harvested by local hook and line fleets. This appears to be a direct violation of the Magnusson Act.

The NPFMC members who voted against Amendment 12 heard our representative speaking to them, but they weren't listening. It's almost embarrasing to have such an important entity in our industry mishandling its responsibility to such a degree.

We have been told that we'll be on the agenda in February when the Council meets in Sitka. The unanimous feeling in the longline fleet is that if we don't protect this resource now, we're out of business. We are a traditional established fishery producing a superior quality product and supporting shore based processors. We are literally fighting for our existence. We need your help in protecting a livelihood that is vital to the economics of many Alaska communities and to thousands of individual Alaskans.

Thank you.

Sincerely,
Greg Cushing

established fishery producing a superior quality product and supporting shore based processors. We are literally fighting for our existence. We need your help in protecting a livelihood that is vital to the economics of many Alaska communities and to thousands of individual Alaskans.

Conserva Control o

RALEIGH, N.C. (AP) — An distributed letter from Sen. Je Helms proposing that conservati buy CBS stock and end what it ca biased news reporting has "hit nerve," the North Carolina Republic says.

In an interview Thursday on ABC "Nightline," Helms said his office h reported a number of calls on the letta

Helms and supporters told t Securities and Exchange Commissi in documents filed Thursday that th were not seeking proxies from CB stockholders in an attempt to take ov CBS, but held open the possibility making such an attempt later.

Once the group has persuaded enoug people to buy CBS stock, "they intend t reque a meeting with the company t obtain management's views concernin their proposal that the company end .. its liberal bias in news reporting an editorial policies," the documents said.

Edward J. Atorino, a stock analyst specializing in media companies for Smith Barney in New York, said it would be virtually impossible for such a takeover move to succeed.

Kennedy Cl South Afric

CAPE TOWN, South Africa (AP) — Sen. Edward M. Kennedy issued a sharply worded rebuttal after South Africa's foreign minister said Kennedy should be more concerned with the plight of American blacks than with South Africa's racial policies.

The Massachusetts Democrat, visiting South Africa at the invitation of Nobel Peace Prize winner Bishop Desmond Tutu, released a statement defending the status of blacks in America after Foreign Minister R.F. Botha criticized him Thursday in a statement broadcast on South African television.

The senator accused Botha of making an "untrue attack on the United States" when Botha said the death rate for American black children was twice that of whites, and the black poverty rate was three times higher.

Botha said Kennedy should stay out of South African affairs and be more

To Improv

LOS ANGELES (AP) — Complaints

Sablefish decision hurts Alaskans

Dear Editor:

Saturday, December 9th, the North Pacific Fishery Management Council meeting in Anchorage took a couple of actions against the people of the State of Alaska. The North Pacific Fishery Management Council decided that fishermen delivering to foreign processors would be allowed to take 10 percent of the allowable catch of sablefish (blackcod) in the Gulf of Alaska. This, even though sablefish is fully utilized in the Eastern and Central Gulf of Alaska (Dixon Entrance to past the south tip of Kodiak Island) by American fishermen delivering to Alaskan ports.

The sad part is that two "Alaskans" voted with the outsiders. The "Alaskans" being James Campbell and Sarah Hempill. In fact, James Campbell, as chairman, railroaded the fish away from Alaskan ports. Oh yes, I almost forgot Bob McVey, a federal Alaskan who voted with the outside interests. In other action, or inaction, the council voted not to make sablefish an exclusive hook and line fishery in the Gulf of Alaska as halibut is.

Sablefish brings millions of dollars into Alaska. It is responsible for over a thousand people working in the State of Alaska. It is one of the most Alaskan fisheries. Eighty percent of the sablefish fishermen are Alaskan residents as compared with less than 50 percent in the Bristol Bay fishery and less than 50 percent of the Southeast seiners.

As an Alaskan, and as an Alaskan fisherman from the largest Alaskan blackcod port — Sitka — I am deeply disturbed by the North Pacific Fishery Council's decisions. I and other Alaskan fishermen contend they violated the National Standards as set up by the Magnuson Act — the 200 mile limit. I hope they will see the error of their ways when they meet in Sitka in February.

I would like to thank representative Ben Grussendorf, the Alaska Department of Fish and Game, and Governor Sheffield and his aids for their support of the Alaskan sablefish fisherman and processors at the meetings in Anchorage.

Sincerely,
Michael J. Mayo
F/V Oceanus
Independent Fishermen of Alaska
244 Kogwonton
Sitka, 99835

File

WHILE YOU WERE AWAY

FOR Rodgu DATE 1/16 TIME 2:15 A.M. (P.M.)

M Bob Thomas

OF Rep Thompson

PHONE ____ AREA CODE ____ NUMBER ____ EXTENSION

MESSAGE

wants to go with
141° W

L

SIGNED

- [ ] TELEPHONED
- [ ] RETURNED YOUR CALL
- [ ] PLEASE CALL
- [ ] WILL CALL AGAIN
- [/] CAME TO SEE YOU
- [ ] WANTS TO SEE YOU

TOPS FORM 4002

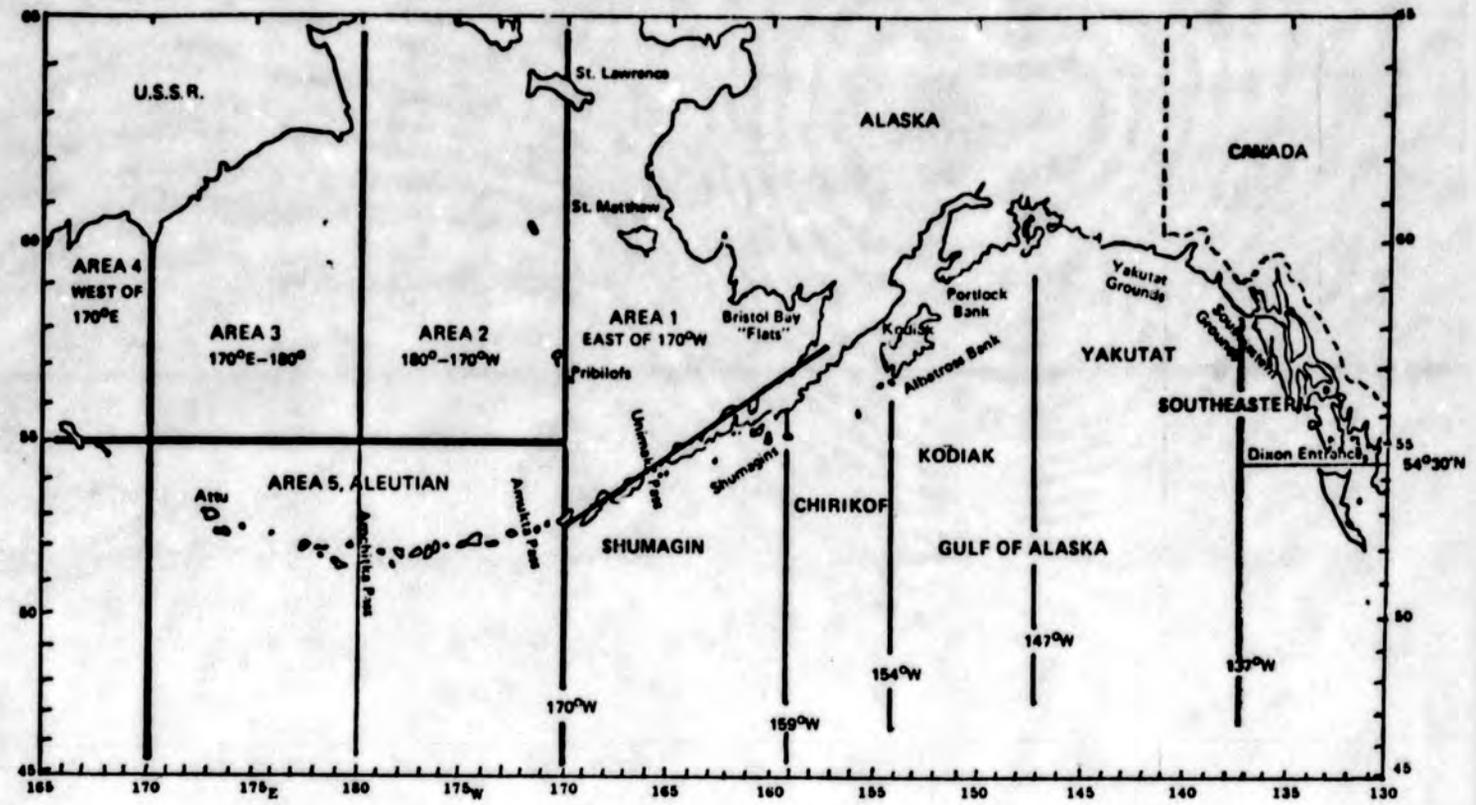


Figure 1A. International North Pacific Fisheries Commission Statistical Areas

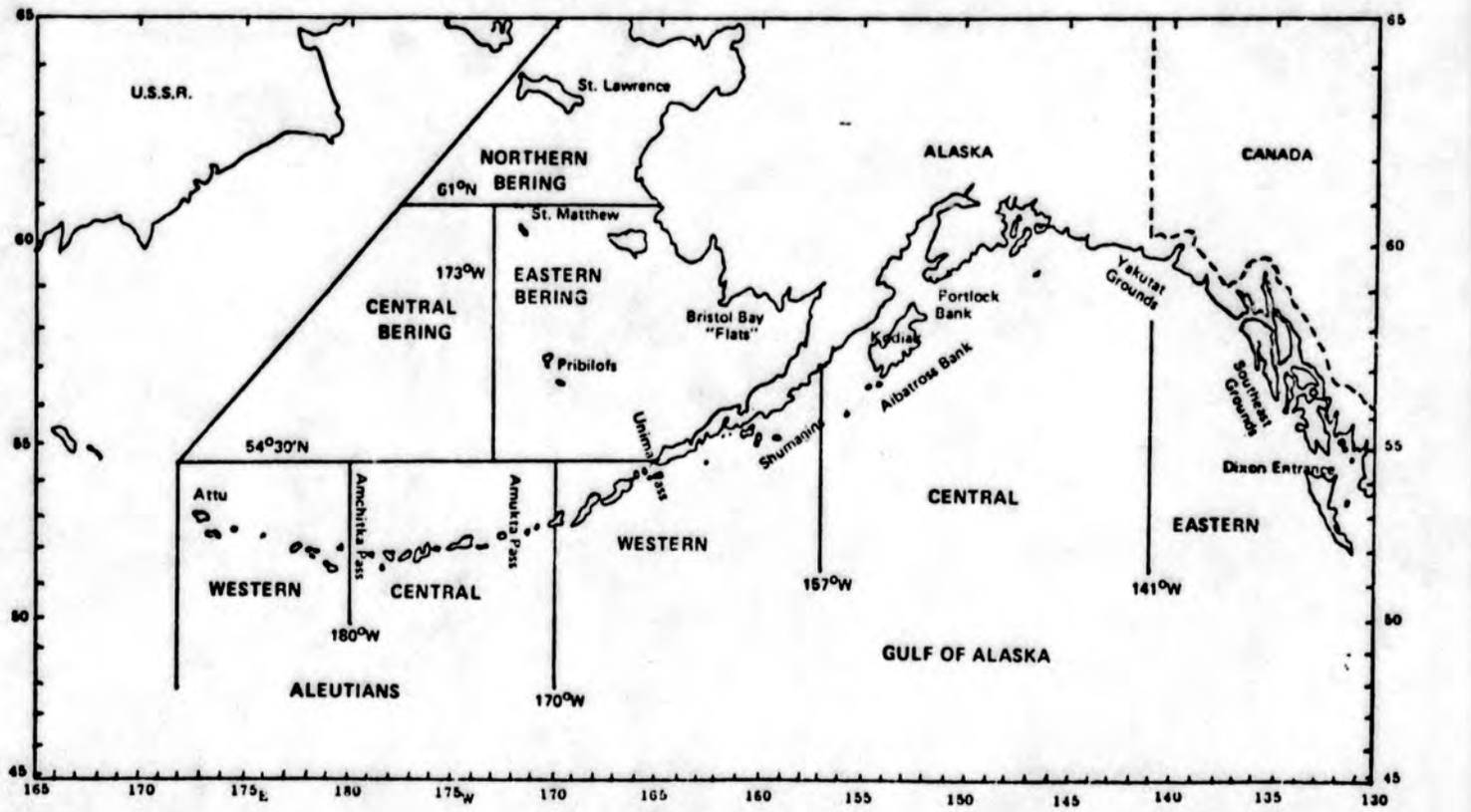


Figure 1B. North Pacific Fisheries Management Council Statistical Areas

14-0318
Hein
1/11/85

IN THE HOUSE BY GRUSSENDORF

HOUSE JOINT RESOLUTION NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

Relating to the allocation of Gulf of Alaska sablefish harvest by the North Pacific Fishery Management Council.

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

WHEREAS the North Pacific Fishery Management Council on December 8, 1984, voted to allocate 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery to incidental catch by joint venture fishermen; and

WHEREAS joint venture operations in the Gulf of Alaska have expanded dramatically in recent years; and

WHEREAS continued expansion of joint venture participation with foreign processors in the Gulf of Alaska will diminish the tonnage of fish landed in Alaska and jeopardize the survival of small business commercial fishermen in Alaska; and

WHEREAS use of longline gear in catching sablefish is ecologically sound; and

WHEREAS Alaska longline fishermen have the capacity to harvest, and United States processors have the capacity to process, the entire allowable catch of sablefish in the Gulf of Alaska; and

WHEREAS the Magnuson Fishery Conservation and Management Act establishes a priority for United States fishermen delivering to United States processors; and

WHEREAS the North Pacific Fishery Management Council, in allocating fishing privileges among fishermen and among gear types, is directed by management plan guidelines to consider such relevant factors as the

economic and social consequences of the allocation scheme and the dependence on the fishery by present participants and coastal communities;

BE IT RESOLVED by the Alaska State Legislature that the North Pacific Fishery Management Council is respectfully requested to rescind its action allowing joint venture fishermen an incidental catch of sablefish equal to 10 percent of the optimum yield of sablefish in the Gulf of Alaska groundfish fishery; and be it

FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to take action at its February 1985 meeting to grant Alaska longline fishermen exclusive fishing rights in the sablefish fishery in the Gulf of Alaska.

COPIES of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; to the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives; to the Honorable John B. Breaux, chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; to the honorable Malcolm Baldrige, Secretary of Commerce; and Mr. James Campbell, chairman, North Pacific Fishery Management Council.

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.

James O. Smith
Signature of Camera Operator

12/12/89
Date

519 (REV 8/78)

SCOMM

#48:29

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3900

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 4/16/85, 8:30am

Alaska Fisherman's JOURNAL, March 1985

Surimi
Looking Good in Kodiak

by Chris Blackburn

Less than a month after its surimi line went into full production, Alaska Pacific Seafoods in Kodiak had surpassed Japanese shore grade quality surimi and was very close to making the top quality S.A. or at sea surimi.

"We have made S.A. grade by every criteria except color," said APS plant manager John Sevier. APS' surimi was coming out just slightly darker than the pure white of top grade surimi.

"I think we'll be able to match S.A. grade color by adding another wash," said Chris Riley, Alaska Fisheries Development Foundation project manager for the surimi project. APS is producing surimi under a development foundation grant.

The fish paste which is used as a base for many products, including formulated shrimp, crab and scallops, is graded on five criteria—color (the whiter the better), elasticity, foldability, water content and the number of defects (scale pieces, etc., in the final product).

During the first week of February APS was turning about 35,000 pounds of pollock per eight hour shift into surimi and expected to increase production to 50,000 pounds per shift.

"If we hit 100,000 pounds in two eight hour shifts, we'll be able to turn the boats around fast," said Sevier. Two vessels, the *Defiant* and *Northern Challenger*, were delivering pollock to APS.

The fish are pumped out of the boats' fish holds, through a wash and into the plant. Baader's new 182 fillet machine, which produces 120 fillets a minute, heads, guts and fillets the fish. The fillets go over a skinner and Baader 695 deboner, then to the ratio tank where the pH of the wash water is adjusted.

After the minced flesh is washed of water soluble proteins, the meat is pressed out through a fine screen in the refiner, mixed with stabilizers and formed into blocks for freezing.

"The Baader 182 is really an essential part of this operation. It reduced the defect rate below that necessary for S.A. grade," commented Riley.

"We're doing it," said floor manager Louie Reyes.

"It's a good experience, a very good experience," said Sevier. At the APS dock both tanner crab and pollock were being unloaded simultaneously.

"It's like the old days when we did shrimp and crab at the same time," Sevier said.

In the APS lab, Landon Asakawa runs tests on each batch of surimi.

"We'll be sending out a form with each batch designating its specifications," Riley said.

For top quality surimi, APS receives a bonus from the development foundation as well as the base payment for production.

With the line in full production, the development foundation is now looking for places to market surimi and hopes to break into the Japanese market as well as sell on the U.S. market.

Full scale production will also produce data on recovery rates and profitability as well as give food equipment manufacturers a chance to experiment with better ways of producing surimi.

At the end of January the development foundation project had reached its first goal—the continuous production of a high grade surimi in a shorebased plant. □

CENTER DESCRIPTION

The University of Alaska established the Fishery Industrial Technology Center (FITC) in 1981, to increase the Alaskan fishing industry's international competitiveness through technology and training.

The FITC's mission is to create employment opportunities for Alaskans in the expanding fishing industry through training and supporting research. Training Alaska's seafood workers to use the best in new technologies will allow better, more efficient use of the fisheries resources. Research and development projects will target on increasing the industry's efficiency and effectiveness.

The center's four components are: harvesting technology, processing technology, training division, and the support division. Located on Kodiak's Near Island, the center will eventually include five buildings, about 40,000 square feet in all. Analytical laboratories, pilot plants, test kitchens, a flume tank, offices, classrooms and transient housing will be part of the completed facility.

Ninety full-time professionals and support persons will make up the full staff, devoting most of their time to problems associated with the business side of the industry. Specialists will focus on four major technical problems in the immediate future:

1. Developing marketable new or improved seafood products.
2. Devising strategies to improve yield, value, and stability of Alaska's seafood products.
3. Developing scientific ways to extend seafood shelf-life, consumer appeal, and quality.
4. Providing guidance to improve secondary on-shore processing.



PROGRAM

FITC activities are divided into four areas:

HARVESTING TECHNOLOGY
This division concentrates on improving the Alaskan fleet's performance. Staff members include gear, fishing systems and fishing ground specialists, available to assist with all fisheries.

SEAFOOD PROCESSING TECHNOLOGY
This division applies scientific and engineering principles to manufacturing fish-based food products. Product development and improvement will be the domain of this group.

TRAINING
This division makes the center's expertise and knowledge available to the fishing industry. Training is offered as college credit courses, workshops, or short courses.

SUPPORT
This division administers the center and maintains the specialized computer network, technical library, publications and operation of the flume tank, research vessel, and mobile training unit.

CURRENT ACTIVITIES

The training division conducts approximately 40 workshops per year throughout the fishing communities of Alaska. In 1984, the center sponsored a training trip to the British Seafish Industrial Authority (BSFIA) in Hull, England. Nine Alaskan fishermen used the BSFIA flume tank and fishing vessel simulators to test Alaskan trawls against those used by the British fleet. FITC hopes to have a similar training facility built by 1992 on Near Island.

The seafood processing division recently completed a study testing the effectiveness of ozone-treated wash water and ice on the keeping quality and stability of sockeye salmon. The key to enhanced quality was to chill the fish as quickly as possible. If properly handled, the sockeye salmon could be held on ice for at least two weeks. Ozone treatment did not promote rancidity.

The staff is also investigating the post-mortem biochemical changes in Pacific salmon during partially frozen storage, and the performance of ice-seawater mixture as an alternate fish-chilling system. Research to determine the microbiological profiles of Alaskan seafood has just started. Microbial flora of the fish mirror that of the environment. Knowing them is the first step to controlling microbial spoilage and the associated public health hazard.

Phase 1



Seafood Technology Building

General purpose classroom	1,500 SF	
Teaching/research laboratory	7,885 SF	
Offices/administrative area	3,777 SF	
Library	1,496 SF	
Other	640 SF	
	15,298 SF	$7,500,000

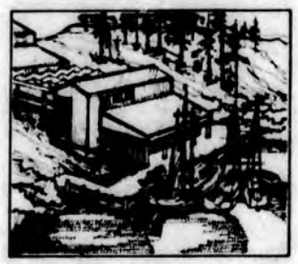
Support

Facilities equipment	
Road/parking	
Landscaping	
Utilities	$1,500,000
TOTAL	$9,000,000

Program Design Construction

82 83 84 85 86 87 88 89 90

Phase 2



Warehouse/Transient Housing

Transient housing	12,000 SF	$1,600,000
Warehousing	6,300 SF	$1,000,000
	18,000 SF	

Support

Dock and access road	$2,100,000
TOTAL	$4,700,000

P D Construction

82 83 84 85 86 87 88 89 90

Phase 3



Harvesting/Technology Building

Multipurpose classrooms	2,500 SF	
Teaching/research laboratory	4,000 SF	
Office Space	3,000 SF	
Pilot Plant	4,800 SF	
	14,300 SF	$12,900,000

Hydraulics Laboratory

Flume tank	4,500 SF	
Classroom	400 SF	
Office/storage	500 SF	$ 8,000,000
	5,400 SF	
TOTAL		$20,900,000

P D Construction

82 83 84 85 86 87 88 89 90

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1258 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86

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.

James O Smith
Signature of Camera Operator

12/12/89
Date

02-619 (REV 8/78)

SCOMM

#48:30

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          05/07/85  TIME: 09:59                   *
* FROM:          LIOBET                                  *
* SUBJECT:       FINAL STATS                             *
* PRINT DATE:    05/07/85  TIME: 10:00                   *
*                                                        *
**********************************************************
```

*** FINAL STATS ***

T/C: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: HJR 37: AMERICANIZATION OF COASTAL ALASKAN FISHERIES
DATE: MAY 7, 1985
SITE: BETHEL
MODERATOR: GRACE & WALLY

TESTIFIED:

1. HAROLD SPARCK, NUNAM KITLUTSISTI, BOX 267, BETHEL, AK. 99559
   543-2956

OBSERVED:

2. JEFF SANDERS, REPRESENTING HIMSELF, BOX 527, BETHEL, AK. 99559
   543-2379

EOM

****
*
* DELIVER TO: TCJNU
*
*
* ORIGINAL
* SENT: 05/07/85 TIME: 10:43
* FROM: LIOKOD
* SUBJECT: FISHERIES T/C HJR37
* PRINT DATE: 05/07/85 TIME: 10:43
*
****

*** FINAL T/C STATS ***

DATE: MAY 7, 1985
SITE: KODIAK LIO
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: HJR37: AMERICANIZATION OF COASTAL ALASKAN FISHERIES
LOCAL MODERATOR: VERNIE

****

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

1. AL BURCH, A.D.A., P.O.BOX 991, KODIAK 99615, 486-3910

****

OBSERVED:
NAME/REPRESENTING ADDRESS PHONE

****

TESTIFIED: 1
OBSERVED: 0
TOTAL: 1

TIME START: 8:30AM
TIME END: 9:45AM

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          05/07/85  TIME: 09:16                   *
* FROM:          DAVID JENSEN                            *
* SUBJECT:       (H) FISHERIES STATS (MAY 7,85)          *
* PRINT DATE:    05/07/85  TIME: 09:17                   *
*                                                        *
**********************************************************
```

*** FINAL T/C STATS ***

DATE: MAY 7, 1985 -- TUESDAY
SITE: ANCHORAGE - MAIN MEETING ROOM
SPONSOR: HOUSE SPECIAL COMMITTEE ON FISHERIES
SUBJECT: HJR 37 - COASTAL FISHERIES
LOCAL MODERATOR: DAVID J

****

TESTIFIED:

NAME/REPRESENTING	ADDRESS			PHONE
JOHN C CLEVELAND - SEALAND	2550 DENALI #1604	ANCH	99503	274-2671

****

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE

****

TESTIFIED: 01
OBSERVED: 00
TOTAL: 01

TIME START: 8:30AM
TIME END: 9:30AM

DELIVER TO: TCJNU

ORIGINAL
SENT: 05/06/85 TIME: 19:29
FROM: JUNE GALLEY
SUBJECT: T/C COMM. ON FISHERIES
PRINT DATE: 05/06/85 TIME: 19:29

*** FINAL T/C STATS ***

DATE: MAY 6, 1985
SITE: WRANGELL
SPONSOR: SPEC. COMM. ON FISHERIES
SUBJECT: S.E. REG. FISH AND GAME ADV. COMM.
LOCAL MODERATOR: MABEL FENNIMORE

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

1. BRUCE EAGLE, WRANGELL ADVISORY BD., BOX 303, WRANGELL, AK. 99929\
874-2794

TESTIFIED: 1
OBSERVED: 0
TOTAL: 1

TIME START: 5:00PM
TIME END: 7:00PM

****
*
* DELIVER TO: TCJNU
*
*
* ORIGINAL
* SENT: 05/07/85 TIME: 11:30
* FROM: LIODLG
* SUBJECT: STATS-HJR37 T.C.
* PRINT DATE: 05/07/85 TIME: 11:31
*
****

FINAL STATS

HJR 37 - AMERICANIZATION OF COASTAL FISHERIES

SPONSORED BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

MAY 7, 1985 - 8:30 AM

TO TESTIFY:

1. JOE MCGILL, BOX 322, DILLINGHAM, ALASKA 99576 - PHONE 842-2452

2. VAL ANGASAN, BRISTOL BAY HERRING MARKETING CO-OP, BOX 10042, DILLINGHAM, ALASKA 99576 - 842-2386

TO OBSERVE:

1. GUSTIE KNUTSEN, BOX 189, DILLINGHAM, ALASKA 99576
2. HARVEY SAMUELSEN, BOX 18, DILLINGHAM, ALASKA 99576
3. JIM TIMMERMAN, DILLINGHAM, ALASKA 99576
4. ONE OTHER OBSERVER WHO DID NOT SIGN IN.

****

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          05/07/85  TIME: 11:07                   *
* FROM:          LIOKOD                                  *
* SUBJECT:       UNALASKA FINAL STATS                    *
* PRINT DATE:    05/07/85  TIME: 11:07                   *
*                                                        *
**********************************************************
```

*** FINAL T/C STATS ***

DATE: ____MAY 7, 1985_____
SITE: ____UNALASKA TELECONFERENCE CENTER_____
SPONSOR: ____HOUSE COMMITTEE ON FISHERIES_____
SUBJECT: ____HJR 37 - AMER. OF COASTAL FISHERIES_____
LOCAL MODERATOR: ____JERRAH_____

****

OBSERVED:

NAME/REPRESENTING		ADDRESS	PHONE
1. GREG MORRIS	BX. 37	UNALASKA 99685,	NO PHONE
2. RON ANDERSON	BX. 161	UNALASKA 99685,	581-1373
3. GORDON TERPENING	BX. 385	DUTCH HARBOR99692,	581-1832

****

TESTIFIED: ___0_____
OBSERVED: ___3_____
TOTAL: ___3_____

TIME START: 8:30AM
TIME END: 9:45AM

****

*

* DELIVER TO: BILL CARROLL

*

*

* ORIGINAL

* SENT: 05/07/85 TIME: 11:04

* FROM: LIOPSG

* SUBJECT: HJR37,HJR43 FISHERIES

* PRINT DATE: 05/07/85 TIME: 11:04

*

****

*** FINAL T/C STATS ***

DATE:MAY 7, 1985
SITE:PETERSBURG
SPONSOR:SP. COMMITTEE ON FISHERIES
SUBJECT:HJR 37, HJR 43
LOCAL MODERATOR:DOROTHY PENTTILA

****

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE

.

****

OBSERVED:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	JIM ANDREWS/KSRA RADIO	BOX 650, PSG. 99833	772-3891
2.	MARILYN GEORGE/SELF	BOX 1031, PSG. 99833	772-4515

```
**********************************************************
*                                                        *
* DELIVER TO: TCJNU                                      *
*                                                        *
*                                                        *
* ORIGINAL                                               *
* SENT:          05/06/85  TIME: 19:33                   *
* FROM:          JUNE GALLEY                             *
* SUBJECT:       T/C FISH AND GAME ADV. COMM.            *
* PRINT DATE:    05/06/85  TIME: 19:33                   *
*                                                        *
**********************************************************
```

*** FINAL T/C STATS ***

DATE: MAY 6, 1985
SITE: KETCHIKAN
SPONSOR: SPEC. COMM. ON FISHERIES
SUBJECT: S.E. REG. FISH AND GAME ADV. COMM.
LOCAL MODERATOR: JUNE GALLEY

****
TESTIFIED: 0
****
OBSERVED: 0
****

TESTIFIED: 0
OBSERVED: 0
TOTAL: 0

TIME START: 5:00PM
TIME END: 7:00PM

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 5/1/85 8:30am

USA COALITION

UNITED SEAFOOD AMERICANIZATION

USA COALITION POSITION SUMMARY

*** What is the USA Coalition?**

The USA Coalition is a group of seafood processors, commercial fishermen, sportfishermen, labor organizations, transport companies, and citizens from every walk of life. The Coalition was organized to bring America one step closer to gaining control of fishery resources within the 200-mile FCZ.

*** What is the USA Coalition's goal?**

The Coalition's goal is to have the Magnuson Fishery Conservation and Management Act amended to: 1) provide for a phase-out of all foreign fishing in American waters by 1988; and 2) limit sales of American-harvested fish to foreign floating processors to current levels until foreign processors are replaced by domestic processors in 1990.

*** How much fish is taken by foreign fishing interests?**

Foreign fishing interests are currently taking more than four billion pounds of fish annually from within 200 miles of Alaska. That's 80% of the <u>total</u> seafood harvest in Alaskan waters.

*** Shouldn't Americans be getting the benefit of this valuable resource?**

YES! Americanization of the fishery will increase domestic participation in the fishing and processing industries, provide employment opportunities for Americans, stimulate economic growth and foster economic stability in Alaska's coastal communities.



175 S. FRANKLIN ST., #312, JUNEAU, ALASKA 99801, (907) 586-3105

*** Is it really necessary to establish a "time-certain" for the phase-out?**

A planned phase-out is crucial to enable the American fishing and processing industry to provide for an orderly transfer of the fishery to domestic interests. Establishing a date for phasing-out of foreign fishing interests will encourage the financial community to support capitalization of the American fishing and processing industries.

*** Will a phase-out of foreign fishing within the 200-mile limit affect the "incidental catch" of halibut, salmon, and herring by foreign-directed high-seas fishing vessels ?**

A phase-out of foreign fishing will drastically reduce the incidence of interceptions of halibut, salmon, and herring by the foreign-directed high-seas fishing fleet by keeping foreign fishing vessels outside the 200-mile limit.

*** Does the USA Coalition need my help?**

YES! The USA Coalition believes that the time has come for a large group of citizens to demand Americanization of the fishery. If we don't act now, that resource may never benefit the people of Alaska's communities. We need your support, and the support of all Alaskans. Sign a USA Coalition petition supporting a phase-out of foreign fishing, write your Congressmen and state legislators. If you want to become more involved, contact the USA Coalition directly. Thanks for your help. Let's fish for America!

USA COALITION

UNITED SEAFOOD AMERICANIZATION

TESTIMONY PRESENTED TO THE

HOUSE SPECIAL COMMITTEE ON FISHERIES

May 7, 1985

By: Larry Cotter

USA Coalition Committee

President, International Longshoremen's and Warehousemen's Union, Local 200



175 S. FRANKLIN ST., #312, JUNEAU, ALASKA 99801, (907) 586-3105

In 1976, Congress passed the Magnuson Fishery Conservation and Management Act, otherwise known as the MFCMA of the 200 Mile Limit Law. Prior to passage of the Act, foreign nations virtually had unlimited access to the bountiful fishery resource within 200 miles of the United States. Not only was the American public unable to gain any meaningful benefit from this resource, but the foreign nations did not practice sound biological management in their harvesting techniques. As a result, the overall health of the resource was deteriorating.

Congress passed the MFCMA as a means to protect the biological foundation of the resource, to enhance the future reproductive capability of the resource, and to replace foreign fishery activities with American industry thereby insuring the benefits of the resource would be maximized for all Americans.

In the decade following passage of the Act, the MFCMA has been a success in most areas of the United States. Where once, ten years ago, foreign fleets were harvesting and processing a declining resource, American fishermen are now actively engaged in harvesting a resource in sound biological condition and delivering that catch to American processing plants where the fish is processed by American workers. However, in some parts of the country, notably Alaska, the MFCMA has been of questionable benefit at best.

The fishery resource off Alaska's coast is literally enormous. There

is more seafood harvested within 200 miles of Alaska than with 200 miles of the rest of the United States combined. Indeed, if Alaska were a separate nation, the total poundage annually harvested would make us the third largest fishing nation in the world. More than 5,000,000,000 pounds of seafood are taken annually off Alaska. But most of that catch is harvested and|or processed by foreign fishing and processing fleets.

In 1984, the total amount of seafood harvested and|or processed within 200 miles of Alaska by the foreign fleets was 4.1 billion pounds -- 80% of the total harvest. That is enough fish to stretch, end to end, 380,000 miles, or 13 times around the earth.

In the meantime, Alaska's processing plants and processing workers are suffering the old Alaskan malady of "boom and bust": a few months of hectic, 24 hour a day work opportunity interspaced with months of idleness and unemployment. Alaska's fishermen suffer from the same problem and seek, in vain, for fisheries to which they can diversify. Coastal communities throughout the State, struggling to develop stable economies, continue to be susceptable to the varying length and intensity of fishing seasons.

Yet, offshore, in some places within sight of land, massive foreign fishing and processing fleets operate 24 hours a day, day after day, year after year. It makes no sense.

In my opinion, foreign fishery activities off Alaska are continuing at their current pace due to a combination of three factors: the structure of the MFCMA; international politics, and; economics.

The MFCMA contains an allocation process for determining how much of each species of fish within particular areas is to be allocated to whom. Very simply, the law requires an Optimum Yield (OY) be established for each species in each area. The OY is the amount of that species which is available for harvest that year.

In determining what amount of the OY is to be allocated to whom, the first priority is given to totally domestic operations; that is, operations which are composed of American fishermen harvesting the catch and American processors processing it. Once that initial allocation has been made, the remainder of the OY is then allocated first tc Joint Venture operations, in which American fishermen harvest the fish and deliever it to a foreign processing vessel for processing, and, secondly, to directed foreign fishing operations in which the entire harvesting and processing operation is foreign.

This would appear, at the onset, to make sense. However, the fact is that totally domestic operations receive a minuscule allocation in relation to the OY in the case of species of major abundance as American industry has been unable to compete economically with the foreign operations. As a result, due to the MFCMA allocation process,

the vast amount of the resource is subsequently allocated to Joint Ventures and directed foreign fishery operations. This, in turn, furthers the economic entry problems of the domestic industry.

The State Department has long played an active role in the allocation process as well. The Japanese fleet off Alaska in June of 1979 consisted of 320 plus vessels and 8,000 workers. Such a sizable fleet represents a significant economic investment by the Japanese. The State Department recognizes this investment by the Japanese and other countries, and has been quick to use the fishery resource within 200 miles of Alaska as a carrot and a stick in their dealings with foreign nations.

When the Russians invaded Afganistan, one of the major steps invoked by President Carter was to kick the Russian fleet out of the 200 Mile Limit off Alaska. Similarly, when Poland declared Martial Law their fleets was also kicked out. However, when Poland relaxed Martial Law, they were allowed back in.

This, and other types, of political meddling has inhibited practical planning for totally domestic development and has adversely impacted the management process.

The economics of the bottomfish industry off Alaska are totally different from the economics of our traditional fisheries, such as

salmon. The profit margin on bottomfish is very slight. The capital investment necessary to process the necessarily large volumes of product are great. Lastly, the major markets which currently exist are overseas and the market which does exist in the U.S. is dominated by foreign product. Ironically, much of the foreign product being sold in the U.S. marketplace is product which was harvested and|or processed by foreign fleets within 200 miles of Alaska.

The investment and marketing problems of the domestic industry are further impacted by the overhead costs of foreign fleet operations (the Koreans pay their processing workers 37¢ per hour) and by tariff and non-tariff barriors which have been erected in different countries to keep American processed bottomfish product out. Even if we could manage to process bottomfish product at a competitive rate with Japan, for instance, we could never get that product into their marketplace.

The combination of the economic factors and the allocation process as defined in the MFCMA result in a situation wherein domestic industry cannot receive an allocation because the domestic industry in unable to economically compete with the countries which are receiving the allocation. It is a classic Catch 22, further complicated by political meddling.

During the past few years, the domestic industry has attempted to

work within the existing MFCMA structure by engaging in direct "industry to industry negotiations" with Japan. The idea behind these negotiations was that the U.S. industry could reach agreements with the Japanese industry through which the Japanese would agree to purchase negotiated amounts of domestically processed bottomfish product for sale within the Japanese marketplace. As a result of these agreements, it was hoped, the domestic industry would have a definite market for its product thereby insuring at least some return on the necessary domestic capital investment. In the long run, the domestic industry would steadily increase its bottomfish operations, expand its markets, and eventually replace the foreign fishery operations within 200 miles of Alaska.

The 1984 agreement with the Japanese required Japan to purchase "upto 50,000 metric tons" of processed bottomfish product from U.S. processors during calendar year 1984. Subsequent to that agreement, the Japanese failed to purchase any bottomfish product claiming their interpretation of the agreement did not obligate them to actually purchase the product but, merely, obliged them to purchase in the event they found it economically feasible.

For obvious reasons, the 1985 "industry to industry" agreement with Japan was firmed up to avoid 1984-type misunderstandings. In the 1985 agreement, Japan agreed to sign purchase agreements with U.S.

processors for 30,000 metric tons of processed bottomfish product by March 31, 1985. Once again, the Japanese failed to deliver and the March 31 date passsed without any signed agreement. To make matters worse, the State Department, over the objections of large segments of the U.S. industry, proceeded with the second quater, 1985, release of direct fishery allocations to Japan.

It is clear to those of us involved in the industry that the current structure of the MFCMA is actually working against the development interests of the U.S. domestic industry. We have attempted to work through the existing structure and have found ourselves exactly where we started -- on the outside looking in. Therefore, we are convinced the structure must be changed.

The USA Coalition is calling for an amendment to the MFCMA which would phase out all foreign fishing activities by 1988, and which would freeze Joint Venture operations at their current levels until U.S. industry can handle that additional harvest in 1990. Local 200 of the International Longshoremen's and Warehousemen's Union, Alaska's largest maritime labor organization, is in full support of this approach.

The replacement of foreign fishery operations within 200 miles of the United States was, and is, one of the primary goals of the MFCMA.

Only when foreign fishery operations have ceased will Alaska and the United States begin to reap the vast and varied benefits of the resource within 200 miles.

The stakes for Alaska are great. Literally thousands of jobs in the processing sector alone will be expanded and created. Fishermen will have the opportunity to operate yearround if they desire. Coastal communities will enjoy the influx of substantial amounts of continuing capital investment and jobs, thereby allowing the development of a stable economic base for the community. Freight rates to Alaska will decrease due to the new "backhaul" to the Lower 48. The impact to all of Alaska will be great.

I urge you to support this Resolution. To do otherwise would be to perpetuate a situation wherein the great potential benefit of a renewable resource to Alaska continues to go unrealized.

JUNEAU EMPIRE

"The Voice of Alaska's Capital City"

JUNEAU, ALASKA, THURSDAY, MAY 2, 1985

Coalition pushes end to foreign fishing within conservation zone

By KIRK McALLISTER
The Juneau Empire

A group representing several segments of the seafood and transportation industries have banded together to push for an end to all foreign fishing in the 200-mile fishery conservation zone off the coast of Alaska.

The group, "USA Coalition" (United Seafood Americanization) wants Congress to amend the 1976 Magnuson Fisheries Conservation and Management Act, which set up the 200-mile zone, to phase out all foreign fishing in the zone in the next five years.

In addition, the group wants a freeze on sales of American-harvested fish to foreign processors at current levels until 1990 when American processors can replace foreign operations.

Both of those goals would stimulate U.S. investment in the lucrative bottomfish industry, group members say. More than 5 billion pounds of seafood are caught off Alaska each year.

The coalition includes processors, commercial fishermen, sport fishermen, labor organizations and transportation companies.

Coalition member Larry Cotter, president of Local 200 of the International Longshoremen's and Warehousemen's Union, said that phasing out foreign fishing in the 200-mile zone would have several major benefits for Alaska including:

■ Stimulating the economies of coastal communities with investment by American processors. That would in turn provide thousands of year-round jobs for processing workers.

■ Reducing the incidental catches of salmon, halibut and herring by foreign fleets, meaning more fish would return to Alaska's commercial and sport fisheries.

■ Reducing transportation costs in Alaska as more freight would be hauled south and freight volume and competition would be increased.

Cotter said seafood processing workers have the lowest annual income of any major labor group in the state because of the seasonal nature of the salmon, halibut and crab fisheries. Bottomfish would allow many workers year-round jobs.

Another coalition member, Jeff Stephan, manager of the United Fishermen's Marketing Association in Kodiak, said that very few Alaskans are benefiting from joint ventures. Of the 85 to 95 American trawlers involved in joint ventures with foreign nations only about 10 are Alaskans.

Of the 2 million metric tons of fish harvested in the 200-mile zone by foreign fleets, about 900,000 tons was in joint ventures with American boats.

"There won't be any American investment in the bottomfish industry such as cod and pollack as long as there's a foreign presence in the zone," Stephan said. "But when you restrict access to Americans only it increases the value of the products to U.S. industry and will stimulate investment. We've seen this work already with tanner crab, king crab and sablefish."

Rick Lauber, Alaska manager of the Pacific Seafood Processors Association, said that in the nine years of its existence, the 200-mile limit law has been "an absolute failure" for processors in Alaska.

"There's more fish being processed by foreign interests now than before the act went into effect," Lauber said. "There must be a foreign phase-out before domestic processors will begin investing. We just can't compete with their low costs. The Koreans, for example, pay their processing workers 37 cents an hour. How can we compete with that?"

Lauber said he was confident that American processors would be able to increase domestic markets for bottomfish and would still be able to sell to traditional Asian markets as well.

The USA Coalition is pushing resolutions in both houses of the Legislature calling for amendments to the 200-mile limit law. The Alaska delegation in Washington, D.C., plans to introduce amendments to the act this year, an aide to Sen. Ted Stevens, R-Alaska, said this morning.

Gov. Bill Sheffield also supports removing foreign fleets from Alaska waters, which would help diversify the state's economy, said Molly McCammon, press secretary to the governor.

Anchorage Daily News

119, 170 PAGES ANCHORAGE, ALASKA, THURSDAY, MAY 2, 1985

Alliance wants to end foreign take of state fish

P. D-1

By ANN CONY
Daily News reporter

JUNEAU — Lay end to end all the fish caught or processed by foreigners off the Alaska coast last year and they'd wrap around the equator 13 times, according to Larry Cotter.

That may sound like trivia, but to Cotter and others it illustrates an important point.

Cotter is part of the United Seafood Americanization (USA) Coalition, a group of fishing, seafood processing, union and transportation interests which recently organized to advocate exclusion of foreign fishing and processing fleets from U.S. waters off Alaska.

Foreigners last year processed 80 percent, or 4.1 billion pounds, of the total seafood harvest within 200 miles of Alaska, said Cotter, state president of the International Longshoremen and Warehousemen's Union. The union represents cannery workers.

"It's an amazing resource out there, and we're getting little or no benefit from it," he said.

"The problem we have had is that a majority of people in the country, even in Alaska, don't realize — to put it frankly — that they're getting shafted," said Rick Lauber, a lobbyist for the Pacific Seafood Processors Association.

The USA Coalition wants to change that by passing laws to phase out all foreign fishing and processing off Alaska by 1988.

It also wants a freeze at current levels of joint ventures, in which American fishermen sell their catch to foreign processing fleets.

The coalition calls for elimination of joint ventures after 1990.

Foreign domination of the bottomfish industry boils down to an economic "Catch 22," coalition members said.

Domestic fish processors can't expand their capacity to handle vast quantities of cod, pollock and other groundfish species because they can't compete with foreign processors, who pay wages as low as 37 cents an hour.

Because the domestic industry can't process all the fish, foreign fleets are allocated huge quantities under the Magnuson Fishery Conservation and Management Act of 1976.

That law is before Congress for review this year.

See D-3, ALLIANCE

Alliance wants fishing limits

Continued from Page D-1

Coalition members testified Wednesday before the Senate Resources Committee for a resolution asking Congress and President Reagan to act on the matter.

Anchorage residents and other Alaskans could enjoy lower freight rates if the domestic fishing industry were helped by excluding foreigners, said John Cleveland, a coalition member from Sea-Land Service Inc., a main shipper serving Alaska.

Cleveland said more domestic fishing and processing would increase freight volume and lower costs.

Sport fishing activist Bix Bonney said foreign fleets fishing for bottomfish also catch king salmon that otherwise would return to streams in Southcentral Alaska.

The "incidental" catch of king salmon by the Japanese fishing fleet alone comes to about 200,000 fish a year, according to Bonney.

"Anybody who touches my king salmon, they're in trouble. This is something that runs right up there were God, motherhood and country," he said.

USA COALITION

UNITED SEAFOOD AMERICANIZATION

USA COALITION COMMITTEE

Ron Jolin
Commercial fisherman

Bix Bonney
Sportfisherman

Larry Cotter
International Longshoremen's and Warehousemen's Union

Rick Lauber
Pacific Seafood Processors Association

John Cleveland
Sea-Land Services

175 S. FRANKLIN ST., #312, JUNEAU, ALASKA 99801, (907) 586-3105

the Kodiak daily mirror

VOL.46 NO.76 WEDNESDAY, APRIL 17, 1985 KODIAK, ALASKA 12 PAGES 35 CENTS

Council resolution eyes foreign fishing phaseout

By GORDON WEEKS
Staff Writer

The City Council last night passed a resolution urging that the phaseout of foreign fishing and processing in the U.S. Fishery Conservation zone off Alaska be addressed.

The resolution, introduced at a reconvening of the April 11 regular meeting, states that U.S. and Alaskan economic derive very little benefit from foreign fishing and processing operations off the coast of Alaska. The document states that the council "feels that nine years after the establishment of the Fishery Conservation and Management Act, the time has come to aggressively address the issue of phaseout of foreign fishing and processing."

The resolution points out that a million metric tons of Alaska bottomfish were caught by foreign nations, and that approximately 900,000 metric tons of bottomfish were apportioned to foreign processors last year.

"The level of investment necessary for U.S. fishing industry to develop bottomfish off Alaska will not take place as long as foreign fishing and joint operations remain at current levels, and as long as there is no definite program for phasing out foreign fishing and processing," the resolution states.

The council also passed a resolution supporting full funding for the Legislative Information and Teleconference offices in Alaska.

The resolution states that the service "provides a vital communication link between constituents and their legislators" and that "many state agencies actively solicit input to policy via the Legislative Teleconference Network, the most advanced and innovative system in use in the

(Please turn to Page 4)

council

(Continued from Page 1)

United States today."

The resolution states that the "remote location of the state capitol precludes active participation by most Alaskans."

The council awarded L.G. Schneider and Sons Inc. a $6,500 contract to repair the leaking roof of the Harbormaster Office. A resolution accepting the Hillside Drive right-of-way was also passed.

CITY OF KODIAK
RESOLUTION NUMBER 28-85

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK URGING THAT PHASE-OUT OF FOREIGN FISHING AND PROCESSING IN THE UNITED STATES FISHERY CONSERVATION ZONE OFF ALASKA BE ADDRESSED

WHEREAS, the Kodiak Community is primarily a fishing economy; and

WHEREAS, many of our merchants, seafood processors, fishermen, labor force, and support industries depend heavily on the ability of our fishing industry to harvest, process, and market the fishery resources of the U.S. Fishery Conservation Zone (FCZ) off Alaska; and

WHEREAS, the Fishery Conservation and Management Act (FCMA) was established nine years ago by Congress; and

WHEREAS, Congress declared in the FCMA that "A national program for the development of fisheries which are under utilized or not utilized by the United States fishing industry, including bottomfish off Alaska, is necessary to assure that our citizens benefit from the employment, food supply, and revenue which could be generated thereby..."; and

WHEREAS, foreign nations in 1985 were apportioned approximately one million metric tons of Alaskan bottomfish for directed fishing and processing; and

WHEREAS, foreign processors in 1985 were apportioned approximately 900,000 metric tons of Alaskan bottomfish for joint venture operations; and

WHEREAS, joint venture operations in the U.S. FCZ off Alaska have grown from approximately 33,000 metric tons in 1983 to a projected 900,000 metric tons in 1985; and

WHEREAS, THE U.S. processed harvest of bottomfish in the U.S. FCZ off Alaska has grown from 46,000 metric tons in 1983 to only 141,617 metric tons in 1984; and

WHEREAS, the U.S. and Alaskan economies derive very little relative benefit from foreign fishing and processing operations in the U.S. FCZ off Alaska; and

WHEREAS, the level of investment necessary for the U.S. fishing industry to develop bottomfish off Alaska will not take place as long as foreign fishing and joint venture operations remain at current levels; and as long as there is not a definitive program for phasing-out foreign fishing and processing,

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Kodiak, Alaska, feels that nine years after the establishment of the FCMA the time has come to aggressively implement phase-out of foreign fishing and processing.

BE IT FURTHER RESOLVED that the United States Congress is respectfully requested to implement a date-specific phase-out of foreign fishing and joint venture processing in the 1985 reauthorization of the FCMA.

AND, BE IT FURTHER RESOLVED that copies of this resolution be sent to the following individuals:

Senator John C. Danforth, Chairman, Senate Committee on Commerce, Science, and Transportation

Senator Frank Murkowski

Senator Theodore F. Stevens

Congressman John Breaux, Subcommittee on Fisheries and Wildlife Conservation, House Merchant Marine and Fisheries Commission

Malcolm Baldrige, U.S. Secretary of Commerce

James Branson, North Pacific Fishery Management Council

Governor Bill Sheffield

Senator Fred Zharoff

Representative David Thompson

PASSED AND APPROVED this 16TH day of APRIL, 1985.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

City of Sand Point

P.O. Box 177
Sand Point, Alaska 99661
(907) 383-2696

RESOLUTION NO. 85-20

A RESOLUTION OF THE CITY COUNCIL OF SAND POINT SUPPORTING AMERICANIZATION OF FISHING.

WHEREAS, reauthorization of the Fisheries Conservation Management Act is being considered by Congress; and

WHEREAS, the only intent of the FCMA was for americanization of the U.S. fisheries; and

WHEREAS, in Alaska, the majority of bottomfish is caught and/or processed by foreign nations; and

WHEREAS, coastal communities in Alaska are presently being excluded in the most part from any benefits associated with the huge bottomfish resource off of Alaska, and presently these communities are in economical hardships; and

WHEREAS, coastal communities could immensely benefit from phase-out of foreign fishing and processing; and

WHEREAS, the goal of the U.S. fishing industry, the communities of Alaska, and the people of the U.S. should be to catch, process, and market American fish with American equipment, by American people, in American communities.

NOW THEREFORE BE IT RESOLVED that the Sand Point City Council supports phase-out of directed foreign fishing by 1988 and a cap on existing levels of foreign fishing.

AND BE IT FURTHER RESOLVED that the Sand Point City Council supports replacement of foreign processing with American processing by 1990.

PASSED AND ADOPTED by a duly constituted quorum of the Sand Point City Council this 15th day of April, 1985.

Jack W. Foster, Sr.
MAYOR

ATTEST:

Debra K. Austin
CITY CLERK

FISHERIES CONSERVATION MANAGEMENT ACT

RESOLUTION NO. 85-12

WHEREAS, reauthorization of the U.S. Fisheries Conservation Mangement Act(FCMA) is being considered by Congress; and,

WHEREAS, the original intent of the FCMA was for "Americanization" of the U.S. Fisheries; and,

WHEREAS, in Alaska the majority of the bottomfish is caught and/or processed by foreign nations; and,

WHEREAS, coastal communities in Alaska are presently being excluded in the most part from any benefits associated with the huge bottomfish resource of Alaska; and presently these communities are in economic hardship; and,

WHEREAS, coastal communities could immensely benefit from phase-out of foreign fishing and processing; and,

WHEREAS, the goal of the U.S. fishing industry, the communities of Alaska, and the people of the United States should be to catch, process, and market American fish with American equipment, by American people, in American communities,

NOW THEREFORE BE IT RESOLVED, that the Aleutian/Pribilof Islands Association, Inc. supports phaseout of directed foreign fishing by 1988 and a cap on existing levels of fishing; and,

BE IT FURTHER RESOLVED, that the Aleutian/Pribilof Islands Association, Inc. supports replacement of foreign processing with American processing by 1990.

Passed and approved on this 3rd day of April, 1985.

PHILEMON TUTIAKOFF, CHAIRMAN
A/PIA BOARD OF DIRECTORS

ATTEST:

SECRETARY

940), 22 Pages Ketchikan, Alaska, Wednesday, April 10, 1985 40 Cents

Delegation, industry split

U.S. wading in 200-mile zone

By BETTY MILLS
Daily News Washington Bureau

WASHINGTON — Congress has launched its review of the historic law which extended the U.S. fishing zone to 200 miles, with segments of the Alaska fishing industry and the delegation split about what changes are needed.

The law, enacted in 1976, expires on Sept. 30. In addition to extending the fishery conservation zone to 200 miles, the law created eight regional management councils to develop fishery management plans. The North Pacific Fishery Management Council was established to deal with Alaska.

Enacted after years of debate, the law was intended to cut back on overfishing by foreign nations and open up new opportunities to Americans. This effort to "Americanize" the fishery is at the heart of the debate to re-authorize and amend the law.

The all-Republican Alaska delegation is divided on the issue, with Sens. Ted Stevens and Frank Murkowski supporting a cut-off date for ending foreign fishing within the zone, and Rep. Don Young opposing such a plan.

Murkowski, who serves on the Senate Foreign Relations Committee, favors a termination date of 1990, while Stevens has not settled on a deadline.

Young argues that setting a date to kick foreigners out of the U.S. zone could backfire against Alaskans.

In an interview before he left for the Orient, Murkowski said he planned to discuss his views with Japanse Prime Minister Yasuhiro Nakasone.

"I am going to indicate that we are going to Americanize our fishing within the 200-mile limit. It is inevitable. By about 1990, or thereabouts, we will have it Americanized," the senator said.

Stevens, who serves on the Senate Commerce Committee, which will write the new fishing bill, is still preparing amendments. He hopes to introduce legislation later this month.

"There is no consensus from the people who come in here," said Stevens. "Some want a time frame for phasing out foreign fishermen ... others say foreign fishermen are not the problem. There is not a consensus in Alaska. The Northwest fishermen want foreign processors within the 200-mile limit, and the Southeast fishermen don't. My job is to ask the federal government to argue the availability of the resource. That is why we are backing the foreign fishermen out of the zone. That was my position before. It was in my bill last year, and I intend to put it back in," Stevens said.

But Young feels it is premature to set a deadline.

"Don does not favor legislative termination," said aide Bob Moore. "What happens if you say, 'OK, in 1988, everyone out of the pool'? We may not have a market. Japan alone buys 40 percent of the salmon we catch in Alaska," Moore added. "There is a bill in the Japanese Diet (legislature) which calls for a ban on importation of American fish products if the Japanese allocation is cut. Japan could shut down our fishing industry in Alaska if we arbitrarily terminate them. If we do it abrubtly and arbitrarily, it will be bad for Alaska. We must do it on a step-by-step basis."

The House fish and wildlife subcommittee is moving quickly on amendments to the 200-mile limit law, scheduling a drafting session for May 2. Senate heaings are expected to begin later this month, and Stevens hopes to take the committee to Alaska this summer.

Ketchikan Daily News

4/11/85

4

Editorial

Keeping gains

For years before the 200-mile fishing limit went into effect in 1976, Alaskans rightfully complained that the U.S. federal government traded away Alaska fisheries to obtain diplomatic goals. Alaska's fishery was last priority to federal negotiators.

Alaskans must watch that the same thing doesn't reoccur. It could. The 200-mile limit law expires Sept. 30. Congress is holding hearings now on renewal and modifications to the law. Alaska Sens. Ted Stevens and Frank Murkowski are urging that the new law completely Americanize the fishery by banning all foreign vessels from inside the 200-mile limit after 1990. Congressman Don Young disagrees and has support of many Alaska fishermen who have been fishing for foreign processors within the 200-mile limt in joint operations.

The major problem is that the U.S. is on the losing side in a trade war with Japan on such things as automobiles, agricultural products, textiles and electronic devices. Autos and electronics are more important to the majority of the people in the U.S., meaning also the majority in Congress, than Alaska fishing. It's going to take all of the efforts of Alaskans, and agreement among our congressional delegation, to assure that Alaskans keep what they gained with the 200-mile limit concept.

It's possible that U.S. trade negotiators may offer to give foreign fleets greater fish quotes within the 200-mile zone in exchange for dropping the Japanese ban on import of U.S. goods, or in exchange for Japan limiting auto exports to the U.S.

It's a shame. Alaska has so much to offer in natural resources — oil, gas, coal, hard rock minerals, timber and fish — that could be exported to improve the balance of payments for the U.S. but faces restrictions by its own government that inhibits that help.

No one in Washington is looking at what Alaska has to offer unless it is how Alaska's fishery resources can be traded away to foreign fishermen to reduce the number of autos shipped from Japan.

C I T Y A N D B O R O U G H O F S I T K A

Resolution No. 85-278

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF SITKA SUPPORTING PHASEOUT OF DIRECTED FOREIGN FISHING BY 1988 AND A CAP ON EXISTING LEVELS OF FISHING, ALSO SUPPORTING REPLACEMENT OF FOREIGN PROCESSING WITH AMERICAN PROCESSING BY 1990

WHEREAS, reauthorization of the U.S. Fisheries Conservation Management Act (FCMA) is being considered by Congress; and

WHEREAS, the original intent of the FCMA was for "Americanization" of the U. S. fisheries; and

WHEREAS, in Alaska the majority of the bottomfish is caught and/or processed by foreign nations; and

WHEREAS, coastal communities in Alaska are presently being excluded in the most part from any benefits associated with the huge bottomfish resource off Alaska, and presently these communities are in economic hardship; and

WHEREAS, coastal communities could immensely benefit from phaseout of foreign fishing and processing; and

WHEREAS, the goal of the U.S. fishing industry, the communities of Alaska, and the people of the United States should be to catch, process, and market American fish with American equipment, by American people, in American communities,

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka that it supports phaseout of directed foreign fishing by 1988 and a cap on existing levels of fishing, and

BE IT FURTHER RESOLVED, that the Assembly of the City and Borough of Sitka supports replacement of foreign processing with American processing by 1990.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka this 23rd day of APRIL, 1985.

Earl Richards

Earl Richards,
Deputy Mayor

ATTEST:

Dolores Ingwersen

Dolores Ingwersen,
Municipal Clerk

PETITION IN SUPPORT OF AMERICANIZATION OF THE U.S. FISHERY

More than four billion pounds of the fish harvested and/or processed within the 200-mile zone off Alaska's coast is taken by foreign fishing interests. This is eighty percent of the total harvest in those waters.

This valuable resource could bring thousands of new jobs to Alaska and be of tremendous benefit to the economic health and stability of our many coastal communities and the State.

We, the undersigned do endorse and support the phasing out of all foreign fishing in U.S. waters by 1988, limiting joint ventures to their current harvest levels and the phasing out of all foreign processing by 1990.

	Signature	Name (Print)	Address
1)			
2)			
3)			
4)			
5)			
6)			
7)			
8)			
9)			
10)			
11)			
12)			
13)			
14)			
15)			

Please mail signed petitions to USA Coalition, Suite 312, 175 S. Franklin St., Juneau, Alaska, 99801. For more information, call (907)586-3105.

City and Borough of Sitka

304 LAKE STREET. SITKA, ALASKA. 99835

April 24, 1985

Honorable Ted Stevens
United States Senate
522 Hart Building
Washington, D. C. 20510

Honorable Frank Murkowski
United States Senate
317 Hart Building
Washington, D. C. 20510

Representative Don Young
House of Representatives
2331 Rayburn House Office Building
Washington, D. C. 20515

Gentlemen:

Sitka supports the phaseout of directed foreign fishing by 1988 and also supports replacement of foreign processing with American processing and urges you to support the "Americanization" of the United States fisheries also. A copy of the a resulation adopting this stand is enclosed for your information.

Sincerely yours,

Richard Anderson
Administrator

enclosure

cc: USA Coalition
Eric Eckholm
175 South Franklin, Suite 314
Juneau, Alaska 99801

City of Seward

Resolution No. 85-278

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF SITKA SUPPORTING PHASEOUT OF DIRECTED FOREIGN FISHING BY 1988 AND A CAP ON EXISTING LEVELS OF FISHING, ALSO SUPPORTING REPLACEMENT OF FOREIGN PROCESSING WITH AMERICAN PROCESSING BY 1990

WHEREAS, reauthorization of the U.S. Fisheries Conservation Management Act (FCMA) is being considered by Congress; and

WHEREAS, the original intent of the FCMA was for "Americanization" of the U. S. fisheries; and

WHEREAS, in Alaska the majority of the bottomfish is caught and/or processed by foreign nations; and

WHEREAS, coastal communities in Alaska are presently being excluded in the most part from any benefits associated with the huge bottomfish resource off Alaska, and presently these communities are in economic hardship; and

WHEREAS, coastal communities could immensely benefit from phaseout of foreign fishing and processing; and

WHEREAS, the goal of the U.S. fishing industry, the communities of Alaska, and the people of the United States should be to catch, process, and market American fish with American equipment, by American people, in American communities,

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka that it supports phaseout of directed foreign fishing by 1988 and a cap on existing levels of fishing, and

BE IT FURTHER RESOLVED, that the Assembly of the City and Borough of Sitka supports replacement of foreign processing with American processing by 1990.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka this 23rd day of APRIL, 1985.

Earl Richards

Earl Richards,
Deputy Mayor

ATTEST:

Dolores Ingwersen

Dolores Ingwersen,
Municipal Clerk

PETITION IN SUPPORT OF AMERICANIZATION OF THE U.S. FISHERY

More than four billion pounds of the fish harvested and/or processed within the 200-mile zone off Alaska's coast is taken by foreign fishing interests. This is eighty percent of the total harvest in those waters.

This valuable resource could bring thousands of new jobs to Alaska and be of tremendous benefit to the economic health and stability of our many coastal communities and the State.

We, the undersigned do endorse and support the phasing out of all foreign fishing in U.S. waters by 1988, limiting joint ventures to their current harvest levels and the phasing out of all foreign processing by 1990.

Signature	Name (Print)	Address
1)		
2)		
3)		
4)		
5)		
6)		
7)		
8)		
9)		
10)		
11)		
12)		
13)		
14)		
15)		

Please mail signed petitions to USA Coalition, Suite 312, 175 S. Franklin St., Juneau, Alaska, 99801. For more information, call (907)586-3105.

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:31

HOUSE SPECIAL COMMITTEE
ON FISHERIES
May 6, 1985
12:30 p.m.

Members Present:	Representative Peter Goll, Chair Representative Katie Hurley Representative Andre Marrou Representative Dave Thompson Representative Mike Navarre
Members Absent:	Representative Johne Binkley Representative Roger Jenkins

COMMITTEE CALENDAR

HJR 38 — Relating to fisheries enhancement by the Department of Fish and Game within the Andy Simons Wilderness Unit, Kenai National Wildlife Refuge.

WITNESS REGISTER

No witnesses.

PREVIOUS ACTION

HJR 38: Read the first time 04/29/85 and referred to Fish, Res and Rules; no previous committee action to record. Today Fish reported out with 6DP.

ACTION NARRATIVE

TAPE #18 SIDE ONE

Recording Number 001	The meeting was called to order at 12:30 p.m. Chairman Goll noted the presence of Representatives Marrou, Thompson, Hurley and Navarre and announced HJR 38.
Number 007	Representative Thompson moved for the passage of HJR 38 and asked individual recommendations. There were no objections. Representatives Navarre, Thompson, Hurley, Marrou and Goll signed DO PASS. Representative Johne Binkley later signed DO PASS.
Number 010	The meeting was adjourned at 12:31 p.m.

Introduced: 4/29/85
Referred: House Special Committee
on Fisheries and Resources

IN THE HOUSE BY NAVARRE AND MARROU

HOUSE JOINT RESOLUTION NO. 38

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

Relating to fisheries enhancement by the Department of Fish and Game within the Andy Simons Wilderness Unit, Kenai National Wildlife Refuge.

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

WHEREAS the U.S. Fish and Wildlife Service is preparing a comprehensive conservation plan for the Andy Simons Wilderness portion of the Kenai National Wildlife Refuge; and

WHEREAS the final draft for the comprehensive conservation plan states that fisheries enhancement will not be permitted in wilderness areas; and

WHEREAS THE Alaska Department of Fish and Game has had a fisheries enhancement program in operation on Tustumena Lake; and

WHEREAS the fisheries enhancement program on Tustumena Lake has resulted in an increase in the total production of fish from the lake without negative results on wild stocks or the rearing environment; and

WHEREAS the Tustumena fishery enhancement program has resulted in the production of at least 300,000 additional adult salmon, with a value to Central Cook Inlet fishermen of $1,600,000; and

WHEREAS the comprehensive conservation plan, if implemented, would put the state fisheries enhancement program in jeopardy; and

WHEREAS the Alaska Department of Fish and Game has recommended to the U.S. Fish and Wildlife Service that the comprehensive conservation plan permit fisheries enhancement in special situations under cooperative agreements; and

WHEREAS the Department of Fish and Game has also recommended that the

Tustumena Lake sockeye stocking be continued until the U.S. Fish and Wildlife Service and the Department of Fish and Game jointly determine that these projects have been completed or that they no longer achieve their stated objectives;

BE IT RESOLVED that the Alaska State Legislature respectfully requests the U.S. Fish and Wildlife Service to continue to permit the stocking of fish and the enhancement of the fishery resources within Tustumena Lake of the Kenai National Wildlife Refuge.

COPIES of this resolution shall be sent to the Honorable Donald P. Hodel, Secretary of the Interior; to Robert A. Jantzen, Director of the U.S. Fish and Wildlife Service; to Robert Gilmore, Director, Alaska Region, U.S. Fish and Wildlife Service; to W. Vernon Wiggins and Robert Grogan, Co-Chairman, Alaska Land Use Council; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

MEMORANDUM State of Alaska

TO: Pat Malone
Administrative Assistant
to Representative Navarre
Alaska State House - Juneau

DATE: April 24, 1985

FILE NO:

TELEPHONE NO: 267-2166

FROM: Dave Daisy
Regional Program Manager
FRED Division - Anchorage
Department of Fish and Game

SUBJECT: Tustumena Sockeye Enhancement Program

Enclosed are two documents that should help explain the Tustumena Lake Sockeye Enhancement Program. One is Sockeye Salmon Investigation, Tustumena Lake System, Alaska - Progress Report Number 3 which is the latest progress report on the studies to determine the effects of sockeye salmon enhancement on Tustumena Lake, and the other is the abstract of two presentations given by Loren Flagg, the area biologist in charge of the Tustumena program, explaining the enhancement program and the Tustumena sockeye investigation project. You will note the the U.S. Fish & Wildlife Service is involved in the investigation project. A quote from Flagg's presentation sums it up best - "Our studies to date indicate that the Tustumena Lake stocking program has resulted in an increase in total production from the lake without any negative effects."

It should be noted that the Tustumena stocking program involves no habitat manipulation, no permanent structures, and utilizes stocks native to the Tustumena system. It takes advantage of plankton (sockeye food) production that is surplus to the needs of sockeye produced naturally in the system.

Tustumena Lake is totally within the Andy Simons Wilderness portion of the Kenai National Wildlife Refuge (KNWR). The final draft of the KNWR Comprehensive Conservation Plan (CCP) defines fisheries enhancement as "actions taken to increase fishery stocks above historic levels. Includes lake fertilization, stocking, building hatcheries and fish passages, and artificially incubating fish in streams." The CCP states that fisheries enhancement will not be permitted in wilderness areas as well as areas where minimal management techniques or traditional management techniques will be applied. This in effect eliminates fishery enhancement from 87% of the KNWR. We object to this outright prohibition on the bulk of the KNWR. Fishery enhancement encompasses a broad range of activities. We believe that some forms of enhancement are compatible within all management categories and should be allowed pending an activity-specific review.

To accomplish this the permitting level indicated for fisheries enhancement in Table 21 of the final draft of the KNWR CCP needs to be changed. The suggested wording is: Table 21, Fisheries Enhancement - Change all categories to: "Permitted in special situations with cooperative agreements."

I hope the above and the enclosed documents are of use to you. If you have any questions please do not hesitate to contact me. My home phone is 243-8544 and my work phone is 267-2166.

Good luck.

Enclosures

cc: Moberly
Flagg

STATE OF ALASKA

S. A. (STAN) MOBERLY
DIRECTOR

DIVISION OF FISHERIES REHABILITATION,
ENHANCEMENT AND DEVELOPMENT (FRED)
DEPARTMENT OF FISH AND GAME

CAPITAL OFFICE PARK
P.O. BOX 3-2000
JUNEAU, ALASKA 99802
OFFICE: (907) 465-4160
HOME: (907) 789-0024

Abstract of Presentation to Kenai Peninsula Borough
Resource Development Commission (3/18/85) and
Cook Inlet Aquaculture Association (3/23/85)
on Tustumena Lake Sockeye Salmon Enhancement Program

by

Loren B. Flagg
Area Biologist
Alaska Department of Fish and Game
Division of Fisheries Rehabilitation,
Enhancement, and Development

The Crooked Creek Hatchery, located at Kasilof, was constructed in 1974. Additions to the facility in the late 1970's and early 1980's brought the capacity of the hatchery to 20 million salmon eggs.

The primary purpose of the facility is to increase the sockeye (red) salmon production at Tustumena Lake. Lake rearing studies in the early 1970's indicated that the system was spawning limited, as opposed to rearing limited, and that the lake was capable of producing more salmon fry than the spawning grounds could supply. Recent studies verify that this assumption was correct - we have demonstrated through the stocking and evaluation program that the lake can produce more fish.

Production stocking was initiated in 1979 at a level of 7.8 million sockeye fry. From 1982 to 1984 we reached the full production level of about 16-17 million fry annually.

Most sockeye salmon fry rear for one year in Tustumena Lake before migrating to sea as smolt. Since 1980 the number of smolt migrating from Tustumena Lake has increased (1-14 million) as has the hatchery contribution (3%-25%).

RECEIVED
APR 1
F.R.E.D.
ANCHORAGE REGIONAL OFFICE

Our evaluation studies have addressed the questions: (1) "are the smolt being produced from the lake in good condition, and (2) are we in any way harming the natural stock or the environment". Our studies to date indicate that the Tustueman Lake stocking program has resulted in an increase in total production from the lake without any negative effects. The smolt coming out of the lake are in excellent condition and we have observed no adverse impacts on wild stocks or the rearing environment. In 1984, the year of the largest smolt migration (14.2 million), age 1.0 smolts were the largest we have observed. The plankton population has held up strongly, in fact the plankton index was higher in 1984 than it was in 1980.

The additional salmon smolt being produced from the system will mean more adults available for commercial, sport, and subsistence fishermen. At a minimum, 300,000 additional adult salmon will be available on an annual basis for harvest as a direct result of the enhancment program. The ex-vessel value estimated to commercial fishermen in Central Cook Inlet is 1.6 million dollars. When added to the annual value of $400,000 for fish produced from Leisure Lake, which are harvested by Lower Cook Inlet seiners, we estimate that 2.0 million dollars annually will go directly to commercial fishermen from our stocking program starting next year.

The first wholesale value, or value produced from the fish pack, is generally considered to be about 2 times the ex-vessel value ($4.0 million). There are other multipliers, as the dollar rolls over in the community, however, I'll leave that analysis for the economists.

Since the Tustumena Lake sockeye salmon stocking program accounts for over 90% of the Crooked Creek Hatchery production, the loss of this stocking program would in all likelihood mean closure of the hatchery. The hatchery also provides king salmon, coho salmon, and steelhead for sport fishermen. Last year over 5,000 adult king salmon were caught at Crooked Creek. This fishery ranked second behind the Kenai River in king salmon catch on the Kenai Peninsula in 1984. This program and the others, coho and steelhead, would be in jeopardy if the hatchery is closed.

We ask only that the future stocking progam at Tustumena Lake be directed based on the merits of the program; that is the agreement we had with the U. S. Fish and Wildlife Service when we initiated our 5 year cooperative study in 1981. The State has recommended to the USFWS to change the Fisheries Enhancement section of the Kenai National Wildlife Refuge Plan to read: "Fisheries enhancement permitted in special situations with cooperative agreements". The State also recommended that the "Tustumena Lake sockeye salmon stocking be continued until the Service and ADF&G jointly determine that these projects have been completed or no longer achieve their stated objectives".

The KNWR plan will be available soon for a 60 day public comment period. We would encourage you, as individuals or as a group, to review this plan and provide comments to the USFWS. The State would appreciate your support on the Tustumena Lake issue. Thank you.

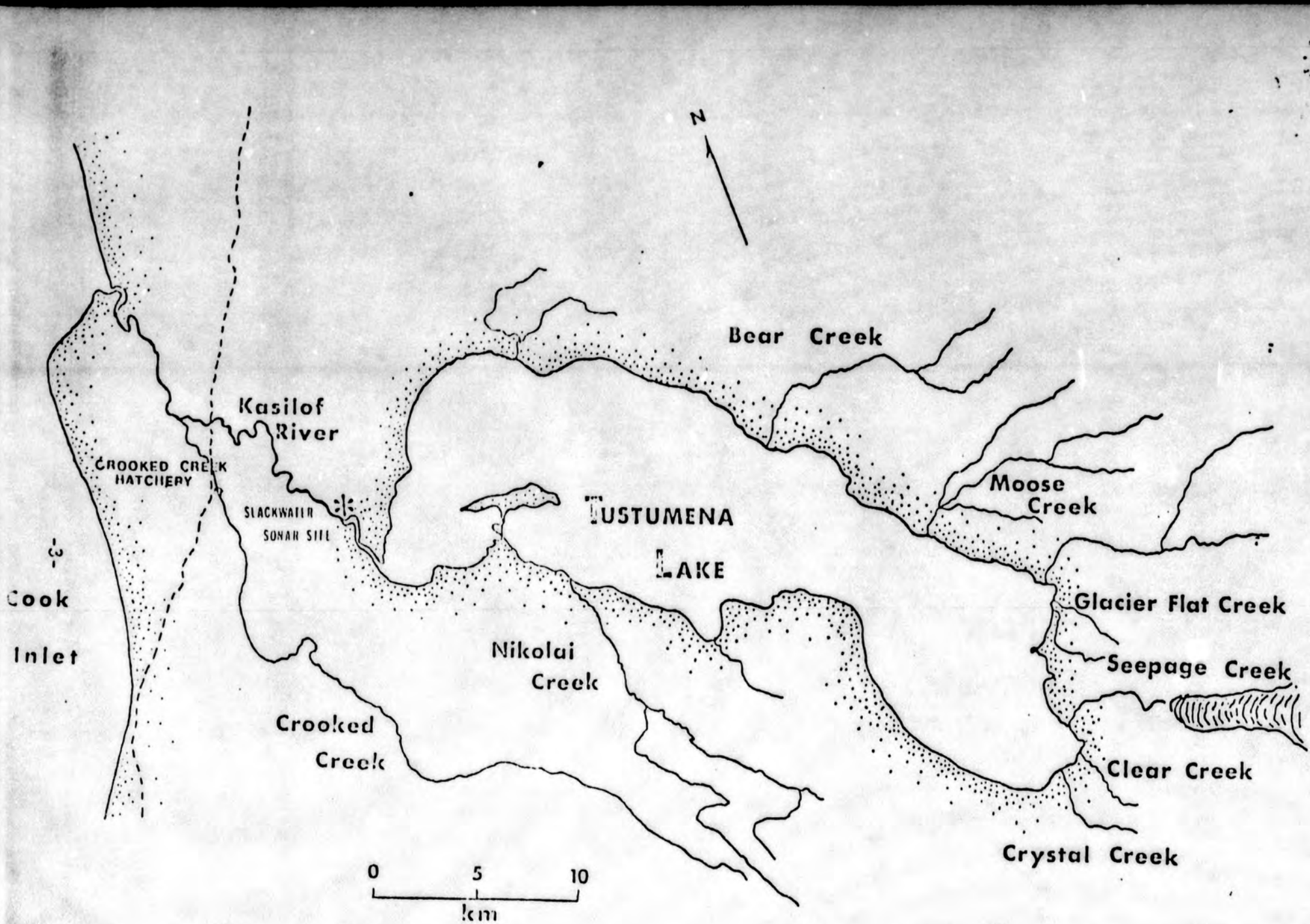
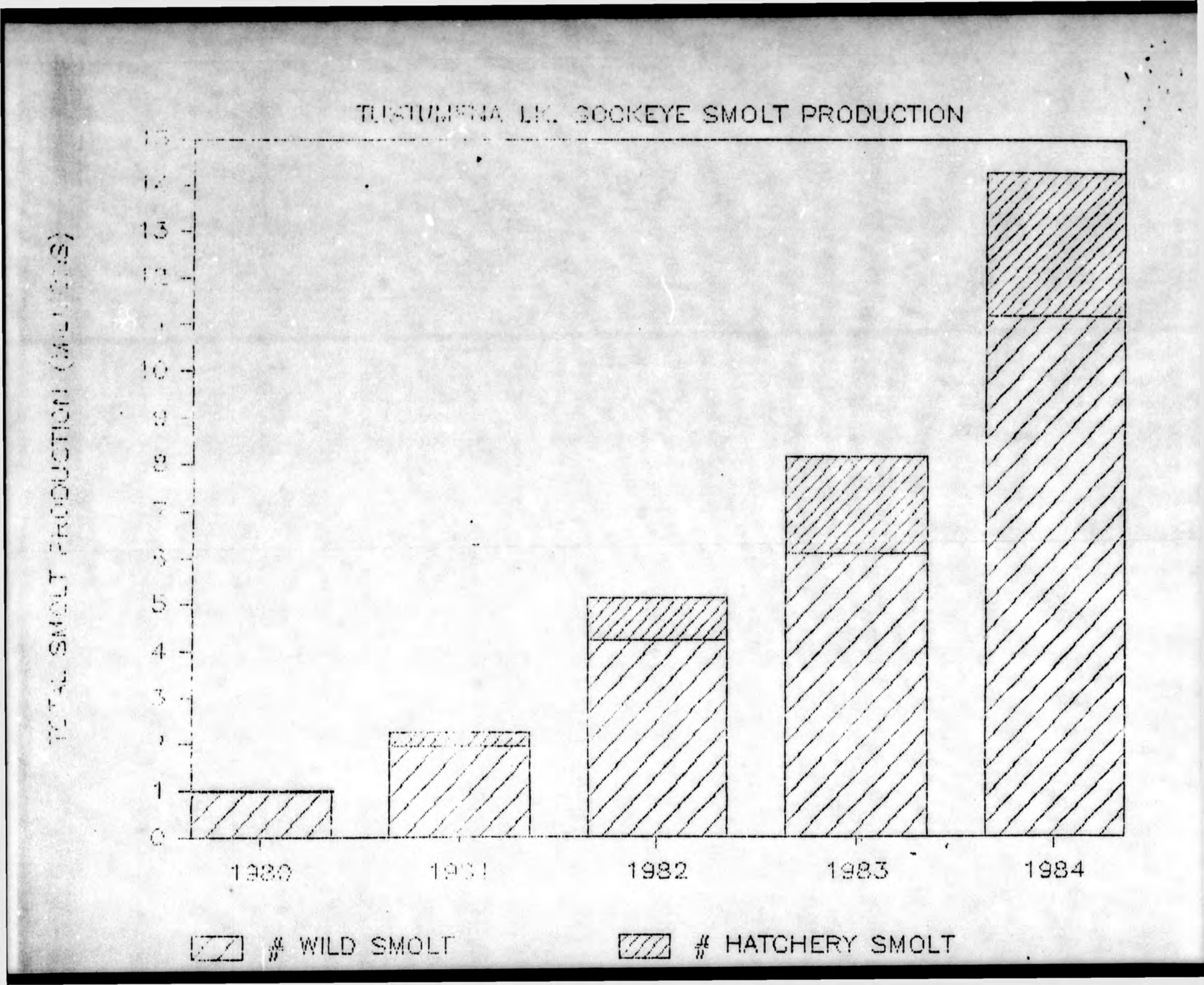


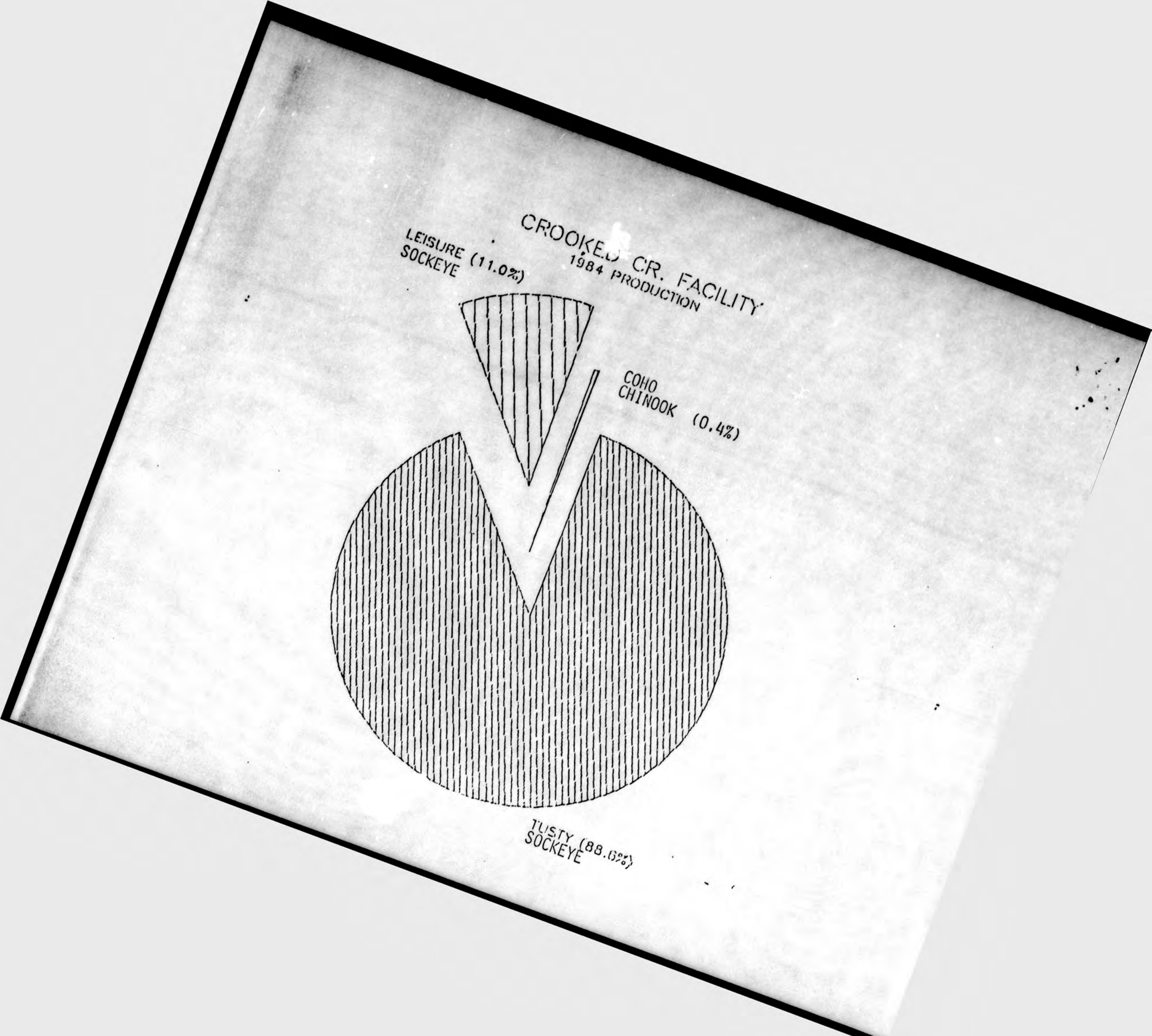
Figure 1. Kasilof River drainage and major sockeye salmon rearing lake.

Appendix A. Kasilof River smolt migration summary, 1980-1984.

Sample year	Total smolt migration (millions)	Percent age composition		Mean size of age 1.0 smolt		Percent hatchery contribution
		1.0	2.0	Length (mm)	Weight (g)	
1980	1.0	91	9	68	2.7	3
1981	2.3	82	18	70	2.8	13
1982	5.1	80	20	69	2.9	17
1983	8.3	84	16	70	2.9	25
1984	14.2	80	20	73	3.3	22


TUSTUMENA L.K. SOCKEYE SMOLT PRODUCTION
TOTAL SMOLT PRODUCTION (MILLIONS)
0
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
1980
1981
1982
1983
1984
WILD SMOLT
HATCHERY SMOLT

CROOKED CR. FACILITY
1984 PRODUCTION



5/7

COMMITTEE REPORT

HOUSE

(7)

4/29/85

FURTHER RESOURCES

Date: May 6, 1985

The Committee on HOUSE SPECIAL COMMITTEE ON FISHERIES has had HJR 38

Relating to fisheries enhancement by the Department of Fish and Game within the Andy Simons Wilderness Unit, Kenai National Wildlife Refuge.

under consideration and recommends:

[X] 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:
Peter Joe	
[illegible]	
David W. Thompson	
Katie Hurley	
Mike Navarre	

Peter Joe
CHAIRMAN

SOCKEYE SALMON INVESTIGATION, TUSTUMENA LAKE SYSTEM, ALASKA

PROGRESS REPORT NUMBER 3

Upper Cook Inlet Data Report
Number 85-1

by

Loren B. Flagg - Alaska Department of Fish and Game - Soldotna, Alaska
Kenneth E. Tarbox - Alaska Department of Fish and Game - Soldotna, Alaska
Jack Dean - U .S. Fish and Wildlife Service - Kenai, Alaska

Alaska Department of Fish and Game
Divsion of Commercial Fisheries
Division of Fisheries Rehabilitation, Enhancement and Development
P. O. Box 3150
Soldotna, Alaska 99669

Don W. Collinsworth
Commissioner

February 1985

PREFACE

The Tustumena Lake sockeye salmon investigations project was funded in 1984 by the Alaska Department of Fish and Game and U. S. Fish and Wildlife Service. Project components and their respective sources of funding are listed below.

Alaska Department of Fish and Game

Fisheries Rehabilitation, Enhancement and Development Division (FRED): Kasilof River smolt enumeration, Limnology (lab analysis), sockeye salmon egg takes, and fry stocking.

Commercial Fisheries Division (CFD): stock separation and adult sonar.

U. S. Fish and Wildlife Service

Anadramous Fish Conservation Act: sockeye salmon spawning ground surveys and juvenile salmon tow net surveys.

Fisheries Resource Program: Tustumena Lake hydroacoustic surveys.

TABLE OF CONTENTS

Section	Page
INTRODUCTION	1
METHODS	4
RESULTS	8
Sockeye Salmon Survival	8
1978, 1979	8
1980	8
1981	12
1982	12
1983	12
1984	16
Sockeye Salmon Growth	16
Sockeye Salmon Age Composition	23
Spawning Ground Distribution of Sockeye Salmon	29
Adult Run Timing	32
Sockeye Salmon Fecundity	37
APPENDIX	39

LIST OF TABLES

Table		Page
1	Tustumena Lake, Alaska sockeye salmon fry stocking and marking history, 1976-1984.	2
2	Tustumena Lake Project, component investigations and activities.	5
3	Evaluation criteria for Tustumena Lake Project.	7
4	Kasilof River sockeye salmon escapement summary, 1968-1984.	17
5	Size of Crooked Creek Hatchery reared sockeye salmon fry at time of release compared to natural fry size in Tustumena Lake, Alaska, 1979-1984.	18
6	Sizes of sockeye salmon fry collected from Tustumena Lake by tow netting, 1984.	19
7	Length composition of the major age classes of sockeye salmon collected in the Kasilof River, 1976-1984.	24
8	Weight composition of the major age classes of sockeye salmon collected in the Kasilof River, 1981-1984.	26
9	Age composition of sockeye salmon collected in the Kasilof River, 1969-1984.	30
10	Distribution (percent) of sockeye salmon in the major index tributary systems of Tustumena Lake, 1975-1984.	31
11	Peak sockeye salmon escapement counts in seven index areas, Kasilof River drainage, 1975-1984.	33
12	Date of cumulative percent of sockeye salmon counts recorded in the Kasilof River, 1968-1984.	34
13	Mean residence time in Tustumena Lake of sockeye salmon bound for Glacier Flats and Bear creeks, 1984.	36
14	Fecundity of sockeye salmon in the Tustumena Lake system, Alaska, as determined during egg takes for the Crooked Creek Hatchery, 1984-1984.	38

LIST OF FIGURES

Figure		Page
1	Kasilof River drainage and major sockeye salmon rearing lake.	3
2	Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year 1978.	9
3	Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year 1979.	10
4	Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year 1980.	11
5	Production of sockeye salmon in the Tustumena Lake system, Aalska, by life history stage, brood year 1981.	13
6	Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year 1982.	14
7	Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year 1983.	15
8	Length and weight of age 0.0 sockeye salmon in Tustumena Lake, Alaska, 1974-1984 (September sampling via tow net).	20
9	Length and weight of age 1.0 sockeye salmon in Tustumena Lake, Alaska, 1973-1984 (September sampling via tow net).	21
10	Mean weight (grams) of age 1.0 and age 2.0 sockeye salmon smolt in Kasilof River, Alaska, sampling years 1980-1984.	22
11	Mean fork length of age 1.0 and age 2.0 sockeye salmon smolt in Kasilof River, Alaska sampling years 1980-1984.	22
12	Percent contribution of age 0.0 sockeye salmon in September tow net survey of Tustumena Lake, Alaska, 1973-1984.	27

LIST OF FIGURES (continued)

Figure		Page
13	Percent age composition of sockeye salmon smolt in the Kasilof River, Alaska 1980-1984.	28
14	Percent of total tags recovered by spawning area (grouped by date of tagging at the Kasilof River sonar site) expressed in number of fish enumerated by sonar during each tagging period. Note: A small proportion of tags were recovered in spawning areas outside of Tustumena Lake.	35

INTRODUCTION

Since 1976, the natural sockeye salmon (*Oncorhynchus nerka*) stocks of the Kasilof River system have been augmented with hatchery-incubated sockeye salmon fingerling reared at the State of Alaska Crooked Creek Hatchery (Table 1). Eggs taken for this purpose have been collected from the Kasilof River drainage, predominately Bear and Glacier Flats creeks (Figure 1). Stocking began under the assumption that the availability of spawning streams surrounding Tustumena Lake was limiting sockeye salmon production in the system.

In 1981, the Alaska Department of Fish and Game (ADF&G) and the United States Fish and Wildlife Service (USFWS) cooperatively proposed and implemented two fishery studies which complemented sockeye salmon studies already being conducted by ADF&G in the Tustumena Lake system, Alaska. Collectively, these studies are providing a better understanding of the life history stages of sockeye salmon, and the effect freshwater environmental conditions have on young sockeye salmon.

The fishery studies initiated in 1981 are proposed to continue for five years (1981-1985). During this period, findings generated by these studies and the ADF&G studies which were already "in-place" will be reported annually in a single progress report under the title "Sockeye Salmon Investigation, Tustumena Lake System, Alaska." This report is the third progress report in that series. Material in this report is not intended for publication and can only be used with written permission from the

Table 1. Tustumena Lake sockeye salmon fry stocking and marking history, 1976-84.

Release year	Glacier Flats Creek			Bear Creek			Total		
	Number fry stocked	Number marked RV	Percent	Number fry stocked	Number marked LV	Percent	Number fry stocked	Number marked	Percent
1976	1,137,784	--	--	--	--	--	1,137,784	--	--
1977	--	--	--	--	--	--	--	--	--
1978	400,000	--	--	--	--	--	400,000	--	--
1979	4,864,193	30,502	.62	2,899,785	36,095	1.24	7,763,978	66,597	.86
1980	2,706,610	32,669	1.20	2,499,232	32,758	1.31	5,205,842	65,427	1.26
1981	4,967,526	198,409	3.99	3,809,045	253,947	6.67	8,776,571	452,356	5.15
1982	8,299,560	210,114	2.53	7,648,602	248,639	3.25	15,948,162	458,753	2.88
1983	9,760,100	201,800	2.07	7,174,800	218,400	3.04	16,934,900	420,200	2.48
1984	9,750,000	202,400AD 202,100RV	2.08 2.07	7,300,000	29,400	0.40	17,050,000	433,900	2.54
		404,500	4.15						

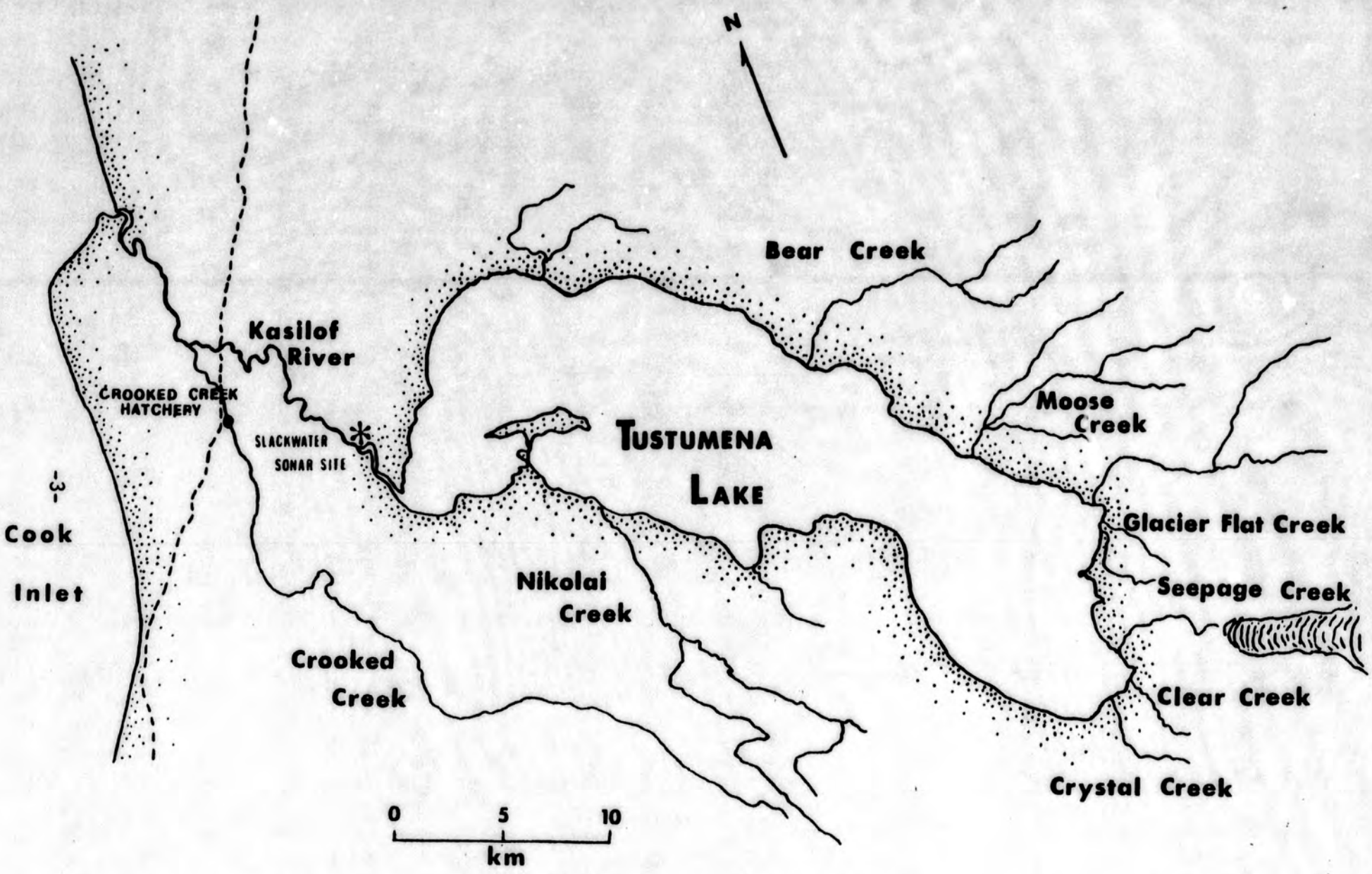


Figure 1. Kasilof River drainage and major sockeye salmon rearing lake.

authors. Data and conclusions are preliminary, pending completion of the investigations.

METHODS

For the purpose of this report, the detailed methods of each component study will not be described. They are available in individual study reports and may be obtained upon request from ADF&G or the USFWS office in Soldotna and Kenai, Alaska, respectively.

Some component studies of the project have been operative for several years, while others were initiated as recently as 1981. These studies, their general function, timing, and the year they were initiated are listed in Table 2.

The project objective implies the need to look for changes (responses) in selected population characteristics of natural and stocked sockeye salmon in the Kasilof River system. The objective additionally implies that, if changes do occur, an attempt must be made to determine what factors influenced the change (i.e., to establish cause-effect relationships). Selection of the population characteristics and the potential influencing factors which needed to, and could, practically, be measured was essential to achieving the objective. These characteristics and factors constitute the project's evaluation criteria (Table 3). As practicality permits, criteria measurements will be made frequently enough to evaluate within,

Table 2. Tustumena Lake Project, component investigations and activities.

Title	General Description	Year Initiated
Tow Netting	Provide estimates of sockeye fry abundance, distribution, and condition in Tustumena Lake. Three surveys per year, June-September.	1972
Stock Separation	In-season sampling of commercial catches in various aspects of Cook Inlet, and apportionment of the catch to respective river systems on the basis of scale analysis and age, weight length characteristics.	1977
Hydroacoustic Surveys	Provide estimates of sockeye fry abundance and distribution. (Note: employs echosounder to obtain number estimates). Incorporates tow netting for ground truth purposes and collection of specimens for analysis of condition, hatchery marks, etc. Three surveys per year, June-September.	1981
Adult Sonar	Sonar enumeration of adult escapement to the Kasilof River. Includes sampling of fishwheel catches at sonar site for age, weight, length and sex composition. Continuous, annually, from mid-May through mid-August.	1968
Spawning Ground Surveys	On-ground surveys of index areas in seven tributary streams to determine contributions of individual streams to total-system sockeye production. Three surveys per stream, August-September.	1975[1/]
Smolt Enumeration	Employment of traps in Kasilof River to capture smolt for determination of out-migration magnitude, timing, age-weight-length composition and % hatchery stocks. May-June, annually.	1980
Limnology	Sampling at three permanent stations on Tustumena Lake to measure primary and secondary productivity (nutrient/phytoplankton/zooplankton), monitor population trends and species composition of phyto- and zooplankton, and measure parameters such as temperature, dissolved oxygen, alkalinity and light penetration. Periodic sampling, May-October.	1980
Fry Marking Technique	Development and evaluation of an analysis technique to detect oxytetracycline (otc) in hatchery-reared fish. This method, if it can be developed, would be much more efficient than the presently used fin clip method. Technique development will continue through 1983.	1981

Table 3. Evaluation criteria for Tustumena Lake Project.

Criteria	Corresponding Investigation	Remarks
Sockeye (natural and stocked)		
Survival & Growth & Age Structure		
Egg - June fry	Spawning Ground Surveys	Within- and between-year evaluations relative to total fry; comparisons to literature and historic levels.
June fry - Sept. fry	Hydroacoustic/Tow Netting	
Sept. fry - Age 1 smolt	Smolt Enumeration	
Sept. fry - Age 2 smolt	Smolt Enumeration	
Smolt - Adult	Adult Sonar/Stock Separation	
Spawning Characteristics		
Spawning Ground Distribution	Spawning Ground Surveys	Seven Streams
Fecundity	Egg-take Data	Bear & Glacier Flat Creeks
Environmental Factors		
Limnological	**Field Sampling/Lab Analysis**	
Primary Production	Phytoplankton Abundance & Species Composition. Includes C-14 and Chorophyll-a Analysis	Within- and between-year evaluations relative to environmental conditions and total fry; comparisons to literature
Secondary Production	Zooplankton Abundance & Species Composition	
Chemistry/Nutrients	D.O., alkalinity, phosphorus, nitrogen, pH conductivity, calcium, magnesium, iron, silica	
Physical Parameters	Temperature, light penetration	

and between, year variations and to make comparisons with historic levels and/or reported values for similar investigations in other areas.

RESULTS

Results presented in earlier progress reports were preliminary. In some cases numbers have been revised following final biometrics review. New data (1984) presented for each evaluation criteria is preliminary.

Sockeye Salmon Survival

Following is a discussion by brood year:

1978, 1979:

Preliminary allocation of the 1982 commercial, sport, and personal use harvest of sockeye salmon as to stream of origin was completed. Approximately 240,000 adult sockeye salmon (age 1.2) were allocated to the Kasilof River in the 1982 return (1978 brood year, Figure 2). Data for 1983 and 1984 returns are not complete at this time (1979 brood; Figure 3).

1980:

A total of 5,468,000 sockeye salmon smolt were produced from the 1980 hatchery and natural spawning population (Figure 4). Of these 1,081,400

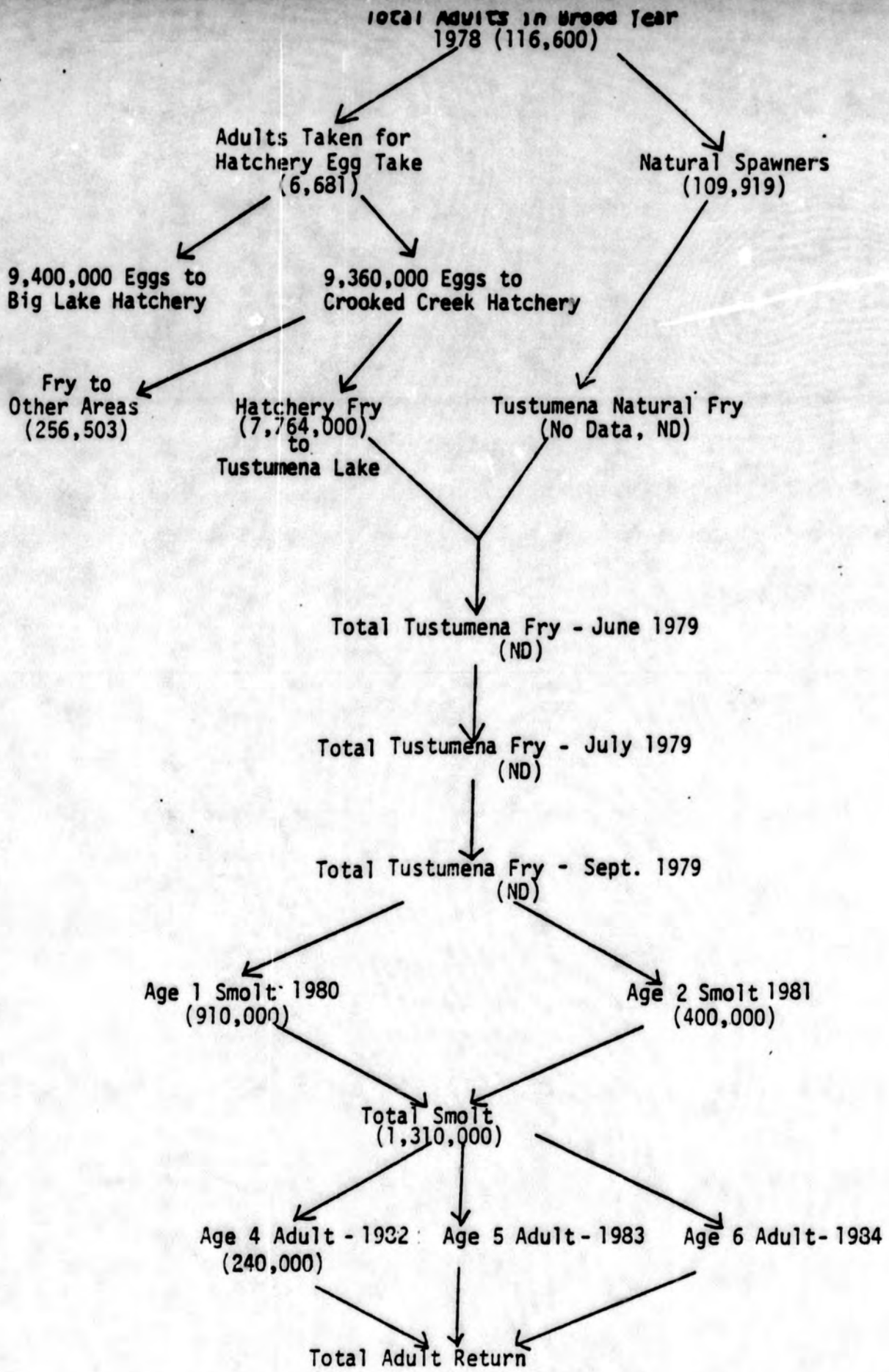


Figure 2. Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year 1978.

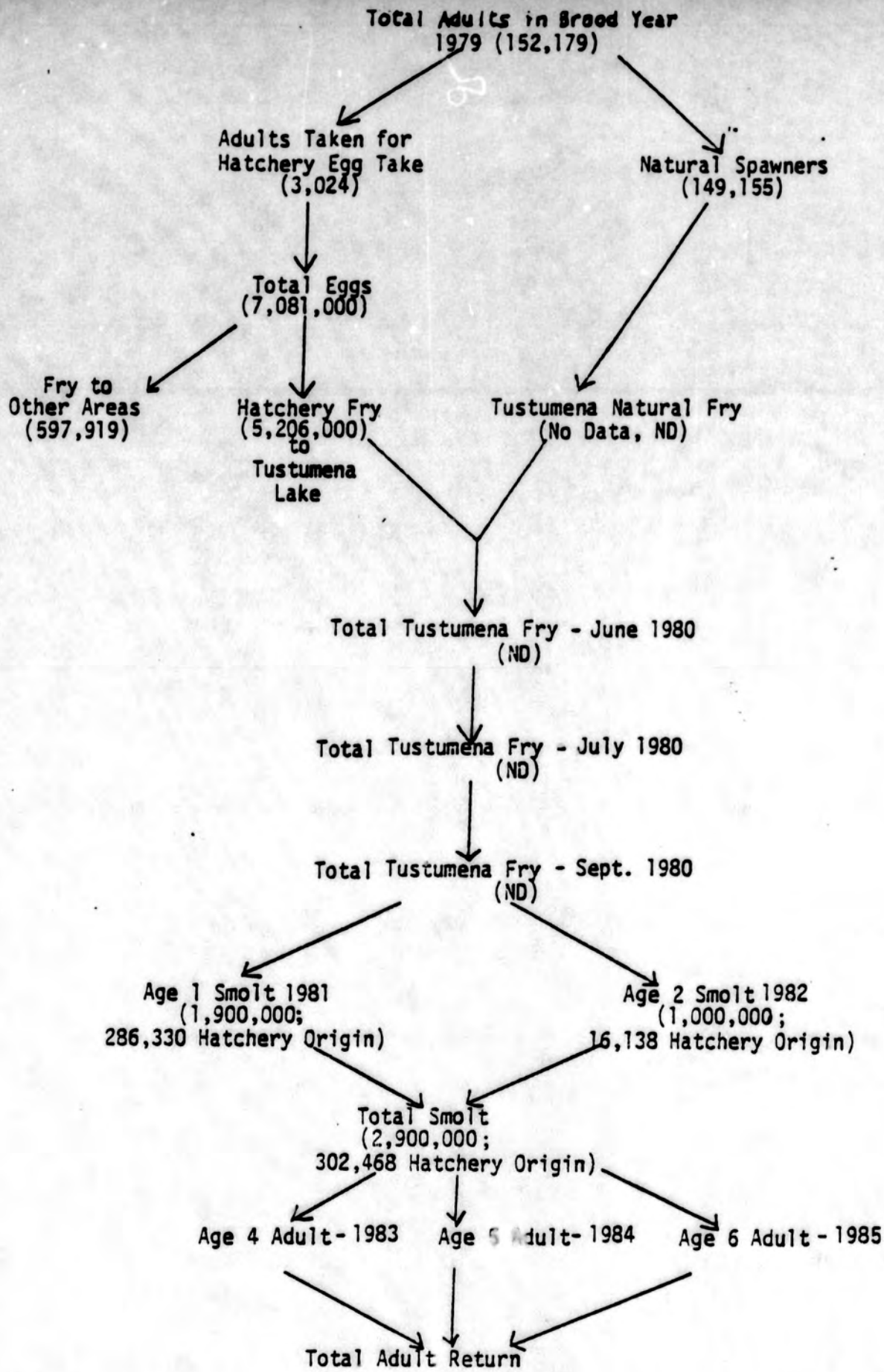


Figure 3. Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year 1979.

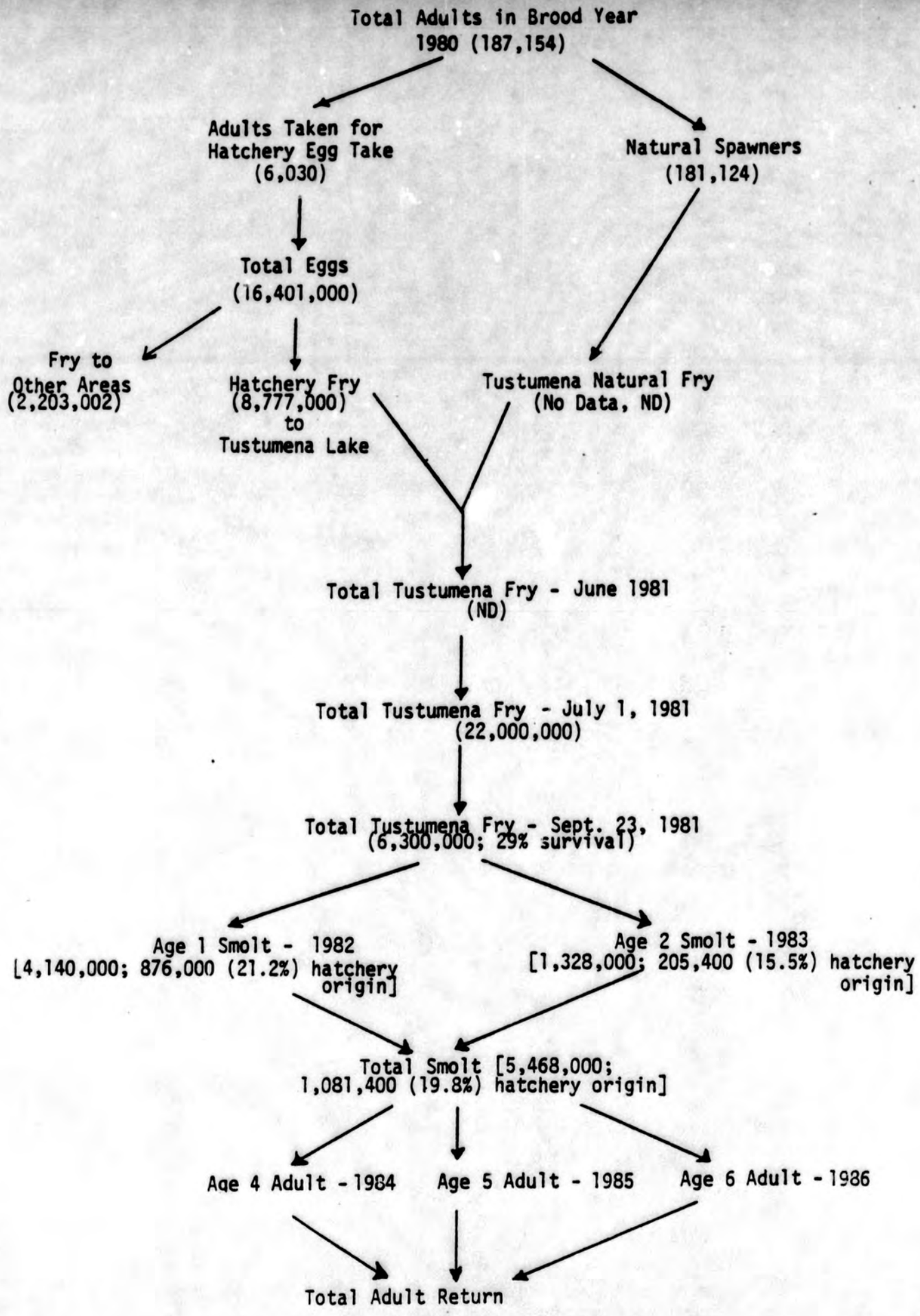


Figure 4. Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year

fish, or 19.8%, were of hatchery origin. Hatchery reared fish survived from the initial plant (8,777,000 fry in June 1981) at the rate of 12.3% (9.98% to age 1.0 smolt and 2.34% to age 2.0 smolt).

1981:

A total of 9,685,000 sockeye salmon smolt were produced from the 1981 hatchery and spawning population (Figure 5). Of these, 2,242,000 fish, or 23.1% were of hatchery origin. Surivival of hatchery reared fry to smolt was 14.1% (11.6% to age 1.0 smolt and 2.5% to age 2.0 smolt.

1982:

A total of 16.9 million sockeye fingerling were stocked into Tustumena Lake in June 1983. The fall hydroacoustic estimate for age 0 sockeye rearing in the lake was 20.8 million. An estimated 11.4 million age 1.0 sockeye smolt (24.2% hatchery) migrated in 1984 (Figure 6). Preliminary survival to age 1.0 smolt for hatchery stocked fry was 16.3%.

1983:

A total of 17.0 million sockeye fingerlings were stocked into Tustumena Lake in June, 1984. The fall hydroacoustic estimate for age 0 sockeye rearing in the lake was 21.9 million (Figure 7). Age 1.0 smolt from the 1983 brood year will migrate in 1985.

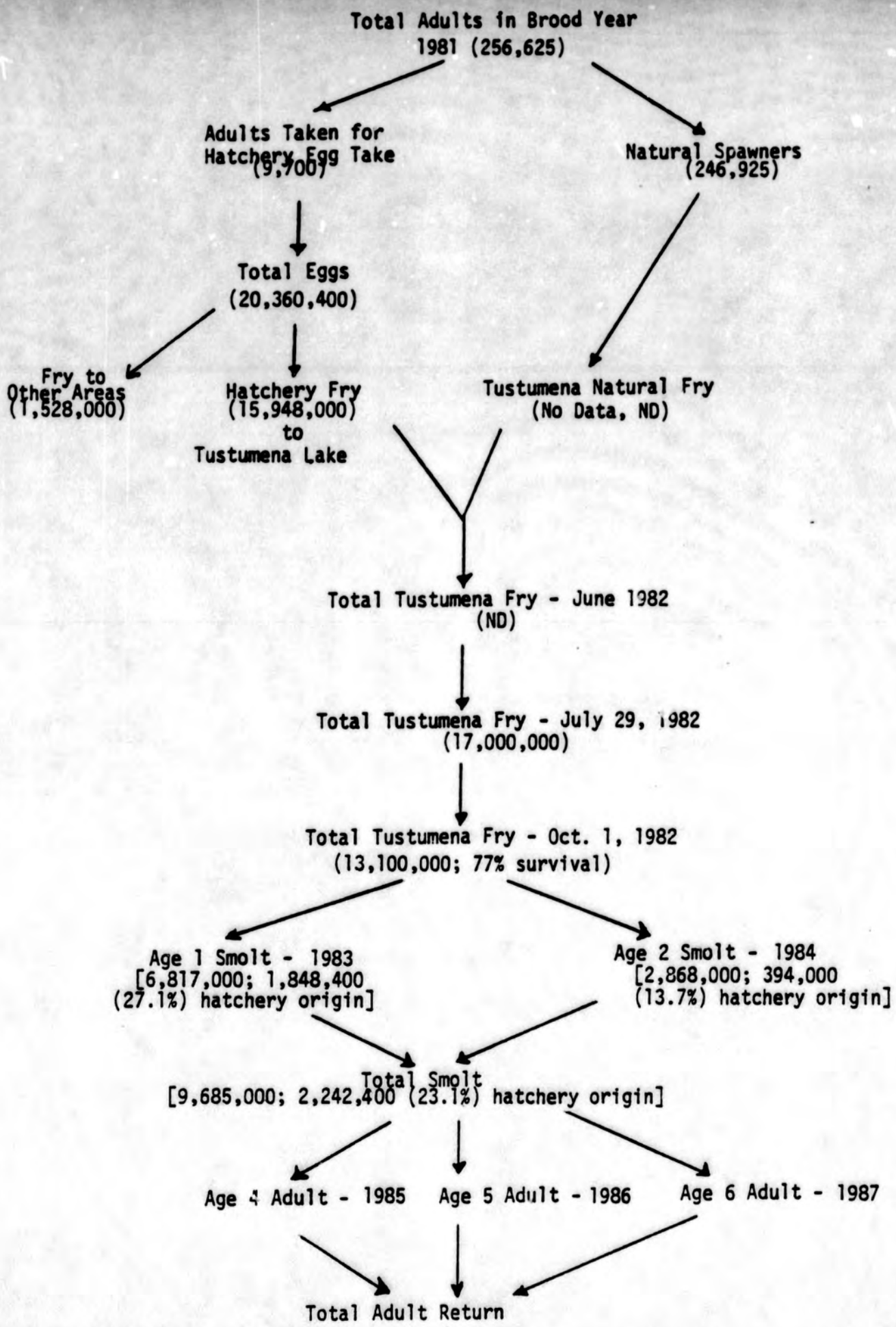


Figure 5. Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year

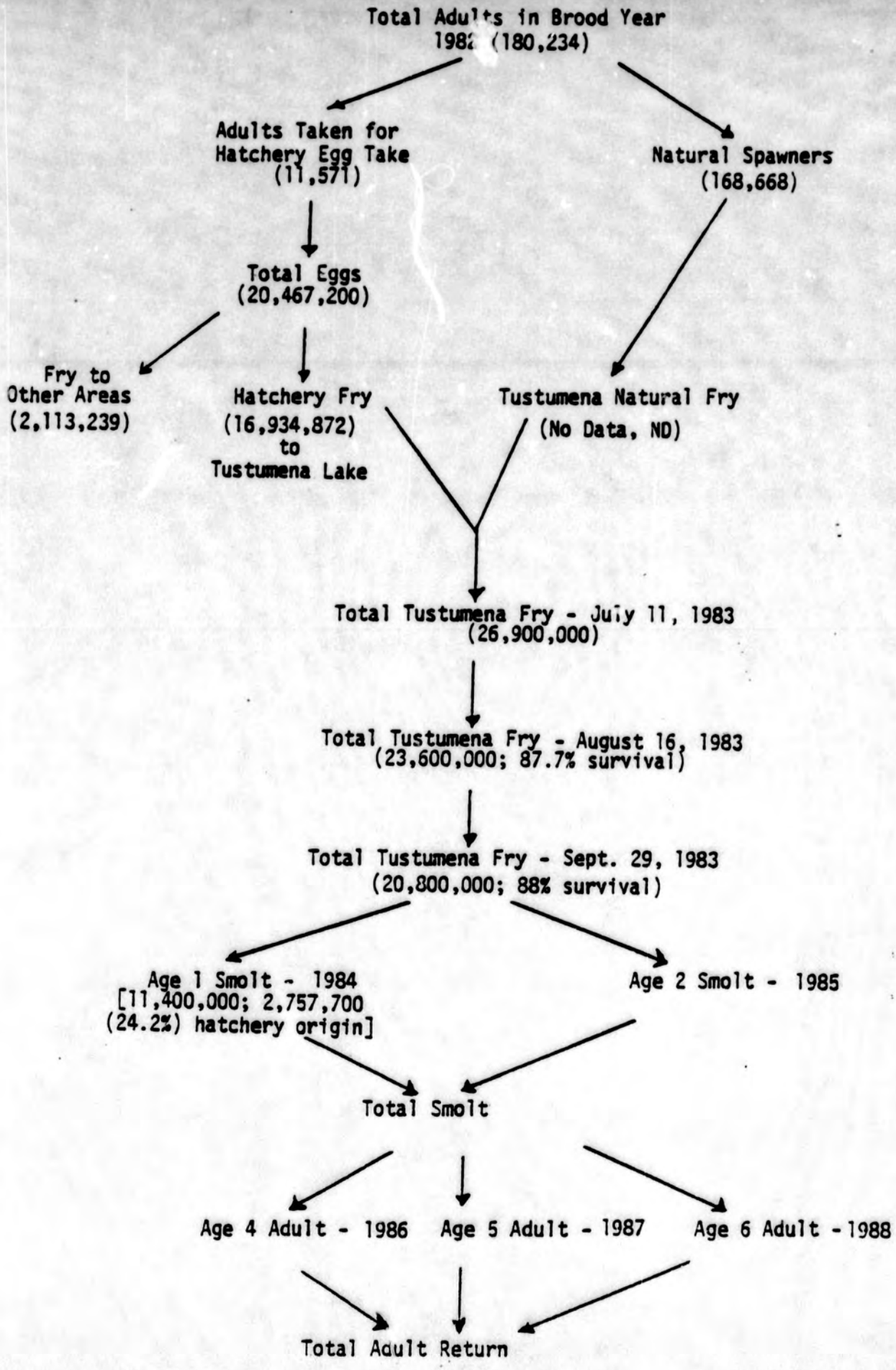


Figure 6. Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year

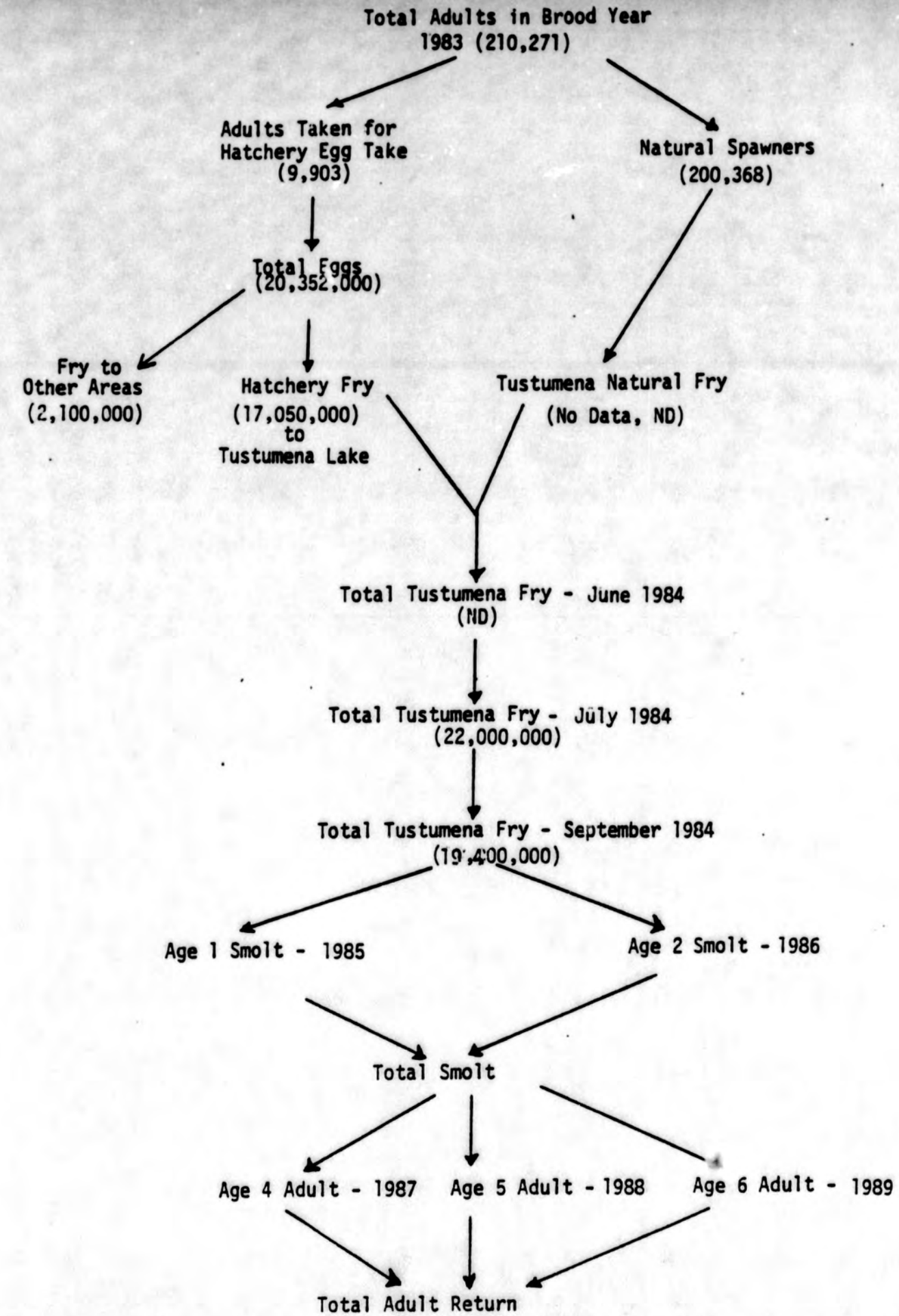


Figure 7. Production of sockeye salmon in the Tustumena Lake system, Alaska, by life history stage, brood year .

1984:

The pattern of relatively large escapements of sockeye salmon to the Kasilof River system continued in 1984. A total of 231,685 adult sockeye, the second largest escapment on record, entered the river in 1984 (Table 4). Of these, 10,861 fish were used for egg take. A total of 20.4 million eggs were taken.

Sockeye Salmon Growth

Comparison of the size of hatchery versus natural sockeye salmon fry in June 1984 followed the same trend as observed in previous years. Data indicated that hatchery fry from Bear Creek and Glacier Flat Creek stocks weighed 0.22 g (Table 5). In contrast, naturally produced fry weighed 0.16 g or 76% of the weight of hatchery reared fry. Mean weight for age 0.0 and 1.0 sockeye salmon collected in Tustumena Lake in September 1984 were 3.2 and 5.0 g, respectively (Table 6). Mean weights of age 0.0 sockeye salmon captured during September tow netting have ranged from 1.6 g to 3.7 g (Figure 8). For age 1.0 sockeye salmon, the mean weights have ranged from 3.8 to 10.0 g (Figure 9). Length of age 0.0 and 1.0 sockeye salmon in September 1984 were 66.2 and 76.1 mm, respectively. Mean lengths of age 0.0 sockeye salmon captured during September tow netting have ranged from 54.1 mm to 66.2 mm (Figure 8). For age 1.0 sockeye salmon, the mean lengths have ranged from 73.2 mm to 86.0 mm (Figure 9).

Size of sockeye salmon smolt, collected from the Kasilof River drainage, have varied little during the previous four years (Figures 10 and 11).

Table 4. Kasilof River sockeye salmon escapement summary, 1968-1984.

Year	Sonar Count[1/]	Fish Used for Artificial Propagation of Tustumena Lake	Sonar Count Less Egg Take[3/]
1968	89,000		
1969	46,000		
1970	38,000		
1971	--		
1972	113,000		
1973	40,000		
1974	70,000	205[2/]	69,795
1975	48,000	3,365[2/]	44,635
1976	139,000	5,463[2/]	133,537
1977	155,300	1,794[2/]	153,506
1978	116,600	6,681[2/]	109,919
1979	152,179	3,024[2/]	149,155
1980	187,154	6,030[2/]	181,124
1981	256,625	9,700[4/]	246,619
1982	180,239	11,571[4/]	168,668
1983	210,271	9,903[4/]	200,368
1984	231,685	11,141[4/]	220,544

1/ Multiple transducer sonar counts rounded to the nearest thousand (1968-1977) from Namtvedt et al. (1979). Side scan sonar counts (1978-1981) from Tarbox et al. (1983).
2/ From Cross et al. (1983).
3/ Considered estimate of natural spawners above sonar site.
4/ Waite, personal communication.

Table 5. Size of Crooked Creek Hatchery reared sockeye salmon fry at time of release compared to natural fry size in Tustumena Lake, Alaska, 1979-1984.

Brood year	Release date	Stock	Weight (g)	Fork length (mm)
1979	12-13 June 1980	Bear Creek	.22	29
		Glacier Flat	.22	29
	12 June 1980	Natural	.14	28
1980	16-18 June 1981	Bear Creek	.21	29
		Glacier Flat	.21	29
	4 June 1981	Natural	.15	28
1981	14-18 June 1982	Bear Creek	.21	28
		Glacier Flat	.21	28
		Natural	N.A.	N.A.
1982	13-17 June 1983	Bear Creek	.22	29
		Glacier Flat	.20	28
		Natural	.16	27
1983	18-21 June 1984	Bear Creek	.22	29
		Glacier Flat	.23	30
		Natural[1]	.16	27

[1]Only 6 fish collected from Glacier Flat Creek.

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1259 SCOMM 48: HOUSE SPEC. COMMITTEE ON FISHERIES 1985-86 1726

Table 6. Sizes of sockeye salmon fry collected from Tustumena Lake tow netting, 1984.

	Age 0		Age 1	
	07/23-08/14	09/18-10/04	07/23-08/17	09/18-10/04
Sample size	413	388	287	186
Mean length (mm)	49.28	60.68	74.03	78.03
(S.D.)	(6.81)	(4.58)	(3.37)	(3.70)
Mean weight (g)	1.48	2.47	4.66	5.28
(S.D.)	(0.69)	(0.56)	(0.79)	(0.77)

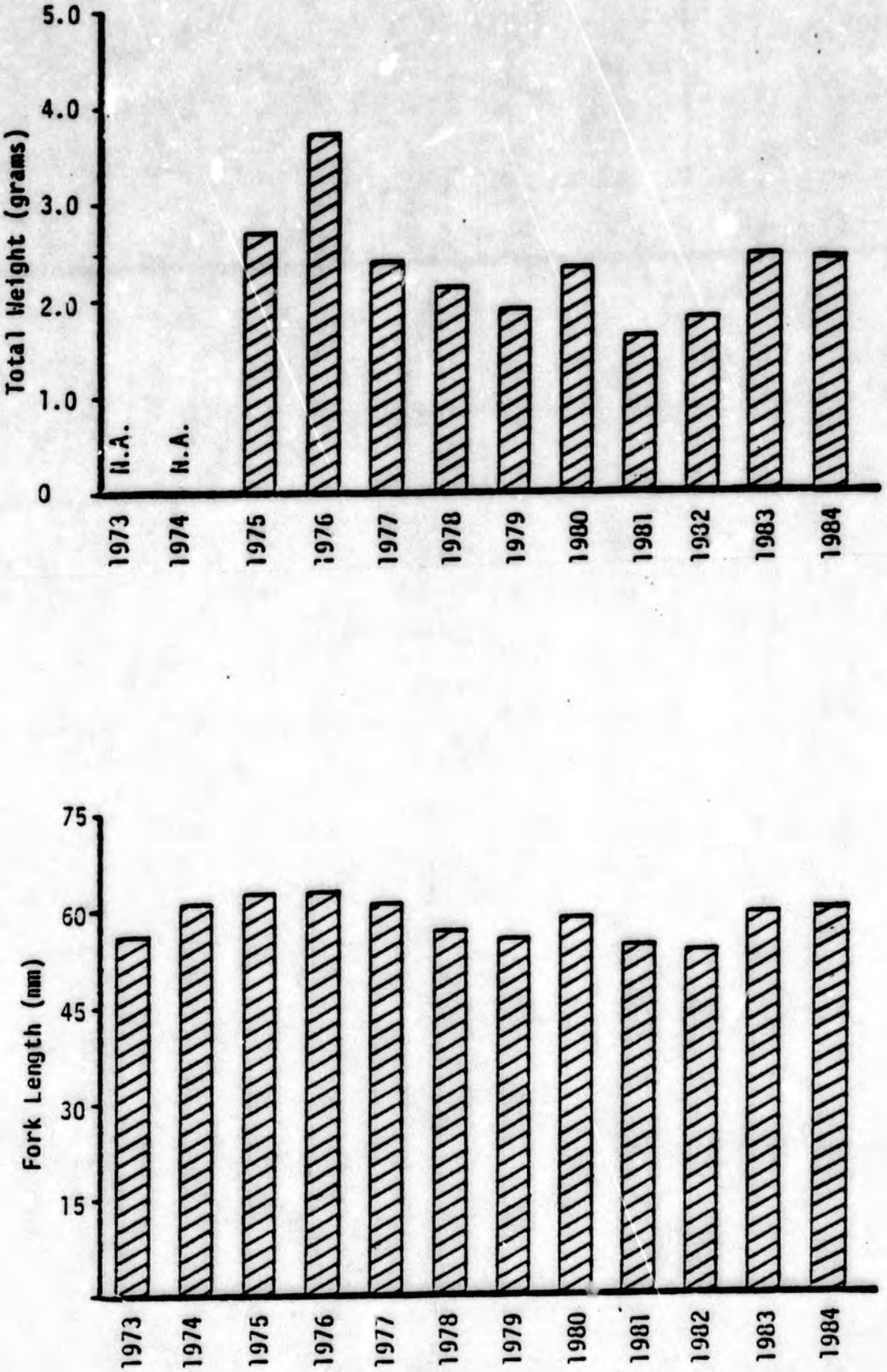


Figure 8. Length and weight of Age 0.0 sockeye salmon in Tustumena Lake, Alaska, 1973-1984 (September sampling via tow net).

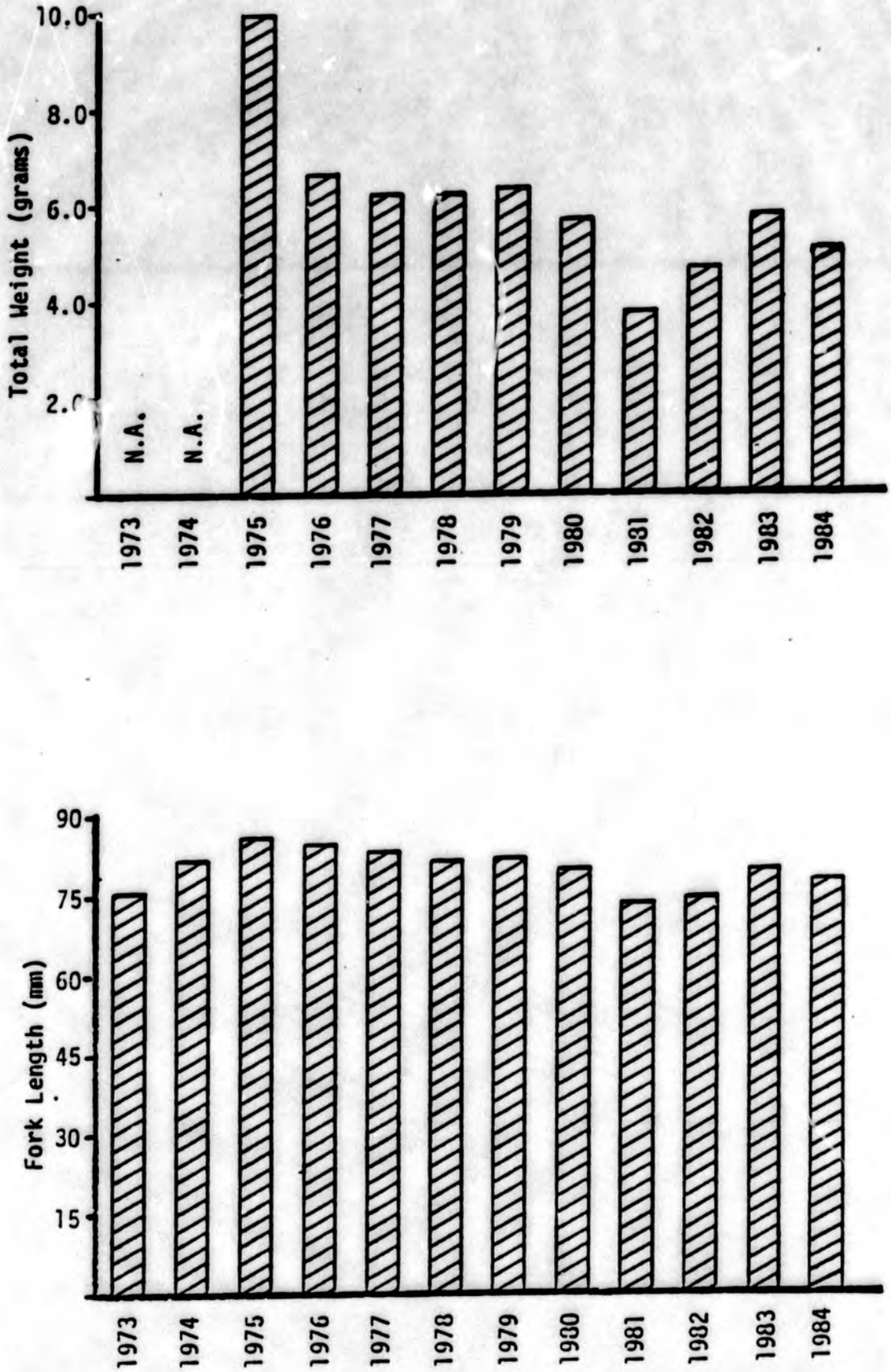


Figure 9. Length and weight of Age 1.0 sockeye salmon in Tustumena Lake, Alaska, 1973-1984 (September sampling via tow net).

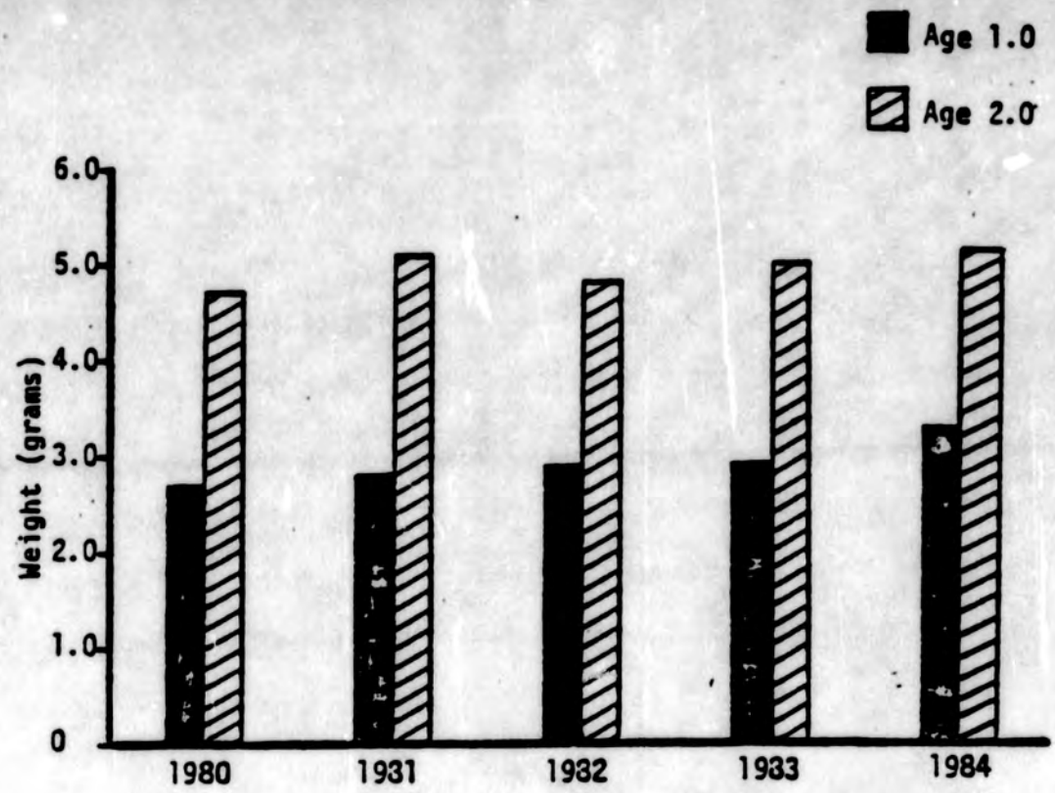


Figure 10. Mean weight (grams) of Age 1.0 and Age 2.0 sockeye salmon smolt in Kasilof River, Alaska, sampling years 1980-1984.

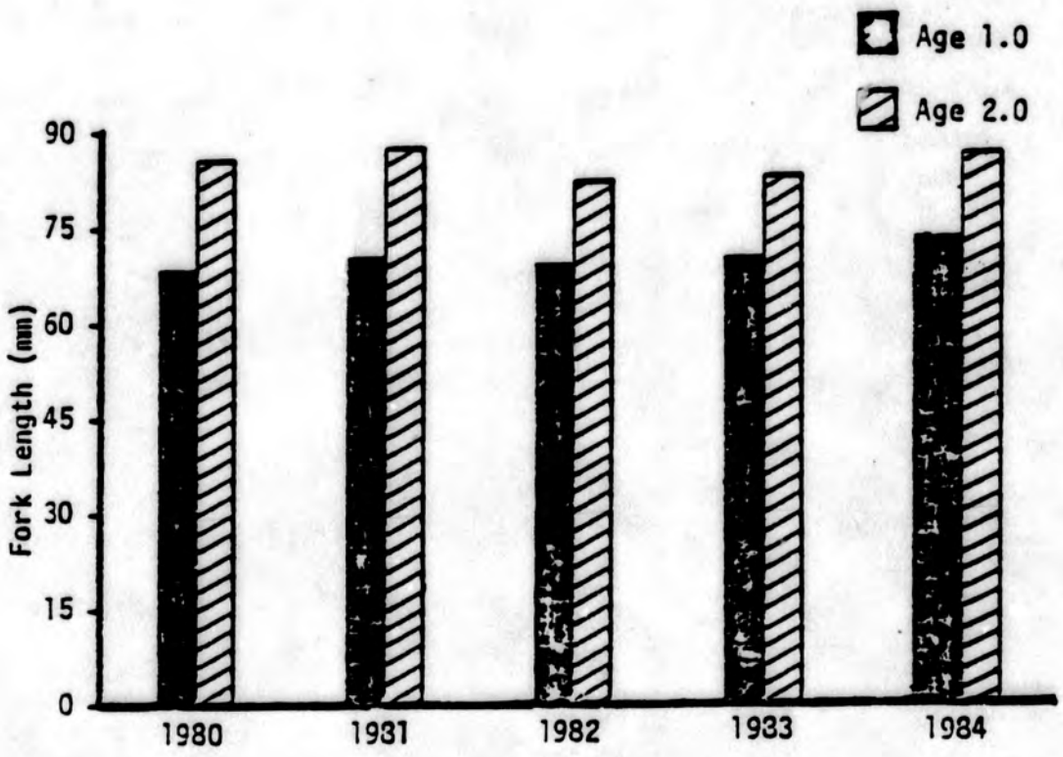


Figure 11. Mean fork length of Age 1.0 and Age 2.0 sockeye salmon smolt in Kasilof River, Alaska, sampling years 1980-1984.

In 1984, age 1.0 and 2.0 sockeye salmon weighed 3.3 and 5.2 g, respectively. Mean fork lengths were 72.7 and 84.5 mm for the same age classes.

Comparison of adult sockeye salmon length data collected during 1976-1984 indicated very little year to year variation within age class or by sex (Table 7). The average lengths for age 1.2 fish in 1984 were 480 mm for males and 478 mm for females. For age 1.3 fish average lengths were 539 mm for males and 533 mm for females. Weights of the major age classes of sockeye salmon collected in 1984 are presented in Table 8. Average weights for male 1.2 and 1.3 were 1.86 and 2.67 kg, respectively.

Sockeye Salmon Age Composition

Within Tustumena Lake, age 0.0 sockeye salmon have comprised greater than 90% of the September tow net catches since 1976. However, in 1973, 1974 and 1975, this age class accounted for 49%, 62%, and 86% of the catch, respectively. Age 1.0 sockeye salmon constitute the remainder of the tow net catches. In 1984, age 0.0 sockeye salmon comprised 91.4% of the tow net catches (Figure 12). However, it should be noted that tow nets may be selective against age 1.0 sockeye salmon and, therefore, the percentage of this class may be low (Thorne and Thomas 1982).

Examination of data on sockeye salmon smolt age composition indicates that 80% of the smolt migrating in 1984 were age 1.0 and 20% were age 2.0. This age composition was similar to previous years, especially the 1981 and 1982 smolt years (Figure 13). Examination of smolt production by brood

Table 7. Length composition of the major age classes of sockeye salmon collected in the Kasilof River, 1976-1984.

Year	Age Class	Male			Female			Total			Ratio Male-Female
		Average Length (mm) 1/	Standard Error	Sample Size	Average Length (mm) 1/	Standard Error	Sample Size	Average Length (mm) 1/	Standard Error	Sample Size	
1976	1.2	486	3.9	26	472	10.9	40	478	--	66	0.7:1
1978		--	--	69	--	--	70	501	3.1	139	1.0:1
1979		489	2.0	175	487	2.0	139	488	1.5	314	1.3:1
1980		474	2.4	189	464	1.2	376	467	--	565	0.5:1
1981		503	2.0	241	492	2.5	146	499	--	387	1.7:1
1982		481	2.2	285	466	1.8	235	474	2.0	475	1.2:1
1983		493	1.9	113	491	2.5	78	492	1.5	191	1.4:1
1984		480	1.2	544	478	1.1	428	479	0.8	972	2.6:1
1976	1.3	528	13.4	5	547	7.5	4	536	--	9	1.3:1
1978		--	--	47	--	--	55	554	2.4	102	0.9:1
1979		578	3.2	82	562	3.3	99	569	2.4	181	0.8:1
1980		531	6.8	35	516	2.4	115	520	--	150	0.3:1
1981		566	1.2	422	558	1.4	369	562	--	791	1.1:1
1982		549	1.4	377	542	1.1	428	545	1.2	805	0.9:1
1983		558	1.9	170	547	1.9	187	552	1.3	357	0.9:1
1984		539	1.4	304	533	1.3	383	535	0.9	687	0.8:1

1/ Lengths are mid-eye to fork of tail (ME-FT).

Table 7, continued. Length composition of the major age classes of sockeye salmon collected in the Kasilof River, 1976-1984.

Year	Age Class	Male			Female			Total			Ratio Male-Female
		Average Length (mm) 1/	Standard Error	Sample Size	Average Length (mm)	Standard Error	Sample Size	Average Length (mm)	Standard Error	Sample Size	
1976	2.2	485	6.1	12	487	3.1	34	486	--	46	0.4:1
1982		479	3.2	65	472	2.7	81	475	2.9	146	0.8:1
1984		484	1.8	202	482	1.4	223	483	1.1	425	0.9:1
1982	2.3	548	4.3	41	543	3.8	40	546	4.1	86	1.0:1
1984		533	2.6	102	526	3.0	80	530	2.0	182	1.3:1

1/ Lengths measured from mid-eye to fork of tail.

Table 8. Weight composition of the major age classes of sockeye salmon collected in the Kasilof River, 1981-1984.

Year	Age Class	Male			Female			Total		
		Average Weight (kg)	Standard Error	Sample Size	Average Weight (kg)	Standard Error	Sample Size	Average Weight (kg)	Standard Error	Sample Size
1981	1.2	2.2	0.05	241	1.9	0.03	146	2.1	--	387
1982		1.8	0.03	235	1.5	0.02	240	1.7	0.03	475
1983		2.04	0.06	113	1.84	0.03	78	1.96	0.04	191
1984		1.86	0.03	101	1.81	0.04	39	1.85	0.02	140
1981	1.3	3.0	0.04	422	2.9	0.03	369	3.0	--	791
1982		2.7	0.02	377	2.44	0.02	428	2.56	0.02	805
1983		2.78	0.03	168	2.47	0.02	187	2.62	0.02	355
1984		2.67	0.03	146	2.53	0.03	182	2.59	0.02	328
1981	2.2	2.3	0.08	40	2.0	0.07	33	2.2	--	73
1982		1.7	0.05	65	1.6	0.04	81	1.7	0.04	146
1984		2.07	0.10	31	1.79	0.05	27	1.95	0.06	58
1982	2.3	2.6	0.07	41	2.3	0.5	34	2.5	0.06	75
1984		2.72	0.10	32	2.63	0.14	31	2.68	0.09	63

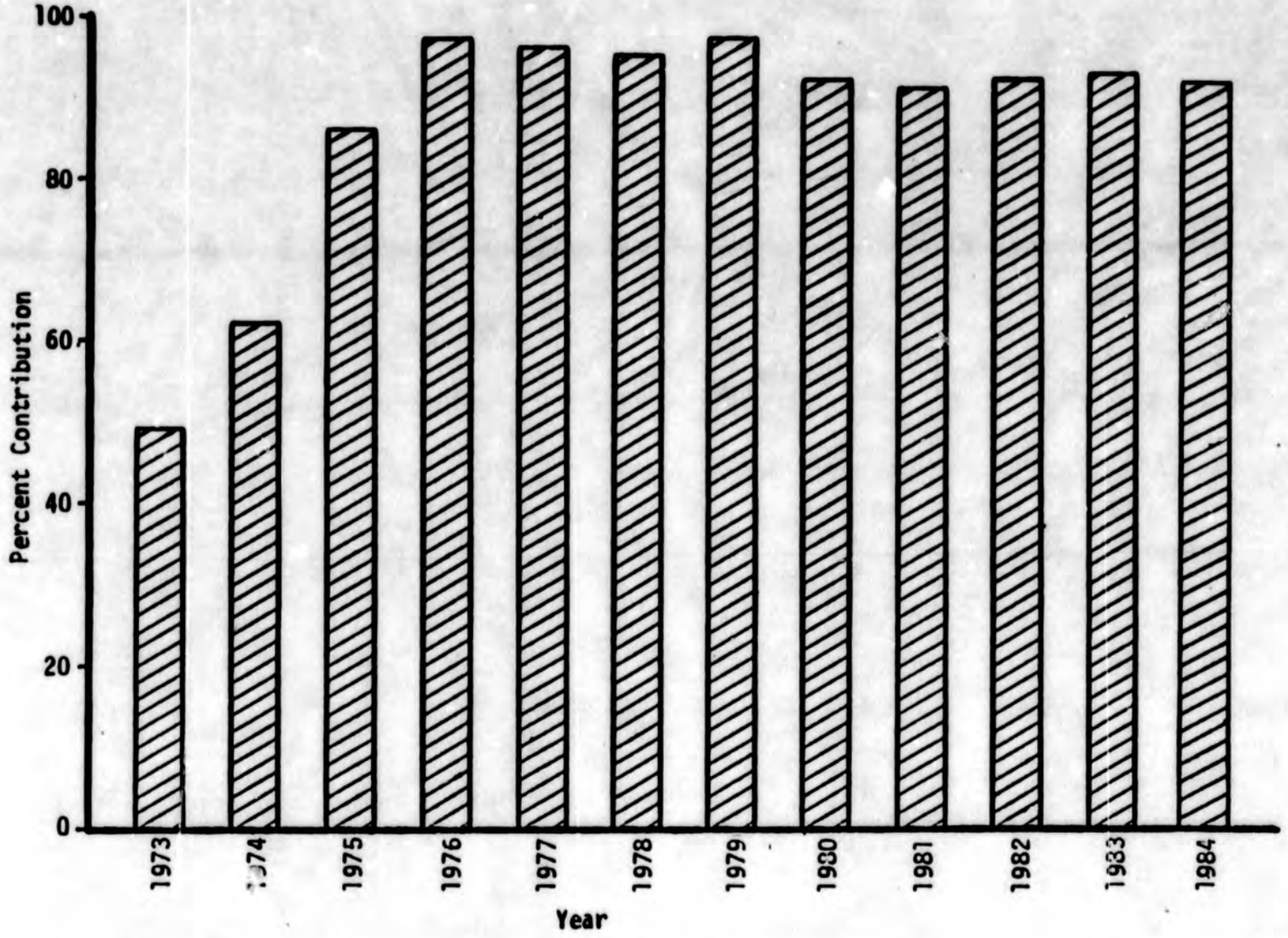


Figure 12. Percent contribution of Age 0.0 sockeye salmon in September tow net survey of Tustumena Lake, Alaska, 1973-1984.

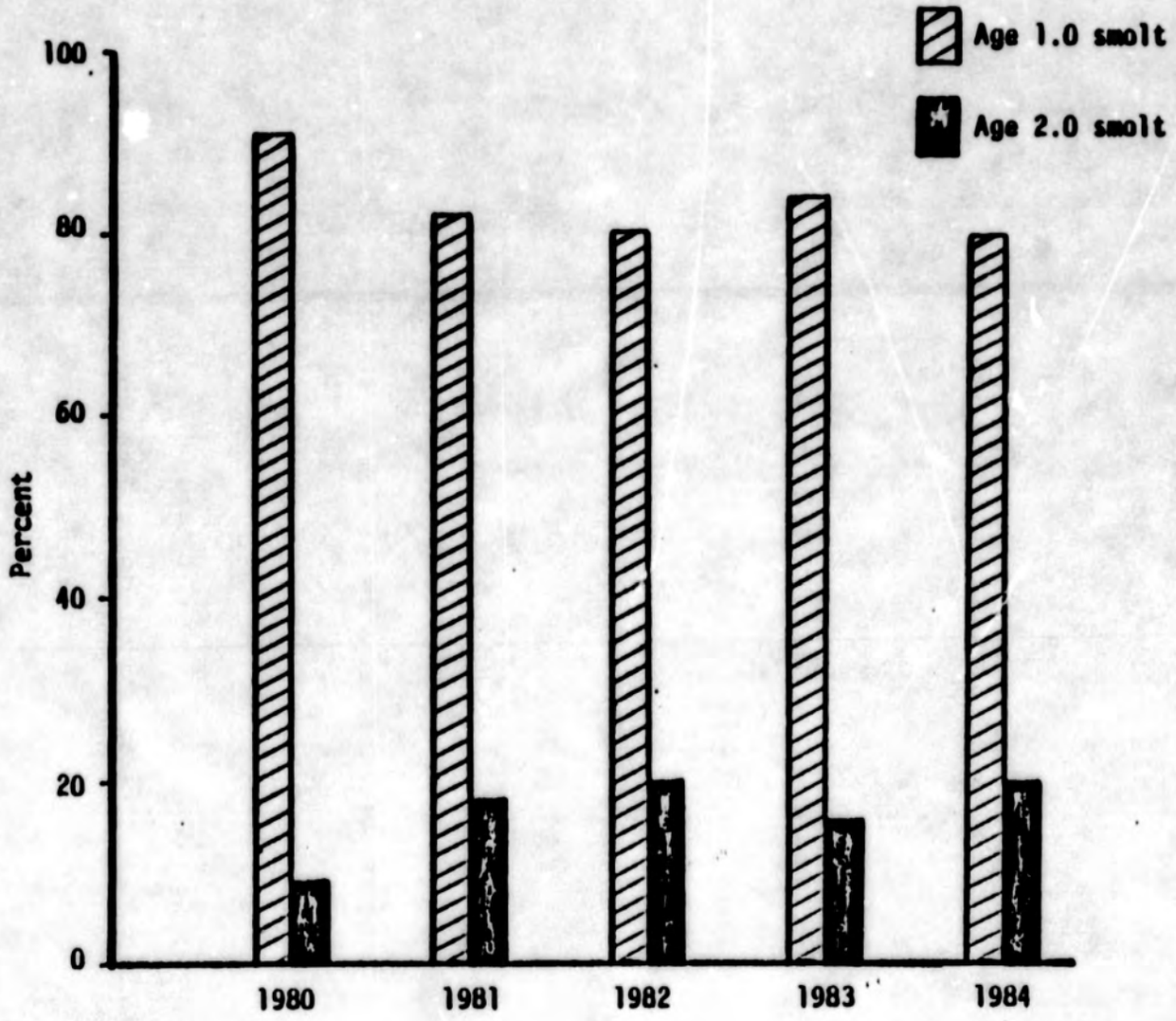


Figure 13. Percent age composition of sockeye salmon smolt in the Kasilof River, Alaska, 1980-1984.

year.indicated that 31%, 34%, 24%, and 30% of the total smolt produced by the 1978, 1979, 1980, and 1981 brood years, respectively, are age 2.0 fish.

There appears to be a difference in age composition between hatchery and naturally produced sockeye fry by brood year. Hatchery reared sockeye from the 1979, 1980, and 1981 brood years smolted at a ratio of 17.1:1, 4.3:1, and 4.7:1, age 1.0 to age 2.0, respectively. In contrast, naturally produced sockeye smolted at a ratio of 1.6:1.0, 2.1:1, and 2.0:1 for the same years, respectively. These differences may be due to the fact that all hatchery released fry enter the lake in mid-June while wild fry input occurs over a broader range of time. Also, hatchery fry at time of release tend to be slightly larger than wild fry (Table 5).

Five-year old sockeye salmon have been the predominant or codominant age class in the total adult return since 1968. Age 1.3 fish comprise the greatest percentage of the returns in 50% of the years; age 2.2 in 25% of the years; and age 1.2 in 25% of the years. In 1984, age 1.2 fish comprised 48.7% of the escapement (Table 9).

Spawning Ground Distribution of Sockeye Salmon

The distribution of spawning adults between the tributary streams has varied considerably during the period of record (Table 10). Bear Creek, a significant sockeye salmon spawning area, has accounted for 33.6% to 73.1% of index area counts since 1975. Nikolai Creek contribution has ranged from 5.1% in 1984 to 34.3% in 1978. Glacier Flats and Moose Creeks have

Table 9. Age composition of sockeye salmon collected in the Kasilof River, 1969-1984.[1]

Sample Period	Percentage by age group								Sample Size
	1.1	1.2	1.3	1.4	2.1	2.2	2.3	Other	
6/18 - 7/04/84		27.3	48.3			12.7	11.7		945
7/05 - 7/15/84		42.3	28.1			21.4	8.0		477
7/16 - 7/18/84		53.3	12.7			29.2	4.8		520
7/19 - 7/25/84		71.9	9.2			15.6	2.7		327
Seasonal Summary									
1969		14.0	39.0	1.0		30.0	16.0		399
1970	tr	32.0	37.0	2.0		16.0	11.0	1.0	297
1971		6.0	69.0			8.0	16.0		153
1972	tr	42.0	36.0	1.0	tr	3.0	18.0	tr	668
1973		20.0	57.0			19.0	4.0		374
1974		35.0	59.0		tr	4.0	2.0		254
1975	1.0	29.0	7.0			53.0	4.0	1.0	931
1976	tr	32.0	20.0		tr	35.0	12.0		755
1977	tr	30.0	30.0		1.0	28.0	11.0		1,209
1978		42.0	35.0			14.0	9.0		967
1979[1]		52.2	37.2		tr	8.4	1.7	tr	590
1980[1]		58.7	27.8			8.0	4.5	1.0	899
1981[1]		30.2	62.2			6.0	1.6		1,479
1982[1]	1.0	34.0	49.5		0.1	10.7	4.7	0.1	1,518
1983[1]		48.4	34.3			12.8	4.5		1,997
1984[1]		48.7	24.6	tr	0.2	19.7	6.8		2,269

1/ Percentages weighted by total numbers in escapement.

Table 10. Distribution (percent)[1] of sockeye salmon in the major index tributary systems of Tustumena Lake. 1975-1984.

Year	Nikolai	Moose	Bear	Glacier Flats	Other
1975	10.2	5.9	49.9	25.9	8.1
1976	13.8	16.2	59.8	8.2	2.0
1977	25.8	14.7	51.5	5.1	2.9
1978	34.3	15.9	43.5	4.7	1.6
1979	27.1	11.5	51.0	7.9	2.5
1980	5.8	9.1	73.1	9.0	3.0
1981	21.0	7.6	43.8	23.3	4.3
1982	15.8	12.6	48.2	16.3	7.1
1983	12.0	13.5	43.4	27.1	4.0
1984	5.1	8.6	33.6	47.1	5.6

[1]Percent of total index count.

exhibited similar variations. In 1984, 33.6% of the peak escapement counts was recorded in Bear Creek, 47.1% in Glacier Flats, 8.6% in Moose Creek, 5.1% in Nikolai Creek, and the remainder in minor systems. Actual peak escapement counts are presented in Table 11.

Adult Run Timing

Daily escapement and seasonal entry pattern of sockeye salmon varied considerably during the period 1968-1984. The midpoint (50 percent date) of the run varied from 2 July in 1969 to 23 July in 1972, and averaged 13 July. In 1984, the mid point of the run was 15 July and the run duration was typical of previous years (Table 12).

Spawning ground tag recovery data collected in 1984 are summarized on Figure 14. When the number of tags recovered in each tributary was expressed as a percentage of the total recovered and grouped into tagging periods, some general trends were noted (tag recovery effort was variable due to weirs on Bear and Glacier Flats Creeks). It appears that individual tributary returns generally overlap in timing at the sonar site, but peaks may vary slightly with a sequence of Nikolai, Bear, and Glacier Flats Creeks as the season progresses.

Tag recovery data in 1984 were also analyzed for mean residence time of fish in the lake bound for Bear and Glacier Flats Creeks (Table 13). There was a trend of shorter residence time for fish entering the river as the season progressed. For example, Bear Creek sockeye salmon tagged 10 June-6 July averaged 33.4 days between the sonar site and weir while those fish

Table 11. Peak sockeye salmon escapement counts in seven index areas, Kasilof River drainage, 1975-1984[1].

Year	Nikolai	Crystal	Clear	System Flats	Seepage	Moose	Bear	Total index count
1975	5,700	400	300	14,400	3,700	3,300	27,700	55,500
1976	12,000	800	300	7,100	800	14,000	51,800	86,800
1977	29,100	600	1,800	5,800	800	16,600	58,000	112,700
1978	34,200	200	200	4,700	1,100	15,900	43,400	99,700
1979	19,100	500	400	5,600	800	8,100	35,900	70,400
1980	10,000	1,000	2,100	15,500[2]	1,800	15,600	125,000[2]	171,400
1981	36,000	860	2,978	40,071[2]	3,376	12,968	75,117[2]	171,400
1982	16,800	1,785	4,183	17,348[2]	1,638	13,400	51,350[2]	106,500
1983	17,100	1,657	860	38,776[2]	3,305	19,245	61,957[2]	142,900
1984	8,300	140	2,600	76,200[2]	6,250	14,000	54,300	161,800

[1]Counts standardized to common unit for years entire stream was not surveyed. Relative abundance per section (when entire stream system surveyed) was used to extrapolate for years when only a portion of stream was surveyed. Numbers rounded to nearest hundred fish.
[2]FRED Division weir count.

exhibited similar variations. In 1984, 33.6% of the peak escapement counts was recorded in Bear Creek, 47.1% in Glacier Flats, 8.6% in Moose Creek, 5.1% in Nikolai Creek, and the remainder in minor systems. Actual peak escapement counts are presented in Table 11.

Adult Run Timing

Daily escapement and seasonal entry pattern of sockeye salmon varied considerably during the period 1968-1984. The midpoint (50 percent date) of the run varied from 2 July in 1969 to 23 July in 1972, and averaged 13 July. In 1984, the mid point of the run was 15 July and the run duration was typical of previous years (Table 12).

Spawning ground tag recovery data collected in 1984 are summarized on Figure 14. When the number of tags recovered in each tributary was expressed as a percentage of the total recovered and grouped into tagging periods, some general trends were noted (tag recovery effort was variable due to weirs on Bear and Glacier Flats Creeks). It appears that individual tributary returns generally overlap in timing at the sonar site, but peaks may vary slightly with a sequence of Nikolai, Bear, and Glacier Flats Creeks as the season progresses.

Tag recovery data in 1984 were also analyzed for mean residence time of fish in the lake bound for Bear and Glacier Flats Creeks (Table 13). There was a trend of shorter residence time for fish entering the river as the season progressed. For example, Bear Creek sockeye salmon tagged 10 June-6 July averaged 33.4 days between the sonar site and weir while those fish

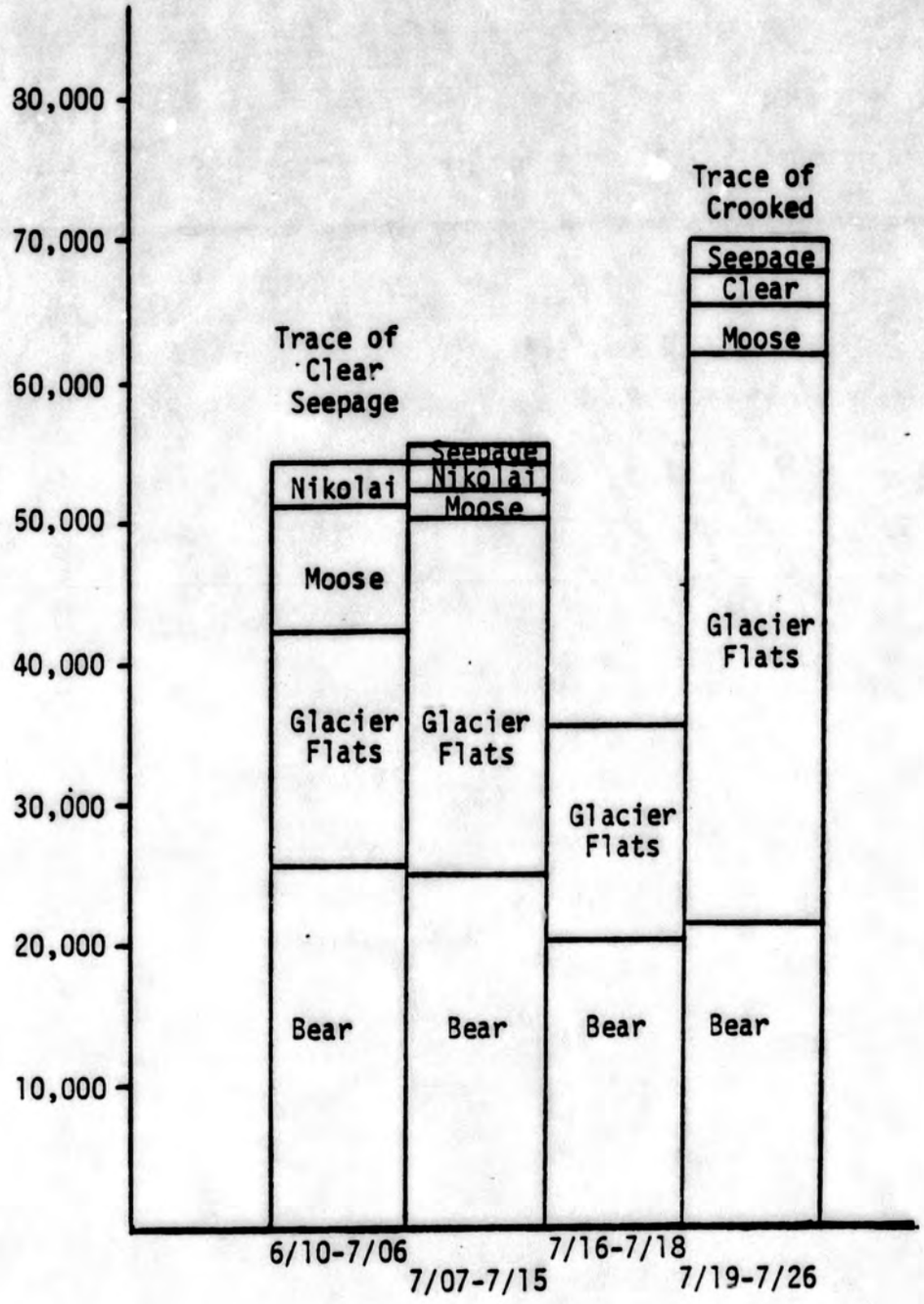


Figure 14. Percent of total tags recovered by spawning area (grouped by date of tagging at the Kasilof River sonar site) expressed in the number of fish enumerated by sonar during each tagging period. Note: a small proportion of tags were recovered in spawning areas outside of Tustumena Lake. (1984)

Table 12. Date of cumulative percent of sockeye salmon counts recorded in the Kasilof River, 1968-1984.

Year	Date by 10% Interval									
	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
1968	7/04	7/06	7/08	7/11	7/12	7/14	7/17	7/20	7/23	7/31
1969	6/25	6/25	6/30	7/02	7/02	7/06	7/11	7/18	7/25	8/09
1970	6/27	7/03	7/07	7/09	7/12	7/14	7/17	7/23	7/27	8/06
1972	7/15	7/21	7/22	7/22	7/23	7/23	7/24	7/24	7/25	8/03
1973	7/04	7/09	7/11	7/13	7/15	7/18	7/20	7/23	7/26	8/05
1974	7/04	7/05	7/06	7/08	7/11	7/13	7/17	7/23	7/28	8/07
1975	7/05	7/07	7/09	7/13	7/16	7/19	7/21	7/24	7/28	8/07
1976	7/06	7/07	7/10	7/13	7/16	7/19	7/20	7/22	7/28	8/09
1977	7/04	7/08	7/11	7/12	7/14	7/15	7/17	7/20	7/25	8/04
1978	6/30	7/03	7/06	7/09	7/16	7/17	7/17	7/18	7/20	8/06
1979	6/28	7/02	7/05	7/07	7/12	7/15	7/19	7/23	7/27	8/14
1980	6/30	7/02	7/05	7/11	7/16	7/18	7/21	7/25	8/03	8/14
1981	6/18	6/24	6/28	7/01	7/04	7/07	7/10	7/14	7/20	2/
1982	7/03	7/13	7/16	7/17	7/19	7/20	7/21	7/27	3/	
1983	7/01	7/07	7/12	7/14	7/16	7/17	7/18	7/22	4/	
1984	6/29	7/05	7/08	7/10	7/15	7/17	7/19	7/21	7/24	7/31 5/

1/ Date on which percentage level equaled or exceeded.
2/ Estimated 2% of the escapement occurred after 31 July (end of enumeration period).
3/ Estimated 11% of the escapement occurred after 3 August (end of enumeration period).
4/ Estimated 12% of the escapement occurred after 31 July (end of enumeration period).
5/ Estimated 6% of the escapement occurred after 31 July (end of enumeration period).

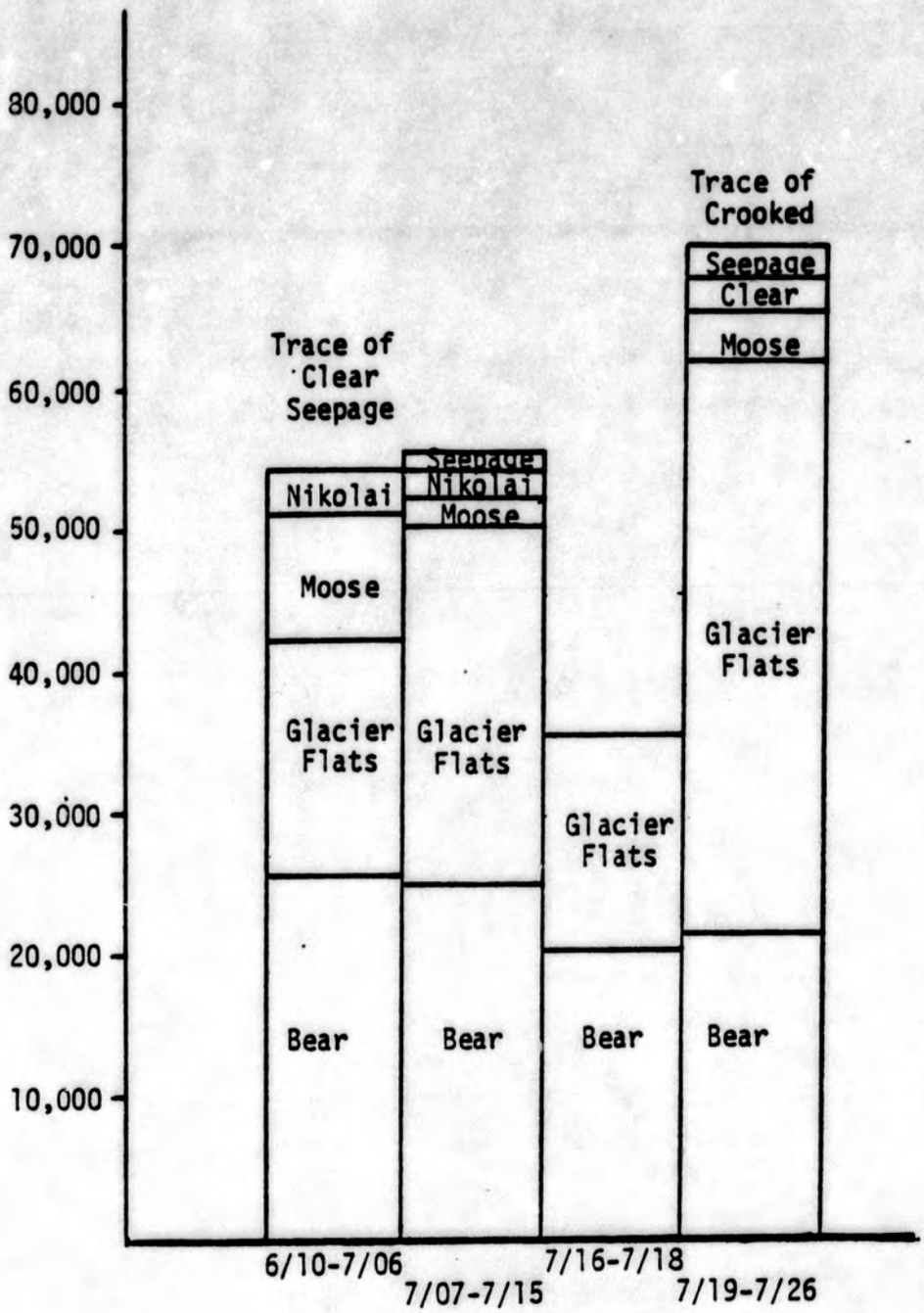


Figure 14. Percent of total tags recovered by spawning area (grouped by date of tagging at the Kasilof River sonar site) expressed in the number of fish enumerated by sonar during each tagging period. Note: a small proportion of tags were recovered in spawning areas outside of Tustumena Lake. (1984)

Table 13. Mean residence time in Tustumena Lake of sockeye salmon bound for Glacier Flats and Bear Creek, 1982-1984.1/

Year	Tributary	Tagging Period	Tags Recovered	Mean Residence Time	Range
1982	Glacier Flats Creek	7/01-7/12	6	36.2	
		7/13-7/24	54	28.3	
		7/25-8/03	17	21.7	
1983		6/17-6/30	0	--	--
		7/01-7/12	9	32.1	24-41
		7/13-7/18	41	25.2	19-37
		7/19-7/27	13	19.4	7-28
1984		6/10-7/06	33	48.6	33-62
		7/07-7/15	76	37.9	24-48
		7/16-7/18	6	33.2	25-39
		7/19-7/26	60	26.5	15-37
1982	Bear Creek	6/19-6/30	3	32.3	
		7/01-7/12	26	25.7	
		7/13-7/24	154	21.7	
		7/25-8/03	8	18.5	
1983		6/17-6/30	26	34.8	31-40
		7/01-7/12	52	27.8	22-39
		7/13-7/18	30	23.3	14-30
		7/19-7/27	9	18.6	12-24
1984		6/10-7/06	55	33.4	23-51
		7/07-7/15	77	26.8	13-48
		7/16-7/18	8	22.9	12-33
		7/19-7/26	33	24.2	13-32

1/ Fish tagged at Kasilof River slackwater sonar site in 1982 and at Kasilof River Bridge sonar site in 1983 and 1984.

tagged between 19 July and 26 July had a mean residence time in the lake of 24.2 days. This is consistent with results observed in 1983.

Sockeye Salmon Fecundity

Since 1974, fecundity data has been gathered on Kasilof River sockeye salmon as part of the Crooked Creek Hatchery operation. A low of 2,857 eggs per female was recorded in 1974 from Glacier Flats Creek spawners while the high of 3,710 eggs per female was also of Glacier Flats Creek origin in 1977 (Table 14). Average fecundity for the system since 1974 is 3,308 eggs per female. Glacier Flats and Bear creek sockeye salmon had a fecundity of 3,164 and 2,994 eggs per female in 1984, respectively.

Table 14. Fecundity of sockeye salmon in the Tustumena Lake system, Alaska, as determined during eggs takes for the Crooked Creek Hatchery.

Brood year	Source	Fecudnity
1974	Glacier Flats Creek	2,857
1975	Glacier Flats Creek	3,499
1976	Glacier Flats Creek	3,134
	Bear Creek	3,095
	Seepage Creek	3,291
1977	Glacier Flats Creek	3,710
1978	Glacier Flats Creek	3,523
	Bear Creek	3,502
1979	Glacier Flats Creek	3,522
	Bear Creek	3,503
1980	Glacier Flats Creek	N.A.
	Bear Creek	N.A.
1981	Glacier Flats Creek	3,233
	Bear Creek	3,071
1982	Glacier Flats Creek	3,246
	Bear Creek	3,123
1983	Glacier Flats Creek	3,530
	Bear Creek	3,226
1984	Glacier Flats Creek	3,164
	Bear Creek	2,994

APPENDIX

Appendix		Page
A	Kasilof River smolt migration summary, 1980-1984.	40
B	Tustumena Lake stream surveys, 1984.	41
C	Tustumena Lake, Glacier Flats Creek sockeye salmon weir escapement, egg take, and number of ventral fin clips observed, 1984.	42
D	Tustumena Lake, Bear Creek sockeye salmon weir escapement, egg take, and number of ventral fin clips observed, 1984.	43
E	Tustumena Lake tow net results, 23 July to 14 August 1984 survey.	44
F	Tustumena Lake tow net results, 18 September to 04 October 1984 survey.	47
G	Seasonal mean densities of macro-zooplankters at two stations in Tustumena Lake, 1980-1983.	50

Appendix A. Kasilof River smolt migration summary, 1980-1984.

Sample year	Total smolt migration (millions)	Percent age composition		Mean size of age 1.0 smolt		Percent hatchery contribution
		1.0	2.0	Length (mm)	Weight (g)	
1980	1.0	91	9	68	2.7	3
1981	2.3	82	18	70	2.8	13
1982	5.1	80	20	69	2.9	17
1983	8.3	84	16	70	2.9	25
1984	14.2	80	20	73	3.3	22

Appendix B. Tustumena Lake stream surveys, 1984.

Date	Stream	Total[2] observed	Clips	Numbers of fish			
				Dead	Bear killed	Live	Total
08/06	Moose	1,700	2 RV	996	577	13,003	13,999
08/29[1]	Moose	1,184	0	3,019	--	2,485	5,504
08/08	Crystal	71	0	3	3	138	141
08/21	Crystal	61	0	16	3	92	108
08/08	Clear	97	0	116	35	673	789
08/21	Clear	215	0	286	--	2,333	2,619
08/09	Seepage	0	0	2	84	1,657	1,743
08/21	Seepage	629	1 RV	1,719	--	4,531	6,250
08/30	Shantatalik	0	0	0	0	0	0
08/30	Canyon	4	0	0	4	0	4
08/30	Pipe	75	0	2	978	19	999
08/09	Nikolai	0	0	229	21	1,229	1,479
08/30	Nikolai	50	0	75	--	13	88

[1]Heavy flooding the previous week flushed live and dead fish out of creek into lake.
[2]Observed for fin clips.

Appendix C. Tustumena Lake, Glacier Flats Creek sockeye salmon weir escapement, egg take, and number number of ventral fin clips observed, 1984.

Date	Passed weir	Observed fin clips	Number fin clips LV	Number fin clips RV	Egg take Females	Egg take Males	Egg take Green females	Egg take Number[1] of eggs
08/07	Weir installed							
08/08	17,000[2]	0	--	--				
08/09	2,700	1,000	0	2				
08/10	1,000	1,000	0	1				
08/11	3,346	1,000	0	0				
08/12	2,700	2,700	0	3				
08/13	500	0	--	--				
08/14	500	0	--	--				
08/15	500	0	--	--				
08/16	2,500	0	--	--				
08/17	0	1,105	0	7	660	430	15	2,112,000
08/18	0	1,204	0	5	660	523	21	2,112,000
08/19	0	1,125	0	6	660	445	20	2,112,000
08/20	0	1,209	0	4	660	535	14	2,112,000
08/21	9,615	1,000	0	1	540	450	10	1,728,000
08/22	5,782	0	--	--				
08/23	4,588	116	0	0				
08/24	2,365	408	0	3				
08/25	5,610	0	--	--				
08/26	2,279	0	--	--				
08/27	1,464	0	--	--				
08/28	1,635	855	0	2				
08/29	4,200[3]	232	0	2				
	68,284	12,954	0	36	3,180	2,383	80	10,176,000

[1]Number of eggs based on average of 3,200 eggs per female.
[2]Surveyed from above weir on August 08.
[3]Estimated when weir was removed.

Appendix D. Tustumena Lake, Bear Creek sockeye salmon weir escapement, egg take, and number of ventral fin clips observed, 1984.

Date	Passed weir	Observed for ventral fin clips	Number fin clips		Egg take			
			LV	RV	Females	Males	Green females	Number[1] of eggs
07/27	Weir installed							
07/28	2,000[2]	0	--	--				
07/29	646	500	0	0				
07/30	3,736	500	0	0				
07/31	1,000	1,000	1	0				
08/01	3,214	1,000	0	0				
08/02	2,968	1,000	2	0				
08/03	1,000	1,000	2	0				
08/04	3,343	1,000	1	0				
08/05	2,002	1,000	2	0				
08/06	2,850	1,000	3	0				
08/07	1,500	500	4	1				
08/08	2,500	1,000	5	0				
08/09	708	708	5	0				
08/10	0	0	--	--				
08/11	0	639	6	1	337	282	20	1,078,400
08/12	0	785	11	0	450	300	35	1,440,000
08/13	0	1,011	3	1	660	315	36	2,112,000
08/14	0	1,096	7	0	630	450	46	2,016,000
08/15	0	1,141	7	0	660	440	41	2,112,000
08/16	1,522	796	9	1	450	324	22	1,440,000
08/17	9,507	500	2	0				
08/18	4,850	500	2	1				
08/19	0	0	--	--				
08/20	4,188	0	--	--				
08/21	4,773	19	--	--				
08/22	700[3]	0	--	--				
	44,523	16,695	72	5	3,187	2,111	200	10,198,400

[1]Number of eggs based on average of 3,200 eggs per female.
[2]Aerial survey above weir on July 28.
[3]Estimated when weir was removed.

Appendix E. Tustumena Lake tow net results, 23 July to 14 August 1984 survey.

Date	Tow number	Transect number	Time	Depth	Number of sockeye Age 0	Number of sockeye Age 1	Marks Age 0	Marks Age 1	Other
07/23	1	--	11:05	S	88	16		1 RV	2 pink fry, 2 coho fry
	2	--	12:00	S	136	40			White fish larvae
	3	--	13:18	S	94	27			White fish larvae
	4	--	14:15	S	176	40			1 pink fry
07/24	5	--	10:14	S	156	10			
	6	--	11:50	S	260	23	1 AFC		
	7	--	13:25	S	229	39	1 RV		
07/25	8	--	12:05	S	141	5	1 AFC		
	9	--	13:24	S	200	7	1 RV, 1 AFC		1 lake trout
	10	--	15:15	S	46	13			
07/26	11	--	14:39	S	146	24	1 AFC		
07/27	12	--	12:02	S	225	32			
	13	--	14:09	S	64	11			
07/30	1 A	8	20:00	2 F	39	4			
	2 A	7	21:53	2 F	36	2			
	3 A	6	22:55	4 F	44	2			
	4 A	5	23:59	2 F	34	1			
07/31	5 A	5	00:34	6 F	50	1			
	6 A	4	01:51	4 F	20	1			
	7 A	3	02:37	2 F	20	2			
	8 A	2	03:41	2 F	54	6			
	9 A	2	04:12	6 F	37	0			
	10 A	1	05:25	2 F	68	2			
	11 A	1	19:55	6 F	21	1			
	12 A	2	21:00	S	49	6			1 coho smolt

-continued-

Appendix E continued. Tustumena Lake tow net results, 23 July to 14 August 1984 survey.

Date	Tow number	Transect number	Time	Depth	Number of sockeye Age 0	Number of sockeye Age 1	Marks Age 0	Marks Age 0	Other
07/31	13 A	2	21:40	4 F	89	6	1 RV		
	14	2	22:20	2 F	79	10	1 AFC		
	15	3	21:21	S	12	1			1 adult sockeye
08/01	16	3	00:05	4 F	54	2			
	17	4	03:19	S	23	5			
	18	4	03:59	4 F	12	6			
	19	4	04:43	2 F	19	9	1 AFC		2 sculpin
	20	5	05:28	2 F	33	9			1 sculpin
	21	5	05:58	S	57	12	1 AFC		
	22	7	07:07	S	102	36			
	23 A	7	07:47	6 F	16	1			16 sculpin
	23 B	--	20:00	S	10	1			
	24 BL	--	21:21	S	34	5			
	25 BL	--	21:52	2 F	32	0			
	26 BL	--	22:22	6 F	10	1			
	27 BN	--	23:19	S	22	3			
	28 BN	--	23:46	2 F	40	2			
08/02	29 BN	--	00:16	6 F	26	3			
	30 DN	--	02:23	S	29	2			
	31 DN	--	02:55	2 F	27	5			
	32 DN	--	03:35	6 F	28	0			
	33 DL	--	04:08	S	36	1			
	34 DL	--	04:41	2 F	40	2			
	35 DL	--	05:20	6 F	35	4	1 LV		
	36 CL	--	21:19	S	4	2			
	37 CL	--	21:48	2 F	3	4			
	38 CL	--	22:21	6 F	4	0			
	39 CN	--	23:14	S	4	0			
	40 CN	--	23:43	2 F	4	2			

-continued-

Appendix E continued. Tustumena Lake tow net results, 23 July to 14 August 1984 survey.

Date	Tow number	Transect number	Time	Depth	Number of sockeye Age 0	Number of sockeye Age 1	Marks Age 0	Marks Age 0	Other
08/03	41 CN	--	00:14	6 F	5	1			
	42 AN	--	01:47	S	4	0			
	43 AN	--	02:22	2 F	16	2			
	44 AN	--	02:55	6 F	41	2	1 RV		4 sculpin
	45 AL	--	04:34	S	14	2	1 AFC		1 sculpin
	46 AL	--	05:09	2 F	44	5			
	47 AL	--	05:38	6 F	24	4			
08/08	48	--	17:31	S	4	3			1 stickleback
08/09	49	--	13:44	S	93	20			1 coho smolt
08/13	50	--	15:11	S	60	20			
	51	--	16:18	S	126	20			
	52	--	17:29	S	150	25	2 AFC, 1 LV		
08/14	53	--	10:43	S	237	52	1 RV		
	54	--	10:50	S	300	45	1 LV		
		Totals			4,435	650	10 AFC 5 RV	1 RV	
					5,085			3 LV	

Tow numbers 24 through 47 indicate tows done in specific areas during light or darkness. A, B, C, D designate area, L represents light, and N represents darkness. S represents surface, F represents fathoms.
AFC - Adipose fin clip; RV - right ventral; LV - left ventral.

Appendix F. Tustumena Lake tow net results, 18 September to 04 October 1984 survey.

Date	Tow number	Transect number	Time	Depth	Number of sockeye Age 0	Number of sockeye Age 1	Marks Age 0	Marks Age 1	Other
09/18	55	--	09:44	S	281	21	0	0	
	56	--	11:14	S	183	27	1 AFC	0	
	57	--	12:49	S	99	23	0	0	1 Dolly Varden
	58	--	13:57	S	167	20	0	0	
	59	--	15:15	S	114	7	0	0	
09/19	60	--	09:12	S	186	21	0	0	
	61	--	10:34	S	196	14	0	0	2 stickleback
	62	--	12:27	S	145	8	0	0	
	63	--	13:55	S	133	17	0	0	
	64	--	15:02	S	29	1	0	0	
09/20	65	--	09:56	S	42	13	0	0	
	66	--	11:12	S	24	9	0	0	
	67	--	12:35	S	78	24	0	0	
09/21	68	--	09:07	S	156	12	1 AFC	0	
	69	--	10:16	S	185	17	0	0	
	70	--	11:25	S	199	18	0	0	
	71	--	12:32	S	214	18	0	0	1 stickleback
	72	--	14:27	S	116	13	1 AFC, 1 RV	0	
09/25	73	8	20:24	6 F	27	4	0	0	2 stickleback, 1 sculpin
	74	7	21:49	12 F	1	1	0	0	
	75	7	22:30	6 F	35	7	2 AFC	0	1 sculpin
	76	7	23:05	S	9	1	1 RV	0	
09/26	77	5	00:42	8 F	14	2	0	0	
	78	4	01:50	S	3	1	0	0	1 sculpin
	79	3	03:30	8 F	0	0	0	0	
	80	3	04:08	4 F	3	0	0	0	
	81	2	04:48	S	3	3	0	0	

-continued-

Appendix F continued. Tustumena Lake tow net results, 18 September to 04 October 1984 survey.

Date	Tow number	Transect number	Time	Depth	Number of sockeye Age 0	Number of sockeye Age 1	Marks Age 0	Marks Age 1	Other
09/26	82	1	05:35	6 F	0	0	0	0	
	83	1	20:02	6 F	3	2	0	0	
09/27	84	3	01:55	6 F	2	0	0	0	
	85	4	02:56	S	14	0	0	0	
	86	5	03:58	8 F	9	0	0	0	
	87	6	05:19	3 F	14	2	1 AFC	0	
	88	6	06:06	6 F	5	1	0	0	
	89	7	06:50	S	42	5	0	0	1 stickleback
	90	8	07:30	6 F	5	1	0	0	
	91	--	17:12	S	34	0	1 AFC		2 stickleback
	92	--	17:44	3 F	21	1			1 stickleback
	93	--	18:13	8 F	2	1			
	94	--	18:40	S	15	1			
	95	--	20:42	S	4	0			1 stickleback, 1 lake trout
	96	--	21:16	3 F	20	4			4 stickleback, 12 sculpin
	97	--	21:47	8 F	23	1			21 sculpin, 1 stickleback
10/02	98	--	09:43	S	125	9	1 AFC	0	1 stickleback
	99	--	10:49	S	11	0			
	100	--	12:28	S	41	4			1 stickleback
	101	--	13:39	S	45	6	1 RV	0	3 stickleback
	102	--	14:46	S	66	1			1 coho
10/03	103	--	09:23	S	140	19			1 Dolly Varden, 1 sticklebac
	104	--	11:24	S	96	6			1 coho, 1 stickleback
	105	--	13:03	S	91	4			
	106	--	14:15	S	196	11	1 RV		9 stickleback

-continued-

Appendix F continued. Tustumena Lake tow net results, 18 September to 04 October 1984 survey.

Date	Tow number	Transect number	Time	Depth	Number of sockeye Age 0	Number of sockeye Age 1	Marks Age 0	Marks Age 1	Other
10/04	107	--	10:10	S	121	8	1 RV		6 stickleback
	108	--	11:23	S	220	8	2 AFC		4 stickleback
	109	--	12:35	S	224	8			5 stickleback
	110	--	13:42	S	94	5			2 stickleback
	111	--	14:43	S	58	0			
		Totals			4,393	411	10 AFC 5 RV		
					4,804				

Tow numbers 91 through 97 were conducted in same area. Tow numbers 91 through 94 were done during light, and tow numbers 95 through 97 were done in darkness. S represents surface, F represents fathoms.
AFC - adipose fin clip; RV - right ventral; LV - left ventral.

Appendix G. Seasonal mean densities of macro-zooplankters at two stations in Tustumena Lake, 1980-1984.

Year (May-October)	Station	*Cyloops columbianus* (No/m²)	Percent	*Diaptomus pribilofensis* (No/m²)	Percent	*Nauplii* (No/m²)	Percent	Total
1980	B	35,041	56.6	13,237	21.4	13,584	22.0	61,862
1981	B	20,858	24.8	30,078	35.7	33,254	39.5	84,190
1982	B	53,736	76.7	720	1.0	15,597	22.3	70,053
1983	B	37,448	60.7	8,609	14.3	15,450	25.0	61,707
1984	B	34,380	43.0	19,601	25.0	25,535	32.0	79,516
1980	C	34,096	73.2	4,853	10.4	7,600	16.4	46,549
1981	C	24,086	39.8	6,828	11.3	29,624	48.9	60,538
1982	C	43,172	83.1	1,618	3.1	7,125	13.8	51,915
1983	C	49,848	60.6	9,091	11.0	23,380	28.4	82,319
1984	C	26,868	56.0	3,078	6.0	18,060	38.0	48,006

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.

James A. Smith
Signature of Camera Operator

12/12/89
Date

02-519 (REV 8/78)

SCOMM

#48:32

STATE OF ALASKA
THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3500

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Special Committee on Fisheries, 5/7/85, 8:30 am

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

April 25, 1985

MEMORANDUM

TO: Representative Peter Goll

FROM: Katherine Hazard KH
Legislative Analyst

RE: Salmon Interception by Foreign Fleets
Research Request 85-321

You requested information about the economic value of Alaska-bound salmon intercepted by the foreign fishing fleets. You asked specifically for: 1) the estimated ex-vessel value of the intercepted fish based upon the average weight and price per pound of commercially caught salmon; 2) the estimated wholesale value of the intercepted fish; 3) the estimated revenue which would accrue to the State of Alaska through the Fisheries Business Tax if these fish were processed in Alaska; and 4) the area of origin and number, by species, of salmon intercepted by the foreign fishing fleets.

Steve Pennoyer and Charles Meacham Jr., of the Department of Fish and Game, provided information for these estimates. They are preparing a table of their calculations which will be forthcoming.

SUMMARY

Estimates of the economic loss to Alaska from interception of Alaska-bound salmon by Japanese mothership and landbased driftnet fisheries are:

Ex-vessel value ..... $ 16.1 million

First wholesale value ..... $ 30.5 million

Fisheries Business Tax Loss $643,000

The ex-vessel values for all salmon sold to processors in 1983 was $320.6 million. The first wholesale value for salmon in the state in 1983 was $726.4 million. Thus the estimated loss from interception of salmon is approximately 5 percent of the ex-vessel value, and approximately 4 percent of the first wholesale value.

INTRODUCTION

The calculations of estimated losses are based solely on Japanese mothership and landbased driftnet fisheries interceptions. Estimates of the number of Alaska-originating salmon intercepted by the foreign fishing fleets are incomplete because much of the information is still unknown. The greatest number of salmon are caught by the Japanese mothership (MS) and Japanese landbased driftnet (LB) fisheries. It is for these two fisheries that the most data are available. There are two other fisheries of relevance; the Taiwanese fishery and the foreign and joint-venture trawlers.

Very little is known about the number of salmon caught by the Taiwanese fishery. There is no information on the species composition or origin of these fish. Foreign and joint-venture trawlers caught an estimated 19,700 chinook, 36,400 chum and 400 other salmon during 1983. Mr. Meacham said that although there are no data on the origin of these fish, probably all of them are Alaska-bound.[1] Nothing is known of the size or age composition of these fish, so for several reasons, there is not currently a reliable means of calculating how many of these fish could, if not intercepted, be caught by Alaska fisheries.

According to Mr. Meacham,[2] estimates of salmon catches in 1983 for the North Pacific foreign fleets were:

Japanese mothership	9.4 million
Japanese landbased	15.8 million > 25.2 million
Taiwan	3.5 to 4 million
Foreign and Joint-Venture Trawlers	56,500

---

[1] An outline entitled "High Seas Salmon Interception Fisheries", included in the packet of information submitted to us with your research request, had incorrect figures listed for intercepted salmon. The outline had no source listed. Steve Pennoyer, of the Department of Fish and Game, said that 16,000,000 is the number of salmon caught by the Japanese landbased fisheries, and 8-9,000,000 is the number of salmon caught by the Japanese mothership fisheries. These are not the number of intercepted fish. He did not know the origin of the data for the Taiwanese and Other fisheries.

[2] Charles Meachum, Alaska Department of Fish and Game in Anchorage: Telephone number, (907) 267-2112.

JAPANESE MOTHERSHIP AND LANDBASED DRIFTNET FISHERIES

Number Caught

Estimates of the number of salmon caught by Japanese mothership and landbased driftnet fisheries fleets are listed in Table 1. These catch data are reported in the International North Pacific Fisheries Commission documents.

Number Intercepted

Estimates of the number of salmon intercepted are also shown in Table 1. The interception figures for sockeye are based on the mean percentage intercepted of the total catches for the years from 1978 to 1981, in which studies were done. These percentages were applied to the 1983 sockeye catch to derive an interception estimate. Estimates for chinook are based on studies done from 1982-84 by the Fisheries Research Institute on contract to Fish and Game.[3]

Mr. Meacham provided estimates of the number of chums intercepted by the MS fisheries, but there are no estimates of chum intercepted by the LB fisheries. However, Dr. Harris said that essentially none of the chum caught by the LB fisheries are of North American origin.

Although total catch figures are available from the International North Pacific Fisheries Commission documents, there are no estimates of the number of pinks intercepted. Mr. Meacham and Dr. Harris both said that an insignificant amount of the pink salmon caught by the Japanese fleets are of North American origin.

Dr. Colin Harris of the Fisheries Research Institute at the University of Washington, would not make estimates of the number of cohos intercepted.[4] He said that significant numbers are taken by the mothership fishery, but he did not know of a reliable way to estimate the numbers. Mr. Meacham provided rough estimates of cohos intercepted.

---

[3]Rogers, Donald E. et al. 1984, "Origins of Chinook Salmon in the Area of the Japanese Mothership Salmon Fishery", FRI-UW-8408, Final Report to the Alaska Department of Fish and Game, Contract No. 84-0152, Fisheries Research Institute School of Fisheries, University of Washington, Seattle, Washington.

[4]Dr. Colin Harris, Fisheries Research Institute, University of Washington, (206) 543-7281.

Dr. Harris also stated that most of the cohos intercepted by the LB fleet are of western origin. He said, however, that many of the Bristol Bay cohos are unexploited anyway, so that it would be hard to say that cohos intercepted by the Japanese fleet yield an economic loss to Alaska. For this reason cohos are excluded from the values reported in the summary on page one of this memorandum.

Area of Origin

Studies by the Fisheries Research Institute provide estimates of the area of origin for chinook salmon caught by mothership and landbased driftnet fisheries. In 1983, an estimated 200,000 Alaska-bound chinook salmon were intercepted by the Japanese MS and LB fisheries. Of these an estimated 75,000 (37%) were from western Alaska stocks, 106,000 (53%) from central Alaska and 19,000 (9.5%) were of Southeast Alaska or British Columbian stocks.[5]

According to Dr. Harris, the great majority of the 427,000 sockeye, 44,000 chum and the cohos intercepted by the Japanese fleets are of western or central Alaska origin.

Estimated Loss of Salmon to Alaska Due to Interception

An estimated 1,099,000 salmon of Alaska origin are intercepted by Japanese mothership and landbased fisheries. To calculate the pounds of salmon available inshore if these salmon had not been intercepted, the natural mortality, drop-out rate and growth rate must be applied to the numbers intercepted. Together these factors comprise the yield loss multiplier.[6]

Natural Mortality: Not all of the fish caught on the high seas would have survived to return to Alaska waters, particularly since many of the fish intercepted are immature and would have several years on the high seas before returning to their origin.

---

[5]The Bristol Bay area is in the Central Region, as classified in the Alaska 1983 Catch and Production Commercial Fisheries Statistics, Statistical Leaflet No. 36.

[6]These factors and the formula are described by Richard J. Major in greater detail in the International North Pacific Fisheries Commission Document 2558.

Drop-out Rate: The drop-out rate accounts for fish which are caught in the Japanese fisheries nets, but drop-out as the nets are hauled in. These salmon die as part of the fishery, but are not included in the catch figures. For the drop-out rate, a multiplier of between 1.33 and 2.00 is used by Fish and Game.

Growth Rate: Many salmon caught on the high seas are immature. The growth rate accounts for the estimated increase in size between the time the salmon are caught on the high seas and the time they would have been caught if allowed to progress to inshore waters.

The formula used by Fish and Game is:

> interception number x mean wt. on high seas for each species x yield loss multiplier = total lbs. available inshore.

This formula yields the estimated total pounds of salmon that would be available inshore. These figures are presented in Table 2. Because, as indicated by Dr. Harris, interception of cohos may have no economic effect on the Alaskan fishery, two sets of calculations were made: one without intercepted cohos and one including intercepted cohos.

There is an estimated loss of 10.14 million lbs. of chinook salmon. Assuming that 90 percent of these are of western or central origin, 9.12 million lbs. of the intercepted chinook were from this region. In 1983 the commercial catch of chinook in central and western Alaska was 11.06 million lbs.

There is an estimated loss of 5.85 million lbs. of sockeye; 296.11 million lbs. were landed by the commercial fleet in central and western Alaska in 1983. For chum, an estimated .72 million lbs. were intercepted by the Japanese fleet; 68.49 million lbs. were landed by the commercial fishery in western and central Alaska.

Ex-vessel Value

The ex-vessel value was calculated by multiplying the estimated number of pounds of each species by the statewide average price in 1983.[7]

---

[7]Alaska 1983 Catch and Production Commercial Fisheries Statistics, Statistical Leaflet No. 36, December 1984, Alaska Department of Fish and Game.

Wholesale Value

The wholesale value was calculated by multiplying the ex-vessel value by 1.9. The prices to fishermen and the wholesale values vary from year to year. In 1983, the wholesale value for all salmon was 2.26 times greater than the ex-vessel value. Prices to fishermen were low in 1983, and the ratio was higher than usual. Between 1978 and 1983 the ratio has varied from 1.88 to 2.26.

Fisheries Business Tax

The Fisheries Business Tax on salmon ranges from 3 percent to 5 percent of the ex-vessel value, depending upon how the fish are processed. It is not possible to estimate how fish currently intercepted by foreign fleets would be processed if allowed to progress to Alaska waters. Based on the estimates of ex-vessel values, revenue from the Fisheries Business Tax would range from $482,452 to $804,086.

In 1983, revenue from the Fisheries Business Tax was $20,516,686. In 1984 revenue from the Fisheries Business Tax was $18,979,226. The mean estimated value of lost revenue is 3.3 percent of the mean revenue from 1983 and 1984.

* * * * *

Time constraints for completion of this memorandum precluded more detailed analysis and literature review. Statistics for 1984 are not currently compiled, but could be obtained through further research effort. Please let us know if you have further questions or would like a more detailed analysis.

KH

Attachments

Table 1. Total Catches and Interception of Salmon by Japanese Fleets in Thousands of Fish -- 1983

Species	Japanese Mothership Only		Japanese Landbased Only		Japanese MS and LB		% of Total Catch
	Intercepted	Total	Intercepted	Total	Intercepted	Total	Intercepted
sockeye	336	1,655	91	828	427	2,483	17.2
chinook	67	87	133	178	200	265	75.5
chum	44	3,081	0	2,395	44	5,476	0.8
pink	0	4,324	0	11,308	0	15,632	0.0
coho	74	297	354	1,122	428	1,419	30.2
total	521	9,444	578	15,831	1,099	25,275	4.3

Source: Department of Fish and Game.

Prepared by the House Research Agency, April 1985

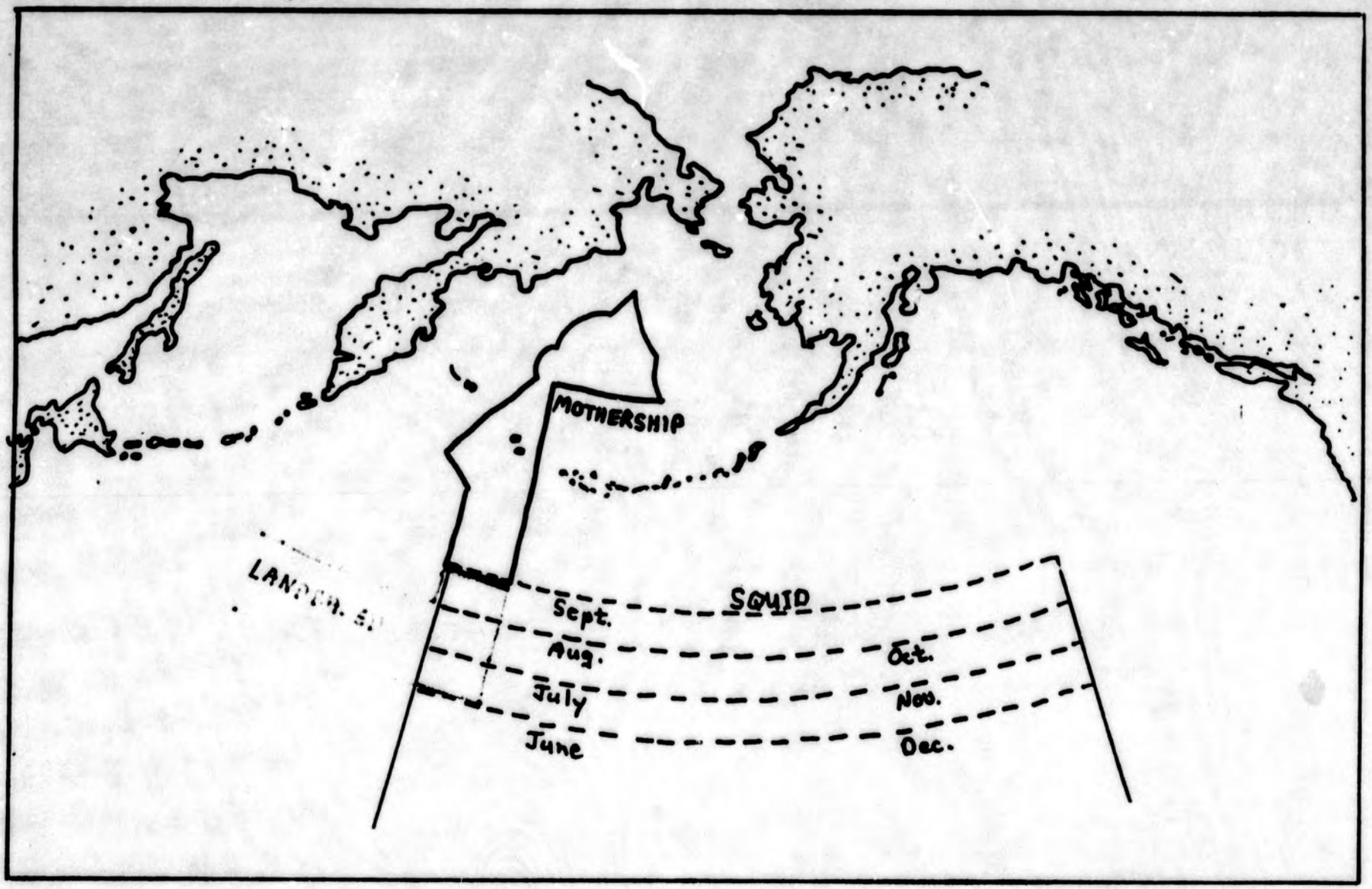
Table 2

Estimated Value of Salmon Intercepted by Japanese Mothership and Land-based Driftnet Fisheries

	Salmon Loss in Pounds			Mean Price Per Pound	Ex-vessel Value	Wholesale Value
	MS	LB	Total			
Sockeye	4,680,000	1,172,000	5,852,000	.70	$ 4,096,000	$ 7,782,400
Chinook	3,001,000	7,134,000	10,135,000	1.16	11,756,600	22,337,540
Chum	716,000	NA	716,000	.60	229,120	435,328
Coho	1,162,000	3,907,000	5,069,000	.60	3,041,000	5,777,900
Subtotal (w/out cohos)	8,397,000	8,306,000	16,703,000		$16,081,720	$30,555,268
Total (w/ cohos)	9,559,000	12,213,000	21,772,000		$19,122,720	$36,333,168

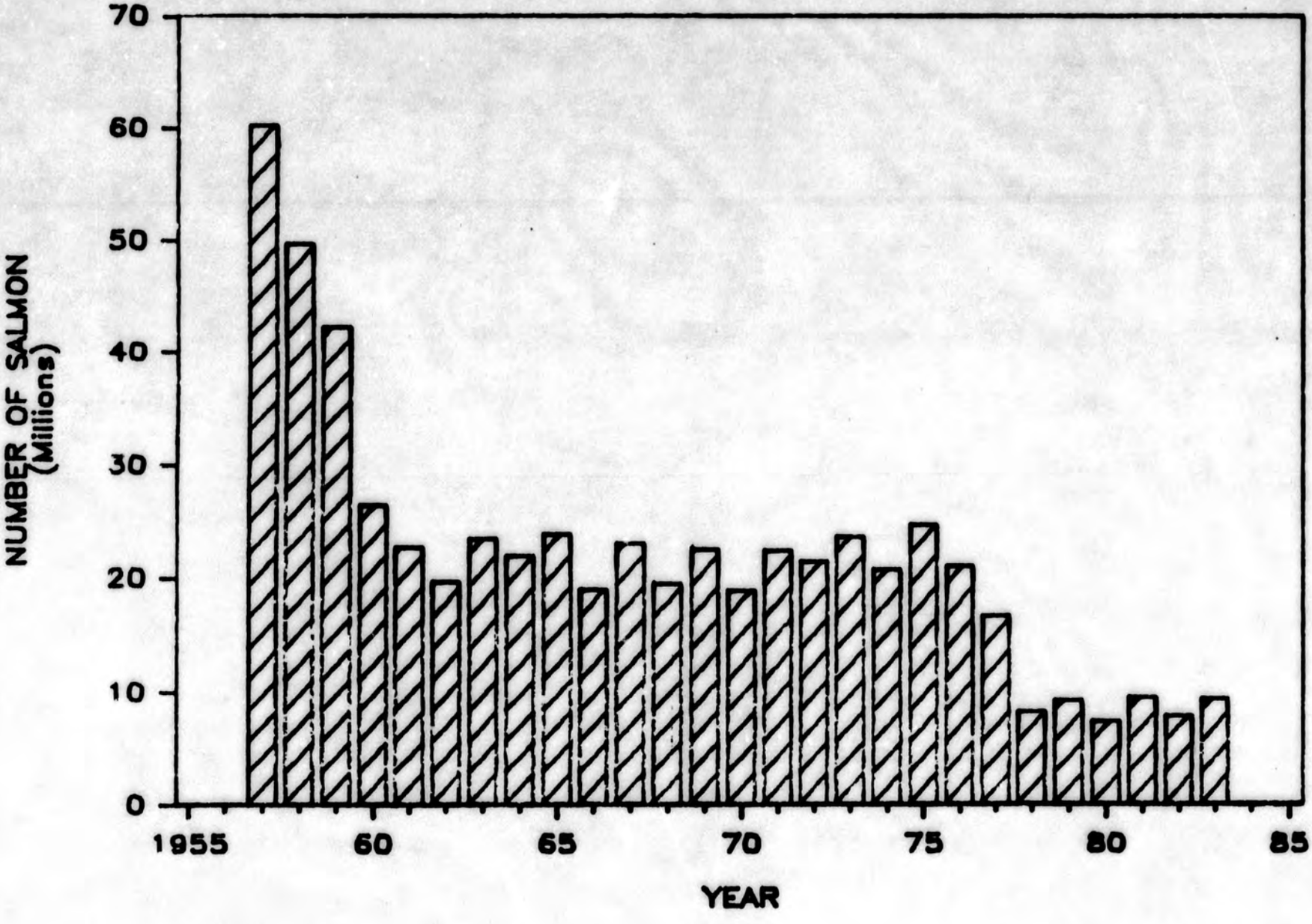
Source: Department of Fish and Game.

Prepared by the House Research Agency, April 1985

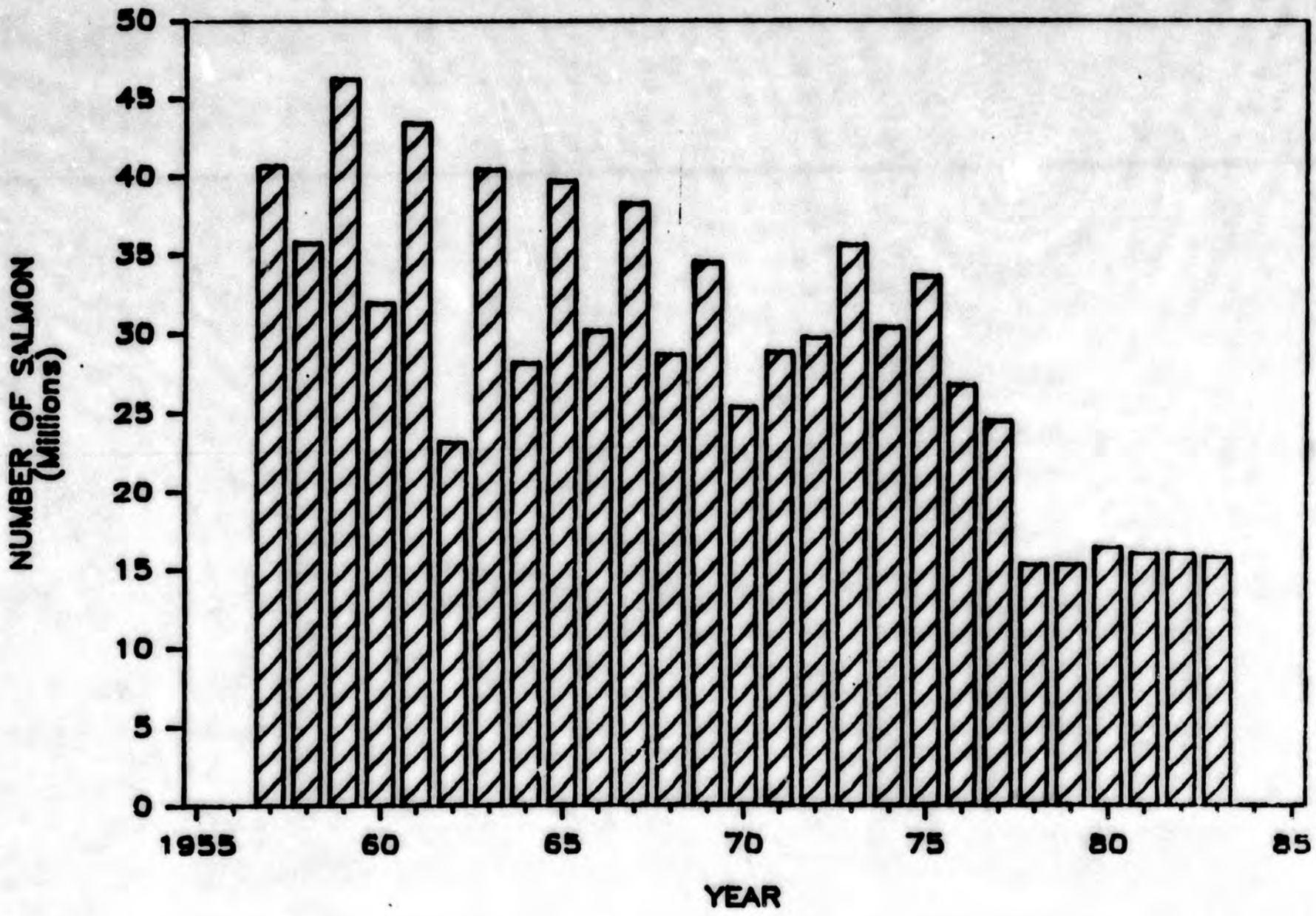

MOTHERSHIP
LANDING S.
SQUID
Sept.
Aug.
July
June
Oct.
Nov.
Dec.

	SQUID GILLNET	SALMON LANDBASED GILLNET	SALMON MOTHERSHIP GILLNET
VESSELS	534	209	172
MESH SIZE	4 1/2 INCH	4 1/2 INCH	4 1/2 INCH
MILES NET (APPROX.)	10,000	3,000	1,500
SEASON	JUNE-DEC.	MAY-JULY	JUNE-JULY
CATCH (1981)	82,000 TONS SQUID	16 MILLION SALMON	10 MILLION SALMON

HIGHSEAS MOTHERSHIP SALMON CATCH

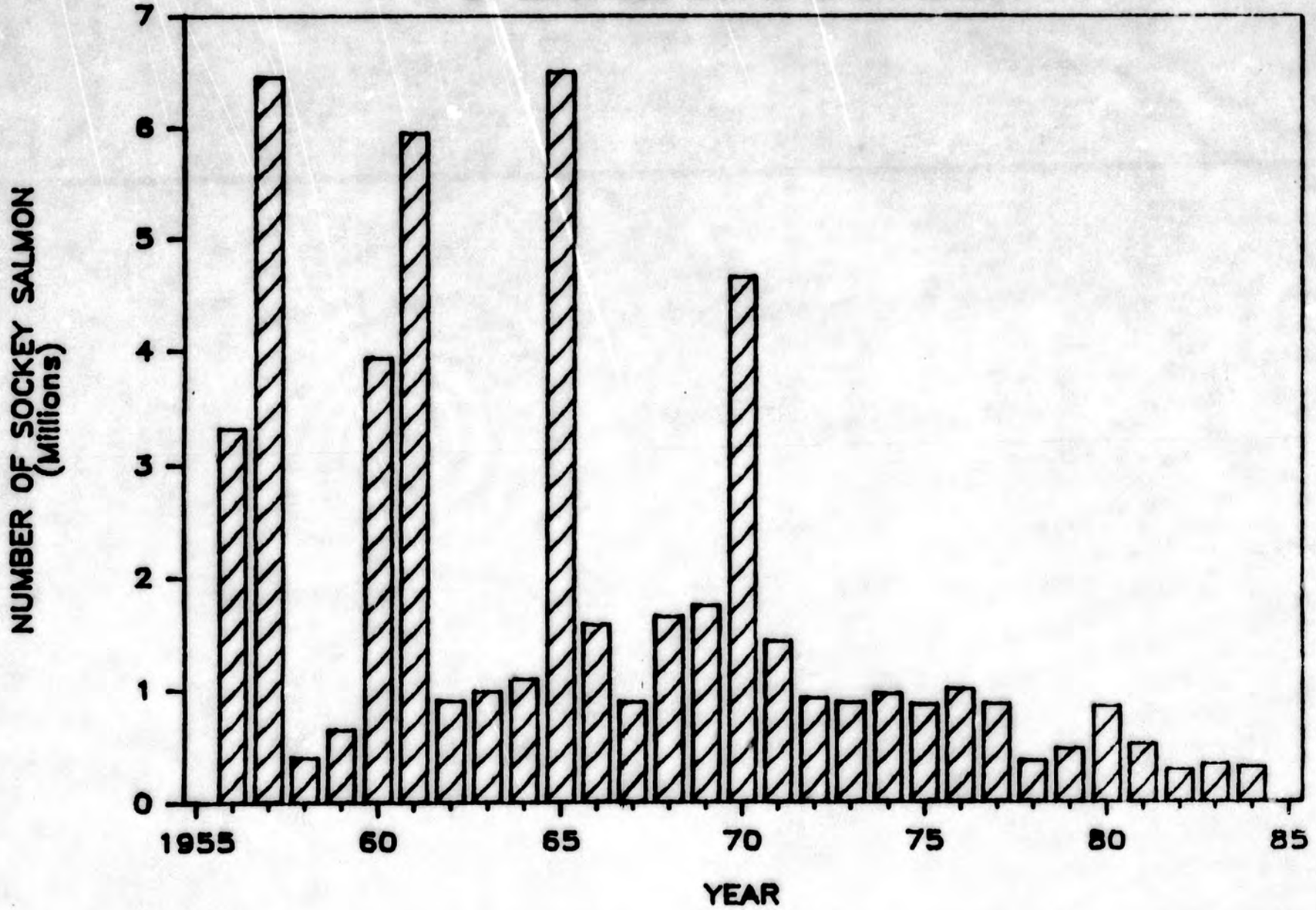


HIGHSEAS "LANDBASED" SALMON CATCH

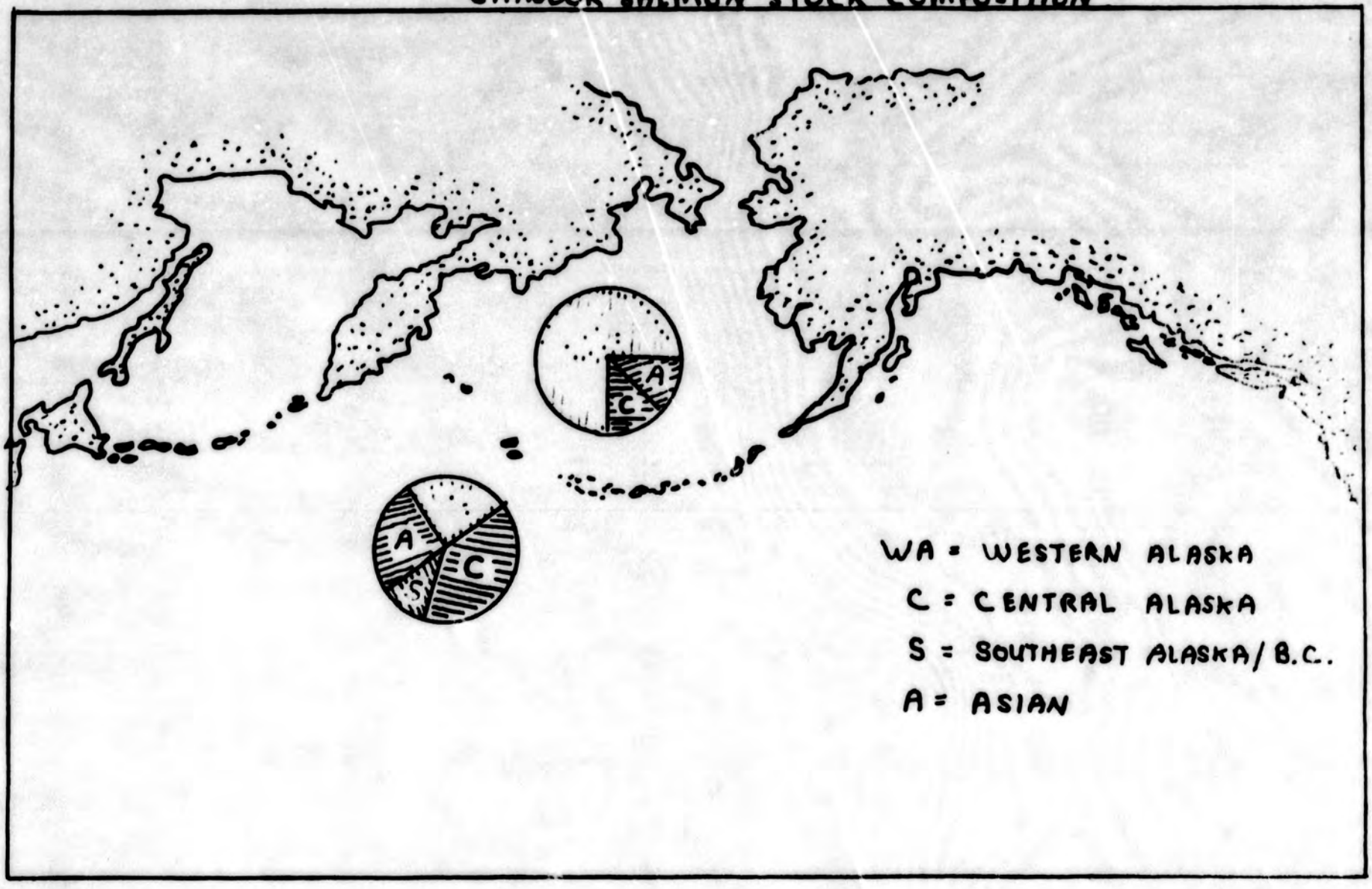


SOCKEYE SALMON INTERCEPTIONS

BY JAPANESE MOTHERSHIP FISHERY



CHINOOK SALMON STOCK COMPOSITION



CENTRAL ALASKA CHINOOK INTERCEPTIONS

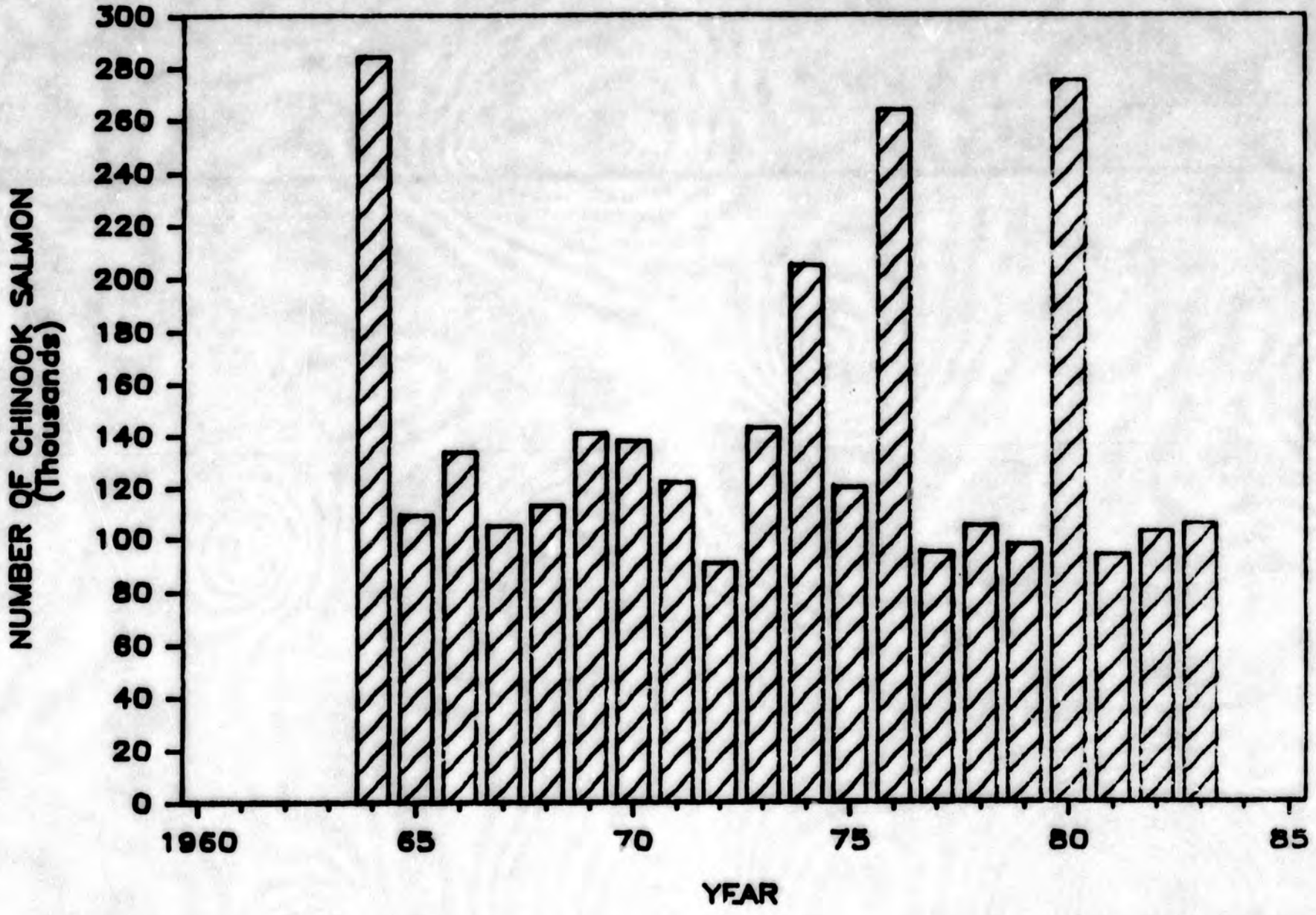


Table . Salmon catch (in thousands) by the Japanese mothership (MS and landbased driftnet (LB) fisheries, 1957-1983.

	Sockeye		Chinook		Chum		Pink		Coho		Total	
Year	MS	LB	MS	LB	MS	LB	MS	LB	MS	LB	MS	LB
1957	20,000	494	31	33	11,908	4,081	27,881	35,551	442	526	60,358	40,685
1958	12,026	888	46	45	18,787	9,155	15,546	24,833	3,393	785	49,798	35,706
1959	9,125	832	68	42	12,859	9,045	18,856	35,129	1,423	1,178	42,331	46,226
1960	12,879	1,601	180	113	10,517	8,684	1,885	20,129	962	1,346	26,423	31,873
1961	12,998	1,173	31	79	6,128	6,104	3,263	34,559	284	1,454	22,704	43,369
1962	10,590	154	122	124	6,372	7,577	1,139	14,021	1,532	1,289	19,755	23,165
1963	8,903	18	87	102	5,858	7,538	6,732	31,255	1,895	1,492	23,475	40,405
1964	7,097	108	410	195	8,641	8,956	2,281	17,247	3,535	1,624	21,964	28,130
1965	12,038	159	185	93	6,036	8,330	4,429	29,142	1,177	1,913	23,865	39,637
1966	7,254	703	208	112	8,562	11,848	2,553	16,032	469	1,458	19,046	30,153
1967	8,087	2,566	128	110	6,837	11,078	7,781	23,051	226	1,329	23,059	38,134
1968	6,373	2,769	362	88	8,107	8,457	3,823	15,899	898	1,421	19,563	28,634
1969	5,935	2,495	554	83	7,721	4,908	6,972	23,610	1,306	3,328	22,488	34,424
1970	6,944	2,966	437	101	9,638	6,585	1,726	13,403	180	2,259	18,925	25,314
1971	3,554	3,026	206	134	9,968	6,250	8,202	16,977	454	2,373	22,384	28,760
1972	3,184	3,711	261	103	13,373	8,598	3,795	14,839	614	2,421	21,421	29,672
1973	2,613	3,308	119	162	7,857	7,614	12,018	20,650	989	3,794	23,596	35,528
1974	2,282	3,155	361	186	9,283	12,179	7,756	11,242	1,085	3,559	20,767	30,321
1975	2,171	2,969	162	135	7,367	11,480	14,654	15,347	356	3,550	24,710	33,481
1976	2,266	3,291	283	201	10,436	10,646	7,207	10,879	828	2,751	21,020	26,690
1977	1,508	1,289	93	146	5,996	6,230	9,100	15,041	79	1,722	16,778	24,428
1978	1,882	1,292	105	210	3,802	3,488	1,853	7,846	609	2,512	8,251	15,349
1979	2,186	756	126	161	3,277	2,661	3,405	11,190	281	1,199	9,275	15,349
1980	2,412	787	704	160	3,098	2,697	561	11,612	656	1,205	7,431	16,461
1981	2,224	859	88	190	2,539	2,509	4,094	11,292	615	1,209	9,560	16,059
1982	1,738	723	107	165	3,217	2,930	1,654	11,035	1,183	1,201	7,899	16,054
1983 1/	1,655	828	87	178	3,081	2,395	4,324	11,308	297	1,122	9,445	15,831

1/ Preliminary

Table 21. Coastal catches and estimated high seas (MS + LBDN = mothership + landbased driftnet) catches of chinook salmon, 1964-83 (in thousands of fish).

	Coastal (commercial)				High seas (MS + LBDN)			
		Alaska						
Year	Asia	West	Cent	SE	Asia	West	Cent	SEBC
1964	160	260	22	357	101	219	285	13
65	107	263	31	287	47	126	109	5
66	93	208	24	308	54	130	134	8
67	91	284	26	301	39	93	105	6
68	83	259	20	332	77	262	113	7
69	122	288	38	314	108	384	141	9
70	141	291	33	322	98	340	138	9
71	183	283	45	334	57	159	122	7
72	197	224	42	287	61	209	91	7
73	210	177	30	344	45	87	143	8
74	172	180	29	347	90	244	205	10
75	223	126	28	301	40	128	120	11
76	196	242	49	242	58	159	264	5
77	310	296	40	310	55	86	95	1
Means	163	242	33	313	66	188	148	8
78	314	350	55	389	69	99	105	42
79	279	410	41	374	74	114	98	0
80	126	320	29	320	96	438	275	55
81	157	503	47	267	86	85	94	13
82	178	503	83	286	65	86	103	18
83	219	481	101	288	65	75	106	19
Means	212	428	59	321	76	149	130	24

Alaska State Legislature

House of Representatives

SPECIAL
COMMITTEE ON FISHERIES

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: May 7, 85

HJR 37
HJR 43

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
Eric Eckholm	175 S. Franklin #312	USA Coalition	yes	586-3105
Steve Pennoyer	Box 3-2000 Juneau	ADF+G	yes	465-4100
Larry Cotter	307 So. Franklin Juneau	ILWU	yes	
Janet Fries		Rep Heinemann	No	
Egon E. Krygier	9342 Northland	Alaska Trollers Assoc	yes	586-9400
Kirk Lauber	321 Highland Dr.	Pacific Seafood Processors Assn	YES	586-6366

Official Business

Alaska State Legislature

House of Representatives

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

Special Committee on Fisheries

May 7, 1985

Honorable Ted Stevens
United States Senator
522 Hart Building
Washington, D.C. 20510

Dear Senator Stevens:

The House Special Committee on Fisheries is strongly opposed to the imposition of Coast Guard user fees proposed in the current Senate budget.

While some services performed by the Coast Guard may be appropriate for coverage by user fees, the Fisheries Committee believes that the services identified in Senate Concurrent Resolution 32 fall are essential services for which user fees are not appropriate.

Specifically, we strongly object to user fees for services relating navigation aids, vessel inspections and search and rescue.

In addition, the Fisheries Committee strongly objects to the proposed fee schedule. The fees are very discriminatory towards smaller commercial fishing vessels, many of which are involved in marginally economic fisheries.

While the user fees might be considered a nuisance for the larger commercial vessels, ($1,215 for vessels over 100 gross tons), the $540 annual fee for commercial fishing vessels under 5 gross tons is very onerous and could put some fishermen out of business.

We respectfully urge you to oppose the Coast Guard user fee proposal. Should you fail to prevent its enactment, please attempt to revise the fee schedule to protect the smaller vessel operators.

Sincerely,

Representative Peter Goll

House Special Committee on Fisheries
Coast Guard User Fees/2-2-2

c.c. Senator Frank Murkowski
Representative Don Young
John Katz, Office of the Governor

COMMITTEE REPORT

HOUSE

5/8

(7)

5/2/85

FURTHER: RESOURCES

Date: 5-7-85

The Committee on HOUSE SPECIAL COMMITTEE ON FISHERIES has had HJR 43

Relating to the interception of Alaska salmon on the high seas.

under consideration and recommends:

[X] 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:
Roger L. Jenkins	Abe M. No rec.
Mike Navarre	
Katie Hurley	
[illegible]	
Peter Jacq	
David W. Thompson	

Peter Jacq

CHAIRMAN