

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 8672

2211 SCOMM 87: HOUSE SPECIAL COMMITTEE ON FISHERIES, 1993-94 815

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Revisor's notes. — Reorganized in 1983 to alphabetize the defined terms. **Cross references.** — For further definitions, see AS 16.05.940.

Sec. 16.10.370. Short title. AS 16.10.300 — 16.10.370 may be cited as the Commercial Fishing Loan Act. (§ 1 ch 134 SLA 1972)

Article 9. Salmon Hatcheries.

Section	Section
375. Regional salmon plans	445. Egg sources
380. Regional associations	450. Sale of salmon and salmon eggs: use of proceeds; quality and price
400. Permits for salmon hatcheries	460. Inspection of hatchery
410. Hearings before permit issuance	470. Annual report
420. Conditions of a permit	480. Contracts for the operation of state hatcheries
430. Alteration, suspension, or revocation of permit	
440. Regulations relating to released fish	
443. Department assistance and cooperation	

Cross references. — For legislative findings and purpose related to AS 16.10.375 — 16.10.560, see § 1, ch. 59, SLA 1979, in the 1979 Temporary and Special Acts and Resolves.

Sec. 16.10.375. Regional salmon plans. The commissioner shall designate regions of the state for the purpose of salmon production and have developed and amend as necessary a comprehensive salmon plan for each region, including provisions for both public and private nonprofit hatchery systems. Subject to plan approval by the commissioner, comprehensive salmon plans shall be developed by regional planning teams consisting of department personnel and representatives of the appropriate qualified regional associations formed under AS 16.10.380. (§ 2 ch 161 SLA 1976; am § 2 ch 154 SLA 1977)

Sec. 16.10.380. Regional associations. (a) The commissioner shall assist in and encourage the formation of qualified regional associations for the purpose of enhancing salmon production. A regional association is qualified if the commissioner determines that it

- (1) is comprised of associations representative of commercial fishermen in the region;
- (2) includes representatives of other user groups interested in fisheries within the region who wish to belong; and
- (3) possesses a board of directors that includes no less than one representative of each user group that belongs to the association.

(b) In this section "user group" includes, but is not limited to, sport fishermen, processors, commercial fishermen, subsistence fishermen, and representatives of local communities.

(c) A qualified regional association, when it becomes a nonprofit corporation under AS 10.20, is established as a service area in the unorganized borough under AS 29.03.020 for the purpose of providing salmon enhancement services. (§ 2 ch 161 SLA 1976; am § 2 ch 59 SLA 1979)

NOTES TO DECISIONS

Cited in *State v. Alex*, 646 P.2d 203
(Alaska 1982).

Sec. 16.10.400. Permits for salmon hatcheries. (a) The commissioner or a designee may issue a permit, subject to the restrictions imposed by statute or regulation under AS 16.10.400 — 16.10.470, to a nonprofit corporation organized under AS 10.20, after the permit application has been reviewed by the regional planning team, for

- (1) the construction and operation of a salmon hatchery;
- (2) the operation of a hatchery under AS 16.10.480.

(b) The application for a permit under this section shall be on a form prescribed by the department and be accompanied by an application fee of \$100. The commissioner may waive the submission of an application for a permit to operate a hatchery under AS 16.10.480.

(c) A hatchery permit is nontransferable. If a permit holder sells or leases a hatchery for which a permit is issued under this section, the new operator shall apply for a new permit under this section.

(d) *[Repealed, § 19 ch 154 SLA 1977.]*

(e) A qualified regional association formed under AS 16.10.380, if it has become a nonprofit corporation under AS 10.20, has a preference right to a permit under (a)(1) of this section if its proposed hatchery is provided for in the comprehensive plan for that region developed under AS 16.10.375 and the fresh water source exceeds one cubic foot per second minimum flow. Another local nonprofit hatchery corporation approved by a qualified regional association has an identical preference right.

(f) Except for permits issued before June 16, 1976, a permit may not be issued for construction or operation of a hatchery on an anadromous fish stream unless the stream has been classified as suitable for enhancement purposes by the commissioner. The commissioner shall undertake to make such classifications in conjunction with the development of the comprehensive plan under AS 16.10.375.

(g) During the development of a comprehensive plan for a region a permit may not be issued for a hatchery unless the commissioner determines that the action would result in substantial public benefits and would not jeopardize natural stocks. (§ 2 ch 111 SLA 1974; am § 3 ch 161 SLA 1976; am §§ 3, 19 ch 154 SLA 1977; am §§ 2 — 4 ch 14 SLA 1988)

Cross references. — For legislative intent in connection with the enactment of AS 16.10.400 — 16.10.470, see § 1, ch. 111, SLA 1974, in the Temporary and Special Acts.

Effect of amendments. — The 1988 amendment, effective March 31, 1988, in subsection (a), divided the formerly undivided language into an introductory paragraph and paragraph (1), and added paragraph (2); added the second sentence in subsection (b); and, in subsection (e), inserted "under (a)(1) of this section" in the first sentence and substituted "Another" for "Any other" in the second sentence.

Opinions of attorney general. — Since the conditions for issuance of a hatchery permit do not appear to be inconsistent with the operation of a fish processing and marketing facility in conjunction with the hatchery, a nonprofit hatchery can also process and market fisheries' products, but any profit would have to be used for expansion or improvement of facilities, hatcheries research or other authorized purposes of the regional association within which the corporation is located. June 11, 1984, Op. Att'y Gen.

Sec. 16.10.410. Hearings before permit issuance. (a) At least 30 days before the issuance of a permit under AS 16.10.400, a public hearing shall be held in a central location in the vicinity of the proposed hatchery facility.

(b) Notice of the hearing shall be published in a newspaper of general circulation once a week for three consecutive weeks, with completion of the notice at least 10 days before the hearing.

(c) The hearing shall be conducted by the department. At a hearing for a permit under AS 16.10.400(a)(1), the applicant shall present a plan for the proposed hatchery, describing the capacity of the hatchery and other relevant facts that may be of interest to the department or the public. Interested members of the public shall be afforded an opportunity to be heard.

(d) The department shall record and consider objections and recommendations offered by the public at the hearing conducted under this section. It shall respond in writing, within 10 days after the hearing is held, to any specific objections offered by a member of the public at the hearing. (§ 2 ch 111 SLA 1974; am § 5 ch 14 SLA 1988)

Effect of amendments. — The 1988 amendment, effective March 31, 1988, repealed and reenacted subsection (c), which

formerly related to the transferability of the hatchery permit.

Sec. 16.10.420. Conditions of a permit. The department shall require, in a permit issued to a hatchery operator, that

(1) salmon eggs procured by the hatchery must be from the department or a source approved by the department;

(2) salmon eggs or resulting fry may not be placed in waters of the state other than those specifically designated in the permit;

(3) salmon eggs or resulting fry, sold to a permit holder by the state or by another party approved by the department, may not be resold or otherwise transferred to another person;

(4) salmon may not be released by the hatchery before department approval, and, for purposes of pathological examination and approval,

the department shall be notified of the proposed release of salmon at least 15 days before the date of their proposed release by the hatchery;

(5) diseased salmon be destroyed in a specific manner and place designated by the department;

(6) adult salmon be harvested by hatchery operators only at specific locations as designated by the department;

(7) surplus eggs from salmon returning to the hatchery be made available for sale first to the department and then, after inspection and approval by the department, to operators of other hatcheries authorized by permit to operate under AS 16.10.400 — 16.10.470;

(8) if surplus salmon eggs are sold by a permit holder to another permit holder, a copy of the sales transaction be provided to the department;

(9) *[Repealed, § 5 ch 110 SLA 1980.]*

(10) a hatchery be located in an area where a reasonable segregation from natural stocks occurs, but, when feasible, in an area where returning hatchery fish will pass through traditional salmon fisheries. (§ 2 ch 111 SLA 1974; am § 5 ch 110 SLA 1980)

Sec. 16.10.430. Alteration, suspension, or revocation of permit. (a) If a permit holder fails to comply with the conditions and terms of the permit issued under AS 16.10.400 — 16.10.470 within a reasonable period after notification of noncompliance by the department, the permit may be suspended or revoked, in the discretion of the commissioner after the regional planning team for the area in which the hatchery is located is notified and granted an opportunity to comment upon the proposed suspension or revocation.

(b) If the commissioner finds that the operation of the hatchery is not in the best interests of the public, the commissioner may alter the conditions of the permit to mitigate the adverse effects of the operation, or, if the adverse effects are irreversible and cannot be mitigated sufficiently, initiate a termination of the operation under the permit over a reasonable period of time under the circumstances, not to exceed four years. During the period of time that the operation is being terminated, the permit holder may harvest salmon under the terms of the permit but may not release additional fish. (§ 2 ch 111 SLA 1974; am § 4 ch 154 SLA 1977)

Sec. 16.10.440. Regulations relating to released fish. (a) Fish released into the natural waters of the state by a hatchery operated under AS 16.10.400 — 16.10.470 are available to the people for common use and are subject to regulation under applicable law in the same way as fish occurring in their natural state until they return to the specific location designated by the department for harvest by the hatchery operator.

(b) The Board of Fisheries may, after the issuance of a permit by the commissioner, amend by regulation adopted in accordance with AS 44.62 (Administrative Procedure Act), the terms of the permit relating to the source and number of salmon eggs, the harvest of fish by hatchery operators, and the specific locations designated by the department for harvest. The Board of Fisheries may not adopt any regulations or take any action regarding the issuance or denial of any permits required in AS 16.10.400 — 16.10.470. (§ 2 ch 111 SLA 1974; am § 24 ch 206 SLA 1975; am § 3 ch 59 SLA 1979)

Sec. 16.10.443. Department assistance and cooperation.

(a) Before and after permit issuance under AS 16.10.400 — 16.10.470, the department shall make every effort, within the limits of time and resources, to advise and assist applicants or permit holders, as appropriate, in the planning, construction, or operation of salmon hatcheries.

(b) Nothing in this section exempts an applicant or permit holder from compliance with AS 16.10.400 — 16.10.470 or from compliance with the regulations or restrictions adopted under AS 16.10.400 — 16.10.470. (§ 1 ch 97 SLA 1975)

Sec. 16.10.445. Egg sources. (a) The department shall approve the source and number of salmon eggs taken under AS 16.10.400 — 16.10.470.

(b) Where feasible, salmon eggs utilized by a hatchery operator shall first be taken from stocks native to the area in which the hatchery is located, and then, upon department approval, from other areas, as necessary. (§ 2 ch 111 SLA 1974)

Sec. 16.10.450. Sale of salmon and salmon eggs: use of proceeds; quality and price. (a) Except as otherwise provided in a contract for the operation of a hatchery under AS 16.10.480, a hatchery operator who sells salmon returning from the natural waters of the state, or sells salmon eggs to another hatchery operating under AS 16.10.400 — 16.10.470, after utilizing the funds for reasonable operating costs, including debt retirement, expanding its facilities, salmon rehabilitation projects, fisheries research, or costs of operating the qualified regional association for the area in which the hatchery is located, shall expend the remaining funds on other fisheries activities of the qualified regional association.

(b) Fish returning to hatcheries and sold for human consumption shall be of comparable quality to fish harvested by commercial fisheries in the area and shall be sold at prices commensurate with the current market. (§ 2 ch 111 SLA 1974; am § 5 ch 154 SLA 1977; am § 6 ch 14 SLA 1988)

Effect of amendments. — The 1988 amendment, effective March 31, 1988, designated the formerly undesignated two sentences as subsections (a) and (b), added "Except as otherwise provided in a con-

tract for the operation of a hatchery under AS 16.10.480" at the beginning of subsection (a), and made a series of minor stylistic changes throughout the section.

Sec. 16.10.460. Inspection of hatchery. (a) As a condition of and in consideration for a permit to operate a hatchery under AS 16.10.400 — 16.10.470, an inspection of the hatchery facility by department inspectors shall be permitted by the permit holder at any time the hatchery is operating. The inspection shall be conducted in a reasonable manner.

(b) The cost of an inspection performed by the department under AS 16.10.400 — 16.10.470 shall be borne by the department. (§ 2 ch 111 SLA 1974; am § 4 ch 110 SLA 1980)

Sec. 16.10.470. Annual report. (a) A person who holds a permit for the operation of a salmon hatchery under AS 16.10.400 — 16.10.470 shall submit an annual report no later than December 15 to the department and to the qualified regional association for the area in which the hatchery is located, to include but not be limited to information pertaining to species; brood stock source; number, age, weight, and length of spawners; number of eggs taken and fry fingerling produced; and the number, age, weight, and length of adult returns attributable to hatchery releases, on a form to be provided by the department.

(b) A person who holds a permit for the operation of a salmon hatchery under AS 16.10.400 — 16.10.470 and each regional association levying a voluntary assessment under AS 16.10.540 shall submit an annual financial report to the Department of Commerce and Economic Development on a form to be provided by the Department of Commerce and Economic Development. (§ 2 ch 111 SLA 1974; am § 6 ch 154 SLA 1977; am § 4 ch 59 SLA 1979; am § 31 ch 14 SLA 1987)

Sec. 16.10.475. Definitions. [Repealed, § 32 ch 14 SLA 1987.]

Sec. 16.10.480. Contracts for the operation of state hatcheries. (a) If the department determines that it is unable to continue operating a state-owned hatchery or that it is in the best interest of the state to provide for the operation of the hatchery by another person or by another person in cooperation with the state, the department may enter into a contract for the operation or cooperative operation of the hatchery.

(b) Notwithstanding AS 36.30, when selecting a contractor under (a) of this section, the department shall give a preference to the regional association organized under AS 16.10.380 that is located in the region in which the hatchery is located. If the department determines

that the preferred regional association does not meet the criteria established by the department for the contract, the department may not award the contract to the preferred regional association and shall procure the contract under AS 36.30 after considering the recommendations of the preferred regional association.

(c) A contract entered into under this section must provide that the hatchery will be operated under AS 16.10.400 — 16.10.445 and 16.10.460 — 16.10.470 and the regulations adopted under those sections.

(d) The department may issue to a contractor who operates a hatchery under this section a permit to harvest adult salmon during the term of the contract in a quantity sufficient to allow the contractor to recover all or part of the contractor's costs of operating the hatchery.

(e) A contract under this section for the operation of a hatchery may not affect the state's ownership of the hatchery and does not affect the state's responsibility to manage the resource.

(f) The operation of a hatchery under a contract authorized by this section shall be conducted in accordance with the fisheries management and production goals of the department, and must be consistent with the Comprehensive Regional Salmon Plan approved under AS 16.10.375. During the term of the contract, the department may order changes in the operation of the hatchery that are necessary to ensure consistency with the production goals of the Comprehensive Regional Salmon Plan. The contract must specify the species to be raised and the production goals for each species, and these specifications must comply with the Comprehensive Regional Salmon Plan. The department may terminate a contract if the contractor fails to operate the hatchery in accordance with the requirements established by and under this subsection. (§ 1 ch 14 SLA 1988)

Legislative history reports. — For 1988 (CCS SB 410), see 1988 Senate Journal 2422.
legislative letter of intent on ch. 14, SLA

Article 10. Fisheries Enhancement Loan Program.

Section	Section
500. Declaration of policy	525. Repayment of principal and interest on loans
505. Fisheries enhancement revolving loan fund	540. Voluntary assessment on sale of salmon
507. Special account established	555. Disposal of property acquired by default or foreclosure
510. Powers and duties of the commissioner	560. Definitions
520. Limitation on loans	

Cross references. — For legislative findings and purpose related to AS 16.10.375 — 16.10.560, see § 1, ch. 59, SLA 1979, in the 1979 Temporary and Special Acts and Resolves.

MEMORANDUM

State of Alaska
Department of Law

TO: Honorable Carl L. Rosier
Commissioner
Dep't of Fish and Game

DATE: August 26, 1992
FILE NO: 663-92-0327
TEL NO: 465-3600
SUBJECT: Review of hatchery
management contracts

FROM: *Marie Sansone*
Marie Sansone
Assistant Attorney General
Natural Resources Section - Juneau

You requested us to review all existing agreements between the Alaska Department of Fish and Game and the regional aquaculture associations for the operation of state fish hatcheries, particularly with respect to the characteristics of the funds used to operate the hatcheries, including fisheries enhancement tax funds, cost recovery money, designated grants, capital improvement project funds, and oil spill cost recovery funds. To respond to your request, this memorandum first presents general background on the operation of state hatcheries by the regional associations. Next, the various sources of funding are discussed. Pursuant to AS 36.05.030, questions regarding the Little Davis-Bacon Act, AS 36.05, will be referred to the Alaska Department of Labor. Finally, conclusions and recommendations are presented.

This memorandum of advice pertains only to the state hatcheries operated pursuant to AS 16.10.480 by the regional aquaculture associations under contract with the Alaska Department of Fish and Game, and not to the private nonprofit hatcheries constructed and operated by nonprofit corporations pursuant to AS 16.10.400(a)(1). Attachment I to this memorandum lists the contracts and contract amendments reviewed. Attachment II lists previous Department of Law memoranda of advice concerning the hatchery contracts or hatchery finance. Attachment III consists of a set of summary charts comparing the current contractual provisions of all the hatcheries under contract. Attachment IV is a memorandum from Jeffery P. Keenings, Director, Fisheries Rehabilitation and Enhancement Division, Alaska Department of Fish and Game, dated August 19, 1992, that provides a historical perspective of the development of the hatchery management contracts.

The following abbreviations are used in this memorandum:

ADF&G - Alaska Department of Fish and Game
CIAA - Cook Inlet Aquaculture Association

- CIP - Capital Improvements Project
- DCED - Alaska Department of Commerce and Economic Development
- FRED Div. - Alaska Department of Fish and Game, Fisheries Rehabilitation, Enhancement and Development Division
- KRAA - Kodiak Regional Aquaculture Association
- NSRAA - ^{vne} Northern Southeast Regional Aquaculture Association
t.
- PNP - Private Nonprofit (hatchery operator)
- PWSAC - Prince William Sound Aquaculture Corporation
- SSRAA - Southern Southeast Regional Aquaculture Association
- RAA - Regional Aquaculture Association or Regional Association

Ten state hatcheries are currently the subject of operational contracts or cooperative agreements between ADF&G and a regional aquaculture association: CIAA funds and operates the Trail Lakes and Tutka hatcheries and funds a fisheries enhancement program at Crooked Creek; KRAA funds operations at Kitoi and Pillar Creek; NSRAA funds and operates Hidden Falls; PWSAC funds and operates Cannery Creek and Main Bay and funds the operations of Gulkana; and SSRAA funds and operates Beaver Falls. The Big Lake hatchery is the subject of a cooperative agreement with CIAA; however, ADF&G currently funds and operates the hatchery. ADF&G is concerned that as it has negotiated each contract, legal issues may not have been treated consistently. To facilitate the development and modification of contracts, ADF&G seeks consistency in the application of the law to each contract and to ensure compliance with applicable statutes and regulations.

Review of ADF&G's hatchery contracts and Department of Law advice concerning the hatcheries indicates that the contracts and their interpretation are to some extent inconsistent. As discussed in Attachment IV, some inconsistency is to be expected, given the unique characteristics of each hatchery and its salmon production activities. In addition, the nature and extent of the obligations undertaken by the regional associations vary from hatchery to hatchery and from regional association to regional association. However, if the contracts are inconsistent due to an

erroneous interpretation and application of the law or due to the omission of critical contract provisions, then the inconsistencies among the contracts may present legal difficulties. By reviewing Attachment III, the summary charts, it is possible to obtain an overview of the contracts and to identify where the inconsistencies and omissions occur. The Department of Law will continue to work with ADF&G to address any legal concerns over existing or new contracts.

DISCUSSION

Since 1981, the State of Alaska has sought more efficient and economical means of operating its hatcheries. See, e.g., Cannery Creek Contract, Statement of Problem and Background at 3 (June 14, 1988). In 1988, the legislature enacted AS 16.10.480, authorizing ADF&G to enter into contracts for the operation or cooperative operation of state hatcheries, when ADF&G determines that it is unable to continue operating a hatchery or that is in the best interest of the state to provide for the operation or cooperative operation of a hatchery by another person. The legislative history of AS 16.10.480 indicates that its main purpose was to relieve the burden placed on the general fund by the operating costs of certain state hatcheries, while at the same time providing an alternative means of allowing them to remain in operation.¹

¹ The legislature passed the Conference Committee Substitute for Senate Bill 410 in 1988, adding AS 16.10.480 and amending AS 16.10.400, AS 16.10.410, and AS 16.10.450. A memorandum from Representative Ben Grussendorf, Speaker of the House, the prime sponsor of House Bill 454 (which was identical to Senate Bill 410), to Representative Dave Donley, Chairman, House Labor and Commerce Committee, states:

House Bill 454 and Senate Bill 410 are an appropriate response by the Department of Fish and Game to intent language placed in the FY 1988 budget that required the department to develop ways to relieve the burden on the general fund caused by state hatchery operation.

Mem. at 2 (Feb. 22, 1988). See also Minutes of the House Resources Standing Comm. at 5 (Mar. 1, 1988) (Remarks of Doug Rickey, Legislative Assistant to Rep. Ben Grussendorf); Minutes of the Senate Resources Comm. at 4 (Feb. 22, 1988) (Remarks of Sen. Fred Zharoff). The hatcheries immediately affected were Cannery Creek, Hidden Falls, Kitoi, and Trail Lakes. Minutes of the House Resources Comm. at 3 (Mar. 10, 1988) (Remarks of Rep. John Sund).

The contracting of state hatcheries benefits the public by continuing the enhancement of the common property fisheries, while at the same time freeing state resources for other purposes. See Cannery Creek Contract, Statement of Problem and Background at 3 (June 14, 1988). Under AS 16.10.480(f), the operation of a state hatchery under contract must be conducted in accordance with ADF&G's fisheries management and production goals, and must be consistent with its region's Comprehensive Regional Salmon Plan. Under AS 16.10.480(b), when selecting a contractor, ADF&G must give a preference to the regional aquaculture association for the region in which the hatchery is located. If ADF&G determines that the regional association does not meet ADF&G criteria for a contract, then after considering the association's recommendations, ADF&G must follow the State Procurement Code, AS 36.30, in selecting a contractor. So far, ADF&G has contracted with only the regional associations.

Another key feature of AS 16.10.480 is that a contract for the operation of a state hatchery may not affect the state's ownership of the hatchery.² AS 16.10.480(e) provides:

² The legislative history of AS 16.10.480 indicates that the state is to retain ownership of the hatcheries under contract. For example, House Bill 454 and Senate Bill 410 originally provided for the "transfer" of hatchery operations. The House Labor and Commerce Committee Substitute for House Bill 454 deleted the word "transfer" and instead, used the phrase, "provide for the operation of the hatchery." A memorandum concerning the committee substitute states, "This change clarifies the fact that the State of Alaska retains all ownership rights in the hatchery, as well as the right to manage the resource." Mem. from Rep. Ben Grussendorf, Speaker of the House, to Rep. Dave Donley, Chairman, House Labor and Commerce Comm. at 1 (Feb. 22, 1988). See Minutes of the House Labor and Commerce Comm. at 4-5 (Feb. 23, 1988). See also Minutes of the House Resources Comm. at 4 (Mar. 1, 1988) ("[T]he state would retain all ownership rights to the hatcheries and would continue to manage the resource." Remarks of Doug Rickey, Legislative Assistant to Rep. Ben Grussendorf); Minutes of the Senate Resources Comm. at 4 (Feb. 22, 1988) ("The hatcheries would remain in the hands of the state." Remarks of Sen. Fred Zharoff).

The question of the state's continued ownership of the state hatcheries was also explored at the conference committee meeting on Senate Bill 410:

REPRESENTATIVE GOLL: Finally, could you restate for the record whether it is the department's understanding, as it was mine, that not
(continued...)

A contract under this section for the operation of a hatchery may not affect the state's ownership of the hatchery and does not affect the state's ability to manage the resource.

This provision plays a major role in shaping the contract termination provisions, as well as the provisions relating to capital improvements, fixtures, and replacement equipment.

With respect to termination, AS 16.10.480(f) allows ADF&G to terminate a contract when a contractor fails to operate the hatchery in accordance with ADF&G fisheries management and production goals and the Comprehensive Regional Salmon Plan. In addition, most of the contracts contain a variety of provisions relating to termination, including termination at will by the regional association by giving 90 days' notice (Big Lake, Crooked Creek, Kitoi, and Pillar Creek contracts) and termination at will by either the regional association or the state by giving 180 days' notice (Beaver Falls, Cannery Creek, Main Bay, and Tutka contracts). A major concern in drafting and interpreting the contracts, therefore, is ensuring that, in the event of the termination or expiration without renewal of a contract, the hatchery will be returned to the state in a fully operational

² (...continued)

withstanding the phrase "transfer" was used in this hearing, what we're talking about is the contract for personnel to operate these state owned and operated facilities.

ROLAND SHANKS [Special Assistant, ADF&G]: The only intention is that the facility stays in state ownership and we're basically talking about a contract in the operation.

REPRESENTATIVE GOLL: So we're talking about contracting for staff; we're not talking about transferring hatcheries to the private sector, or to [indisc.], or to anybody else.

ROLAND SHANKS: No, we're talking about the operations.

mode.³ This requirement not only safeguards the public's investment in the hatchery structures and equipment, but also enables ADF&G or a successor contractor to immediately step in and manage the broodstock, so that the fishery enhancement efforts at the hatchery and the resource itself will not be jeopardized.

The question of property ownership also figures into the treatment of capital improvements to the hatcheries. All the hatchery contracts provide that the state owns any capital improvements made, regardless of the source of money used to pay for the improvements. This fulfills the intent of AS 16.10.480(e), because to treat capital improvements to state property as private property would inevitably diminish or encumber the state's ownership of the hatchery. Moreover, at many of the state hatcheries, the state owns the facility, but not the underlying land.⁴ Because the ownership of land gives the owner the right to limit any improvements placed on the land, 8,960 Square Feet. More or Less v. State, 806 P.2d 843, 846 (Alaska 1991), ADF&G may have separate, additional contractual obligations with respect to a hatchery that cannot be modified or impaired by a hatchery management contract.

Also of concern are the contractual provisions relating to fixtures. The law related to the removal of trade fixtures is summarized in Interior Energy Corp. v. Alaska Statebank, 771 P.2d 1352 (Alaska 1989). With respect to the treatment of fixtures in the hatchery contracts, the threshold question that must be

³ The Beaver Falls, Cannery Creek, Hidden Falls, Main Bay, Trail Lakes, and Tutka contracts thus require the regional associations to repair and maintain the state hatcheries at a level sufficient to ensure that upon completion of the contract, the site and facility will be returned to ADF&G in their original condition, excluding normal wear and tear.

⁴ ADF&G has U.S. Forest Service special use permits at Cannery Creek, Hidden Falls, and Main Bay; a lease agreement with the Alaska Department of Natural Resources, Division of Land and Water, for Hidden Falls; a lease agreement with the Afognak Corporation for Kitoi; an Interagency Land Management Assignment from the Alaska Department of Natural Resources, Division of Parks and Outdoor Recreation, on designated mental health trust lands, for Tutka; a ground lease with the Cape Fox Corporation for Beaver Falls; and a memorandum of understanding with the U.S. Bureau of Land Management and a pending Interagency Land Management Assignment from the Alaska Department of Natural Resources for Gulkana. At the Crooked Creek hatchery, ADF&G has a U.S. Fish and Wildlife Service special use permit for the Tustumena Lake sockeye salmon project.

considered is who purchased and installed the fixture. If the regional association did not pay for and install the fixture, the regional association has no right to remove the fixture. See *id.* at 1353-54. Except for those fixtures purchased and installed with state money, the ownership of expansion fixtures upon the termination of a hatchery contract is a matter for negotiation. In the absence of an agreement to the contrary, it will be presumed that the regional association did not intend to donate an expansion fixture to ADF&G. The regional association may remove the fixture, provided it can restore the hatchery to its former condition and provided there is no agreement to the contrary. See *id.* at 1355-56. It follows that unless there is an agreement to the contrary, the regional association may remove expansion equipment from the hatchery.⁵

Replacement fixtures and replacement equipment, however, must be treated differently. To protect the public investment in the hatcheries and the public interest in their continued operation, the hatcheries must be maintained and returned to the state in the condition they were in when the regional association assumed responsibility for their operation, normal wear and tear excepted. Thus, the Beaver Falls, Cannery Creek, Hidden Falls, Main Bay, Trail Lakes, and Tutka contracts all provide that replacement equipment becomes the property of ADF&G.

The general principles outlined above form the basis for the following discussion of the different funds used by the regional associations to pay state hatchery operating costs. The discussion of each funding source parallels the ADF&G memorandum to the Department of Law dated December 10, 1991, requesting the review of the hatchery contracts. The responses to ADF&G's questions that are presented in outline form are also based upon the above analysis, with further clarification where required. It should be noted that additional requirements may be imposed under the PNP permit issued to a regional association, the Annual Management Plan for the hatchery, any DCED fisheries enhancement loan agreements for enhancement activities at the hatchery, or any special use permits or lease agreements for the hatchery.

I. FISHERIES ENHANCEMENT TAX FUNDS

Statutory provisions relating to the salmon enhancement tax are found in AS 43.76; regulatory provisions, in 3 AAC 89.010-.130. The salmon enhancement tax is a tax that is

⁵ The Beaver Falls, Cannery Creek, Hidden Falls, Main Bay, Trail Lakes, and Tutka hatchery contracts provide that with the exception of replacement equipment, equipment purchased by the regional association belongs to the association.

self-imposed by a regional association on its limited entry permit holders to raise money for the association. The tax rate is established at one, two, or three percent of the value of the salmon the permit holder removes from the state or transfers to a buyer in the state.⁶ AS 43.76.010-.012. The buyer withholds the tax from the permit holder's fish payments, and remits the tax to the Department of Revenue for deposit in the general fund. The proceeds of the tax are state revenues, subject to legislative appropriations. 1987 Inf. Op. Att'y Gen. at 1 (Mar. 19; 663-87-0372). Based upon these revenues, the legislature makes appropriations to DCED for the purpose of providing financing to the regional associations. AS 43.76.025(c).

Under current regulations, DCED disburses money to the regional associations through grant agreements. Grant money is disbursed quarterly in accordance with quarterly cash-flow projections, identified in annual budgets submitted to DCED by the associations. 3 AAC 89.070. The regulations require the associations to include in their final reports "a description of how surplus money remaining in a budget component or cost category or subcategory will be reallocated or carried over." 3 AAC 89.090(a)(3).

With respect to the state hatchery contracts only, the fisheries enhancement tax funds must be treated as follows:

a. Compliance with procurement law: No. The State Procurement Code does not apply to grants. AS 36.30.850(b)(1).

b. Little Davis-Bacon applicability: To be determined by the Department of Labor.

c. Ownership of replacement equipment or buildings: State.

d. Ownership of buildings constructed: State.

e. Ownership of expansion fixtures: Negotiable.

f. Ownership of removable expansion equipment: Regional association.

II. STATE HATCHERY COST RECOVERY FUNDS

The term "cost recovery funds" refers to money derived from the sale of salmon returning from the natural waters of the

⁶ Salmon harvested by a regional association for cost recovery at a state hatchery are not taxed. See AS 43.76.035.

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state to specific locations identified by ADF&G for harvest by PNP hatchery operators. Pursuant to statute, these funds are designated to meet hatchery operating costs. See AS 16.10.450; AS 16.10.480(d); 1990 Inf. Op. Att'y Gen. at 2-3 (Aug. 1; 663-90-0327). Cost recovery harvests thus enable the hatcheries to operate on a self-supporting basis.

You asked us to reexamine the status of cost recovery funds to determine whether they are private or public funds. In a previous memorandum, we stated that there are valid arguments on both sides of this issue. We also concluded that cost-recovery funds not used during a fiscal year by a regional association for a state hatchery could be held over for another year, to protect against shortfalls in future years. Any funds remaining at the end of a contract must be returned to the state or, if determined appropriate by ADF&G, turned over to a successor contractor. 1990 Inf. Op. Att'y Gen. at 4-5 (Sept. 14; 663-91-0106).

The statutory provision that controls cost recovery harvests at a state hatchery under contract is found at AS 16.10.480(d):

The department may issue to a contractor who operates a hatchery under this section a permit to harvest adult salmon during the term of the contract in a quantity sufficient to allow the contractor to recover all or part of the contractor's costs of operating the hatchery.

Because AS 16.10.480 does not address the question of whether state hatchery cost recovery funds are private or public funds, it is necessary to consult its legislative history and administrative interpretation. See Nat'l Bank of Alaska v. State, 642 P.2d 811, 814-19 (Alaska 1982):

Our review indicates that the use of cost recovery harvests to pay operating costs at the state hatcheries was patterned after the use of cost recovery harvests at the PNP hatcheries. For example, the bill analysis of the committee substitute for Senate Bill 410 and House Bill 454, dated February 22, 1988, prepared by ADF&G, states:

Further, the amendment provides certain assurances to the state, which must maintain jurisdiction over the facilities, to the general public, which bonded themselves for original capital costs to construct the facilities, and to the fishery user groups who depend on the hatchery-produced fish to supplement the natural stocks in off-years. These assurances arise from the proven

technical and managerial expertise of the RAAs, along with their financial capability and socially and legally acceptable practice of special harvests of hatchery returns to pay hatchery operational costs. This approach allows for continued hatchery production while reducing the impact on the general fund.

A Department of Law memorandum to ADF&G concerning the Cannery Creek hatchery contract also suggests that cost recovery funds are private funds. In that memorandum, we stated:

The funds provided by PWSAC do not fall under the definition of "state funds" merely because the expenditures will be made on a state-owned facility. Furthermore, the state will not be paying PWSAC state money to perform this contract. Instead, the consideration being provided is similar to a lease agreement. In consideration of a 20-year contract to operate and maintain the Cannery Creek Hatchery, PWSAC may harvest and sell eggs, conduct cost recovery harvests, and retain any other revenue generating procedures at the hatchery in keeping with the Annual Management Plan and statutes. This will allow PWSAC to recover all or part of its costs of operating the hatchery. The state will not be receiving any of the revenue from the hatchery during the term of the agreement. Instead, the contract provides that PWSAC must ensure that upon completion of the contract the hatchery is returned to ADF&G in a fully operational mode similar to when the contract was initially let.

1988 Inf. Op. Att'y Gen. at 1-2 (June 14; 663-93-0037) (re-dated for purposes of indexing, Jan. 1, 1992) (citations omitted).

Likewise, a memorandum from Don W. Collinsworth, Commissioner, ADF&G, to Grace Berg Schaible, Attorney General, dated August 5, 1988, states:

ADF&G and Department of Law staffs had discussions about whether or not state money would be involved in operations, maintenance, and capital improvements. They determined along with the Department of Transportation and Public Facilities, that the principal source of money would be cost recovery of salmon returning to the hatcheries and other release sites stocked with fish from hatchery sites. This money would belong to the hatchery

permittee and operators as is the case with other private nonprofit hatcheries permitted under AS 16.10.375, et seq.

Based upon our review of the legislative history and administrative interpretation of AS 16.10.480, we conclude that state hatchery cost recovery funds have the same status as private funds as PNP hatchery cost recovery funds. However, as discussed below, because section 480(d) only authorizes the use of state hatchery cost recovery funds to pay all or part of the operating costs of the hatchery under contract, we also conclude that any surplus cost recovery funds remaining at the completion or termination of a contract must be returned to ADF&G.

With respect to the state hatchery contracts only, cost recovery funds must be treated as follows:

a. Compliance with procurement law: No. The Procurement Code only applies to expenditures of "state money by the state." AS 36.30.850(b). "State money" is defined as "any money appropriated to an agency or spent by an agency irrespective of its source" AS 36.30.990(20). Cost recovery money is neither appropriated to nor spent by ADF&G, and therefore is not "state money." See 1988 Inf. Op. Att'y Gen. (June 14; 663-93-0037) (re-dated for purposes of indexing, Jan. 1, 1992).

b. Little Davis-Bacon applicability: To be determined by the Department of Labor.

c. Ownership of replacement equipment or buildings: State.

d. Ownership of buildings constructed with: State.

e. Ownership of expansion fixtures: Negotiable.

f. Ownership of removable expansion equipment: Regional association.

g. Residual money left at end of contract: State.

You also asked whether surplus cost recovery funds returned to ADF&G at the end of a contract could be allocated to a new contractor, or whether the funds must be deposited in the general fund. ADF&G's authority to expend funds derives from legislative appropriations. See Alaska Const. art. IX, § 12. Further, the Alaska Constitution prohibits the dedication of funds to a special purpose. Art. IX, § 7; see State v. Alex, 646 P.2d 203, 207-11 (Alaska 1982). Therefore, any surplus funds returned to ADF&G must be remitted to the Department of Revenue for deposit

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into the general fund. This money will then be available to the legislature for appropriation to ADF&G for the hatchery, if the legislature so chooses, in much the same manner as the DCED fisheries enhancement tax appropriations.

With respect to your questions regarding the purchase of equipment with cost recovery funds, it is not so much the character of the funds, but rather the regional association's contractual obligation to return the hatchery to the state in a fully operational condition, along with the underlying statutory requirement of AS 16.10.480(e) that a hatchery contract may not affect the state's ownership of the hatchery, that controls the ownership of equipment. As discussed above at page 7, replacement fixtures and equipment are owned by the state. The ownership of removable expansion fixtures is negotiable. Unless there is an agreement to the contrary, the regional associations are presumed to own removable expansion equipment.

Finally, a regional association may not spend funds derived from a cost recovery harvest at a state hatchery to support its other hatcheries or fisheries activities not directly related to the hatchery under contract. Under AS 16.10.480(d), cost recovery harvests at a state hatchery are limited to the quantity of salmon sufficient to allow the association to recover part or all of its costs of operating the hatchery.

*
?
AS 16.10.480 does not define "costs of operating the hatchery"; however, AS 16.10.450, which concerns the sale of salmon and salmon eggs by PNP hatchery operators, defines "reasonable operating costs" to include debt retirement, expansion of hatchery facilities, salmon rehabilitation projects, fisheries research, or the costs of operating the qualified regional association for the area in which the hatchery is located. We previously found that under section 450, ADF&G has the discretion to provide contractually for the manner in which a contractor operating a state hatchery under section 480 may spend cost recovery money, and thus can allow a regional association to use cost recovery funds for capital improvements at a state hatchery. See 1991 Inf. Op. Att'y Gen. (Mar. 14; 663-91-0280). To the extent our previous opinion may be interpreted more broadly, for the reasons stated below, it is overruled.

Section 480 specifically concerns cost recovery at the state hatcheries, and must take precedence over section 450, the general statute applicable to PNP hatcheries. See City of Cordova v. Medicaid Rate Comm'n, 789 P.2d 346, 352 (Alaska 1990). Section 480(c) specifically omits section 450 from the PNP statutory provisions made directly applicable to the state

hatcheries.⁷ While section 450 would permit a regional association to spend cost recovery money on "other fisheries activities of the qualified regional association" (a category of expenditures not included in the definition of "reasonable operating costs"), such expenditures are impermissible under section 480, which only authorizes recovery of all or part of the costs of operating the state hatchery under contract.

Nowhere in the legislative history of section 480, nor the 1988 amendment to section 450, did we find any indication that state hatchery cost recovery funds could be used for purposes other than the state hatchery under contract or expenses directly related to the state hatchery. To the contrary, the legislative history indicates that cost recovery under section 480 is limited to the costs of operating and expanding the hatchery under contract.

For example, with respect to the cost recovery language of AS 16.10.480, the Attorney General's bill review letter states:

The bill provides that a contractor may be issued a permit to harvest salmon in a quantity sufficient to recover all or part of its cost of operation of the hatchery during the term of the contract. . . . Under this provision, the department will have the latitude to allow only part of the cost of operation to be recovered through salmon harvest, or to allow operation costs during a year of low return to be recovered in other years if the term of the contract is for multiple years. Section 1 of the bill.

. . . .

The bill amends AS 16.10.450 to allow the department flexibility in providing contractually for the manner in which a contractor under AS 16.10.480 may spend money received as a result of the sale of salmon harvested by the contractor. This will allow the department to require, for example, that any money received in excess of actual operating costs be used solely for

⁷ AS 16.10.480(c) states:

A contract entered into under this section must provide that the hatchery will be operated under AS 16.10.400 - 16.10.445 and 16.10.460 - 16.10.470 and the regulations adopted under those sections.

enhancement of the state hatchery facility.
Section 6 of the bill.

Letter from Grace Berg Schaible, Attorney General, to Steve Cowper, Governor, at 2 (Mar. 29, 1988) (emphasis added).

ADF&G arrived at the same conclusion with respect to the Kitoi hatchery:

Review of the amendment language clarifies that the first intent of the amendment was to harvest in the Kitoi Hatchery Special Harvest Area, the pink salmon made inaccessible to the fishermen because of the [Exxon Valdez Oil Spill] and, secondarily, to be certain any revenue from that harvest would not be used for any other purpose except for the original intent of the contract; that is, supporting operational costs of the hatchery. Having been involved in the negotiation of the amendment, I can reach no other interpretation of the intent. Any diversion of these funds for fisheries enhancement purposes at other locations or for administrative costs not directly connected with Kitoi Hatchery operations would constitute violation of the contract.

Letter from Norman A. Cohen, Deputy Commissioner of ADF&G, to Oliver Holm, president of KRAA at 2 (Apr. 27, 1990). The memorandum from Jeffery P. Koenings, Director, FRED Division, ADF&G, dated August 19, 1992), Attachment IV, further explains that the initial contracts did not envision the regional associations using cost recovery money to support activities unrelated to the hatchery under contract.

Based on the above, we conclude that under AS 16.10.480, cost recovery money derived from harvesting salmon at the state hatchery may not be spent on other hatcheries operated by the regional associations nor on other fisheries activities not directly related to the state hatcheries. Cost recovery money derived from harvesting salmon at a state hatchery may be spent only on the state hatchery under contract and on any operationally-related facilities and activities.

Listed below are several examples of operationally-related facilities and activities for which cost recovery funds may be spent. First, cost recovery funds may be used to fully reimburse a regional association for the money it spends out of its own coffers in operating the state hatchery during those years when cost recovery is insufficient to fund hatchery operations.

Accounting procedures, mutually agreed upon by ADF&G and the regional association, must be in place to verify the expenditures.

Second, the regional associations may use cost recovery funds to meet their direct and indirect costs of operating the hatcheries. For example, the Beaver Falls, Kitoi, Pillar Creek, Trail Lakes, and Tutka contracts specifically allow cost recovery funds to be used for indirect costs or administrative overhead. The Beaver Falls contract recognizes that cost recovery funds may be used to pay for the legal and professional services necessary for hatchery management.

Third, cost recovery funds may be used to pay expenses incurred in outstocking from the state hatchery. These activities include planning, constructing, and operating supportive infrastructure such as weirs and cabins; planning stocking programs; site surveys; lake fertilization; transporting fish and stock to stocking sites; and evaluating returns of fish outstocked from a contracted hatchery operated as a central incubation facility. In short, cost recovery funds generated by a state hatchery under contract can be used to finance structures and activities directly related to that hatchery.

III. DESIGNATED GRANTS

Designated grants are governed by AS 37.05.316. ADF&G disburses grants to the regional associations for various purposes, including planning, construction, and lake studies. In a previous memorandum, we found that the State Procurement Code, AS 36.30, does not apply to ADF&G's allocation to PNP hatchery operators of federal funds granted to Alaska in connection with the U.S. - Canada Pacific Salmon Treaty. 1988 Inf. Op. Att'y Gen. (Apr. 13; 663-88-0413).

Unless otherwise specified in the grant agreement, for the state hatchery contracts only, designated grants are treated as follows:

a. Compliance with procurement law: No. The State Procurement Code does not apply to grants. AS 36.30.850(b)(1).

b. Little Davis-Bacon applicability: To be determined by the Department of Labor.

c. Ownership of replacement equipment or buildings: State.

d. Ownership of buildings constructed with: State.

e. Ownership of expansion fixtures: Negotiable.

f. Ownership of removable expansion equipment: Regional association.

IV. CAPITAL IMPROVEMENTS PROJECT MONEY

"Capital projects" and "capital improvements" are defined in the Executive Budget Act as "an allocation or appropriation item for an asset with an anticipated life exceeding one year and a cost exceeding \$25,000 and include land acquisition, construction, structural improvement, engineering and design for the project and equipment and repair costs." AS 37.07.120.

In 1991, the legislature appropriated \$5 million from the general fund to ADF&G for capital improvements projects. Sec. 163, ch. 96, SLA 1991. The FRED Division allocated \$3 million to Main Bay Hatchery, operated by PWSAC, and \$2 million to Tutka Hatchery, operated by CIAA. You asked if ADF&G can transfer the full amount to the regional associations at the initiation of the contract amendments.

Generally, it is not appropriate to prepay or otherwise disburse public money to a contractor in advance of performance of a public contract. Our office has repeatedly advised state agencies that unless there is evidence of legislative intent that appropriations are to be used for investment purposes, such as the case with "seed money," money appropriated for a specific purpose may not be diverted for use as investment capital or to capitalize an investment program. 1988 Inf. Op. Att'y Gen. at 2 (Mar. 22; 661-88-0396). For example, in a previous opinion on the appropriation of salmon enhancement tax proceeds to a regional association, we stated, "To be constitutional, the appropriation must directly impact the designated or recognized public purpose (salmon enhancement), such as providing financing of current construction, operations, or maintenance." 1987 Inf. Op. Att'y Gen. at 2 (Mar. 19; 663-87-0372) (emphasis added).

Section 35.100 of the Alaska Administrative Manual (1990), however, provides an exception to the general rule against prepayment when prepayment is in the state's best interest. Prepayment requires the approval of the Department of Administration and the Department of Revenue. ADF&G has obtained approval to prepay the Main Bay and Tutka CIP contract amendments in order to provide the regional associations the maximum benefit from the limited funding available through legislative appropriation.

To assure that the capital improvement project funds are applied to the purpose which the legislature intended, the hatchery contracts or contract amendments for capital improvements should require the regional associations to promptly undertake and

Should
be
designated
as
non-profit

complete all construction and renovation. 1992 Inf. Op. Att'y Gen. (Apr. 24; 663-92-0501). The contracts should also require progress reports and an accounting and audit on a regular basis. Further, the requirements of any other agreements or permits relating to capital improvements at the hatcheries must be met.

In the state hatchery contracts, CIP funds must be treated as follows:

a. Compliance with procurement law: Yes. The State Procurement Code must be adhered to for any capital project that involves state general operating or capital improvement funds. 1988 Inf. Op. Att'y Gen. at 1 (June 14; 663-93-0037) (re-dated for purposes of indexing, Jan. 1, 1992).

b. Little Davis-Bacon applicability: Yes. The Little Davis-Bacon Act applies to "public construction in the state, as defined by AS 36.95.010." AS 36.05.010. "Public construction" is defined as "the on-site field surveying, erection, rehabilitation, alteration, extension or repair, including painting or redecorating of buildings, highways or other improvements to real property under contract for the state. . . ." AS 36.95.010(3). Capital improvements to the hatcheries are "public construction"; thus, the Little Davis-Bacon Act applies. *

c. Ownership of replacement equipment or buildings: State.

d. Ownership of buildings constructed: State.

e. Ownership of expansion fixtures: State.

f. Ownership of residual funds: State. The unexpended balance of a capital appropriation is valid for the life of the project. Upon completion of the project, the unexpended balance will lapse. See Alaska Const. art. IX, § 13; AS 37.25.020.

V. OIL SPILL COST RECOVERY MONEY

During the 1989 Exxon Valdez oil spill, commercial salmon fisheries in the Kodiak and Prince William Sound areas were closed due to concern for contamination of the fish and fishing gear. However, because oil containment booms were present at the Kitoi and Main Bay hatcheries, KRAA and PWSAC were allowed to conduct a terminal harvest in excess of hatchery broodstock needs inside the booms. KRAA obtained \$10 million from this harvest; PWSAC, \$500,000. Under contract amendments between ADF&G and the regional associations, the associations were to deposit these funds in interest-bearing accounts. These funds are to be spent, with

approval from both ADF&G and the associations, on operating and expanding the Kitoi and Main Bay hatcheries.

You asked whether these funds should be treated the same as other cost recovery money. We examined this matter closely, revisiting the initial advice given ADF&G during the oil spill crisis. The only difference between the oil spill cost recovery harvest and a typical cost recovery harvest at a state hatchery appears to be the magnitude of the recovery and the state's contribution to the harvest in setting up and maintaining the oil containment booms. First, the magnitude of the harvest should not in itself result in different treatment of these funds. As discussed above, the intent of AS 16.10.480 was to allow a carry-over of funds from one year to another to safeguard against years of low return. Given the uncertainty of future cost recovery harvests due to the oil spill, it was consistent with the intent of section 480 to allow the harvest of salmon in excess of broodstock needs and to save the proceeds to guard against lean years. Second, the state's contribution to the oil spill cost recovery harvest does not appear to differ significantly from other cooperative efforts between the state and the regional associations at the state hatcheries. We conclude therefore that the funds from the oil spill cost recovery harvest should be treated in the same manner as state hatchery cost recovery funds.

ADF&G need not take any further steps to implement this decision. However, to assure that these funds are properly used, ADF&G should require on a regular basis an accounting and audit of KRAA's and PWSAC's financial records for the Kitoi and Main Bay hatcheries.

You also asked whether the oil spill cost recovery funds are still being considered by the oil spill defendants as partial mitigation of the damages claimed by the fishermen in the Kodiak and Prince William Sound areas. We understand that the fishermen's claims are still pending. Because the oil spill cost recovery funds are to be treated in the same manner as state hatchery cost recovery funds, and because KRAA and PWSAC must use the funds pursuant to AS 16.10.480(d) for their costs of operating the Kitoi and Main Bay hatcheries, the status of the fishermen's claims should not affect how the oil spill cost recovery funds are treated in the hatchery contracts.

CONCLUSIONS AND RECOMMENDATIONS

The state hatchery contracts present complex and difficult legal and policy issues. ADF&G is appropriately concerned with the consistent treatment of legal requirements in the hatchery contracts and with complying with all applicable laws. Considering the issues that have arisen with the development of new

contracts, it appears that statutory amendments to AS 16.10 could benefit the hatchery program.

1. You indicated that the regional associations wish to use the cost recovery funds generated at state hatcheries at other PNP hatcheries or for their other fisheries activities not directly related to the state hatchery under contract. Statutory amendments will be required to enable the regional associations to use state hatchery cost recovery funds on their other activities. There are several options you may wish to consider, including:

a. an amendment to AS 16.10.480(c) to include AS 16.10.450 among the statutes that are directly applicable to the state hatcheries; and

b. an amendment to AS 16.10.480(d) to allow the contractor to recover not only the contractor's cost of operating the state hatchery, but also the costs of the contractor's fisheries activities; or, alternatively,

c. an amendment to AS 16.10.480 that spells out the categories of costs which may be recovered.

2. Another question that has come up is whether a regional association may conduct cost recovery harvests at a state hatchery following the termination or completion of a contract. An amendment to AS 16.10.480 to expressly allow a contractor to conduct cost recovery harvests following the termination or completion of a hatchery contract for purposes of recouping its costs of operating the state hatchery would provide greater certainty for the regional associations.

3. You may also wish to consider an amendment to AS 16.10.480 to address the disposition of surplus cost recovery funds upon the termination of a contract. While we believe our analysis to be sound, legislative direction on this matter would be appropriate.

If we can be of further assistance regarding this matter, please do not hesitate to contact us.

cc: / Jeffery P. Koenings, FRED Div., ADF&G
Larry Jones, Div. of Administration, ADF&G
Dave Massey, Div. of Investments, DCED

ATTACHMENT I

List of Contracts and Contract Amendments Reviewed

Beaver Falls Hatchery -- SSRAA
IHP-93-001
Cooperative Agreement (Coop 91-009) -- August 28,
1990
Amended -- July 24, 1991
Agreement -- July 2, 1992

Big Lake Hatchery -- CIAA
IHP-91-010
Cooperative Agreement -- October 23, 1990
Letter of Agreement -- October 23, 1990

Cannery Creek Hatchery -- PWSAC
IHP-88-196
Agreement -- June 14, 1988
Amended -- April 11, 1989
Amended -- September 12, 1991

Crooked Creek Hatchery -- CIAA
IHP-91-009
Cooperative Agreement -- October 23, 1990
Letter of Agreement -- October 23, 1990
Amended -- November 27, 1991

Gulkana Hatchery -- PWSAC
Coop-91-007
Cooperative Agreement -- July 1, 1990
Amended -- August 14, 1991

Hidden Falls Hatchery -- NSRAA
IHP-88-229
Agreement -- June 24, 1988
Amended -- October 14, 1988
Amended -- January 8, 1990
Amended -- July 17, 1991
Amended -- June 25, 1992

Kitoi Hatchery -- KRAA
IHP-88-239
Agreement -- July 11, 1988
Amended -- August 9, 1989
Amended -- September 11, 1990
Amended -- September 6, 1991

Main Bay Hatchery -- PWSAC
IHP-92-001
Oil Spill Cost Recovery Agreement (IHP-89-090) --
July 17, 1989
Agreement -- September 5, 1991

Amended -- September 5, 1991
Amended -- November 7, 1991

Pillar Creek Hatchery -- KRAA
IHP-92-006
Cooperative Agreement -- December 10, 1991

Trail Lakes Hatchery -- CIAA
IHP-88-228
Agreement -- July 11, 1988
Amended -- September 14, 1988
Amended -- July 11, 1990

Tutka Hatchery -- CIAA
IHP-92-002
Agreement -- August 22, 1991
Amended -- April 3, 1992
Amended -- April 23, 1992

ATTACHMENT II

List of Memoranda of Advice Reviewed

1992 Inf. Op. Att'y Gen. (Apr. 24; 663-92-0501) (CIP amendment to Tutka hatchery).

Letter from Douglas L. Blankenship, Deputy Attorney General, to Jaki Sanders, ADF&G (June 14, 1992) (PWSAC contract provisions on termination and ownership of documents).

1990 Inf. Op. Att'y Gen. (Sept. 11; 663-91-0106), superseded, Letter from Elizabeth J. Kerttula, Assistant Attorney General, to Norman A. Cohen, Deputy Commissioner, ADF&G (Sept. 28, 1990; 663-91-0106), revised, 1991 Inf. Op. Att'y Gen. (Mar. 14; 663-91-0280) (Main Bay hatchery contract; cost recovery funds), overruled in part, 1992 Inf. Op. Att'y Gen. (Aug. 26; 663-92-0327).

1990 Inf. Op. Att'y Gen. (Aug. 1; 663-90-0327) (ADF&G authority to manage fisheries for hatchery broodstock and cost recovery).

1988 Inf. Op. Att'y Gen. (June 14; 663-93-0037) (re-dated for purposes of indexing, Jan. 1, 1992) (Cannery Creek hatchery contract; application of State Procurement Code).

1988 Inf. Op. Att'y Gen. (June 8; 663-88-0501) (Baranoff Warm Springs Hatchery development options).

1988 Inf. Op. Att'y Gen. (Apr. 13; 663-88-0413) (Application of AS 36.30 to allocation of federal funds related to U.S. - Canada Pacific Salmon Treaty).

1987 Inf. Op. Att'y Gen. (Mar. 19; 663-87-0372) (Appropriation of salmon enhancement tax proceeds to aquaculture association).

1984 Inf. Op. Att'y Gen. (June 11; 366-180-84) (Vertical integration of nonprofit fish hatchery).

1982 Inf. Op. Att'y Gen. (Sept. 9; 366-086-83) (Authority to transfer hatcheries).

1982 Inf. Op. Att'y Gen. (Mar. 30; 366-197-82) (Transfer of operation of state hatcheries).



COOK INLET AQUACULTURE ASSOCIATION

HC 2, BOX 849
SOLDOTNA, AK 99669-9707
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March 11, 1992

House Special Committee on Fisher
State Capitol
Juneau, Alaska 99801

Post-It™ brand fax transmittal memo 7671		# of pages	1
To	Ray Gillespie	From	T. Mears
Co.	Original to be sent	Copy	Directly to committee
Dept.		Phone #	
Fax #	463-5582	Fax #	283-9433

Dear Special Committee Member:

CIAA urges approval of HB 191 because we need to be able to utilize cost recovery revenues generated at the State owned facilities we operate in exactly the same fashion as cost recovery revenues generated at facilities we own and operate. We need to be able to spend fish sale revenues generated at State owned facilities to:

- 1) make improvements to the State owned facilities. In many instances the complete design was never constructed, vital parts were left out. In other instances, poor construction or poor maintenance has resulted in the need for major improvements. In still other instances new regulations (fuel handling and storage for example) require expensive improvements.
- 2) pay reasonable costs of operating the regional associations. It is not fair that any association overhead must be charged off against those facilities owned by associations. All facilities require administrative services which we call overhead; all facilities should pay a fair share.
- 3) take advantage of the flexibility and security offered by securing operating revenue through a "corporate cost recovery goal". We can use monies generated from facilities owned by associations to operate, maintain or improve State owned hatcheries. We should be able to use monies generated at a State owned facility to operate, maintain or improve another State owned facility or an association owned facility. It is not likely that every facility will generate exactly its individual cost recovery goal every year. Shortages at one facility must be made up by surpluses from other facilities; regardless of who actually owns a particular facility.

I would be happy to answer any questions.

Sincerely,

Thomas E. Mears

Thomas E. Mears,
Executive Director

Southern Southeast Regional Aquaculture Association, Inc.

2721 Tongass Avenue
Ketchikan, Alaska 99901
Phone: (907) 225-9605
Fax: (907) 225-1348



House Special Committee Fisheries
RE: HB 191 "An act relating to cost recovery by contractors who operate state-owned hatcheries"

The Southern Southeast Regional Aquaculture Association (SSRAA) recommends the approval of this act. SSRAA signed an agreement with the Department of Fish and Game on July 1, 1992 to operate the State Sockeye Salmon Hatchery at Beaver Falls for a twenty year period. A cost recovery program is being developed that will pay for the operations of this facility. However, our experience in operating salmon hatcheries over the past fifteen years has shown that return rates and prices are highly volatile, and there will be times when a single species will not cover the operating costs.

One of the strengths of SSRAA's program is the diversification of our species being reared and the multiple sites where these fish are released. SSRAA releases all salmon species, except for pink salmon, and release them at multiple sites. When the return of one species is low or the price is depressed, we can frequently make cost recovery goals on another species for which the return or price is higher and/or harvest at another site.

SSRAA also operates all of our programs from a pool of money derived from the salmon enhancement tax and cost recovery. This pool is budgeted among all projects. It is not practical in our case to make each project pay for itself. This is more efficient and less costly than running each as an independent entity.

The current limitation on SSRAA to operate the State Beaver Falls Hatchery is not consistent with our operations. There will be occasions when the sockeye returns will not provide sufficient funds to operate the hatchery and SSRAA will have to subsidize the state hatchery from our other cost recovery efforts. It is only fair that SSRAA should also be able to use funds from the Beaver Falls cost recovery to meet our other program needs.

If HB 191 is enacted, it will help stabilize our source of revenue and add to our diversification strength. It will help assure that our other salmon enhancement programs will not be jeopardized and it will help assure that SSRAA will be able to meet our debt service to the State Fisheries Enhancement Revolving Loan Fund (FERLF). The recent legislative audit report (08-4445-93) recommends approval of this bill and advises that the bill would also help secure the future of the FERLF for other operators who still need to borrow from the fund.

Sincerely,

Donald F. Amend
General Manager

March 9, 1993



Carl Moses, Chairman
House Special Committee on Fisheries
State Capitol Building
Juneau, Alaska 99801

Dear Mr. Chairman;

It is my understanding that House Bill 191, an act relating to cost recovery by contractors who operate state owned hatcheries, is scheduled to come before your committee.

This bill is very meaningful to my organization. We fund a state hatchery, located near Paxson on the Gulkana River. The state has asked us to accept full responsibility in FY-94 for the operation of that facility. There is no opportunity for cost recovery at the Gulkana Hatchery because the fish arrive there in spawning condition. Therefore, we must fund that facility with revenue earned at other hatcheries such as the Main Bay sockeye salmon hatchery in Prince William Sound.

The Main Bay Hatchery is owned by the state, but operated by the Prince William Sound Aquaculture Corporation. Current regulations prevent us from using Main Bay cost recovery revenue to fund another hatchery.

HB 191 will enable us to fund the Gulkana hatchery with Main Bay hatchery revenue, which is acceptable to gill net fishermen, since both hatcheries principally supply the gill net fishery plus the subsistence and dip net fisheries on the Copper River.

Thanks very much.

John McMullen
President

copy: Ray Gillespie

Alaska State Legislature



During Session:
State Capitol
Juneau, AK 99801-1182
(907) 465-3424
Fax (907) 465-3793

In Ketchikan:
352 Front Street
Ketchikan, AK 99901
(907) 247-4672
Fax (907) 225-8546

Committees:
House Resources,
Chairman
Community &
Regional Affairs
Labor & Commerce

Representative William K. Williams

M E M O R A N D U M

TO: Rep. Carl Moses, Chair
House Special Committee on Fisheries

FROM: Rep. Bill Williams *W.K.W.*

DATE: March 5, 1993

RE: Request for scheduling of HB 191 for Fisheries hearing

I would like to request a hearing of HB 191 before the House Special Committee on Fisheries. I am the prime sponsor of this measure, and co-sponsors include Representatives Olberg, Grussendorf, G. Davis, and Navarre.

HB 191 pertains to how a contractor (usually a regional aquaculture association) may spend the cost recovery monies generated from a state-owned hatchery which the contractor operates under contract with the state. This bill is strongly supported by aquaculture associations and the Department of Fish and Game. The increased flexibility proposed by the bill will help to make the take-over of operation of state facilities by contractors more feasible and thus help to accomplish the goal of weaning hatchery operations off of state funding.

As this bill has three House committees of referral and yours is the first, I would very much appreciate your consideration of scheduling it for a hearing soon. I have requested a fiscal note and position paper from ADF&G which I will deliver to your office as soon as available. Additional back-up information is attached to this request.

If further information is needed, please contact my office at 465-3715. Thank you.

DEPARTMENT OF FISH AND GAME

POSITION PAPER

Bill No.: HB 191

Sponsor: Williams

Division: FRED

Bill Title: An act relating to cost recovery by contractors of state-owned hatcheries.


Background/Legislative Intent:

Passage of this bill would allow funds from cost recovery at a contracted state hatchery to be used for the same purposes that funds from cost recovery at ordinary PNP hatcheries may be used. Under current AS 16.10.480(d), contractors can only use funds generated from cost recovery at a contracted hatchery for operating that hatchery. If insufficient operating funds are generated at a contracted hatchery, the contractor may use funds from one of its own hatcheries to support the state-owned hatchery, but could not use funds from another contracted facility to support the first.

Analysis of Bill/Program Effects:

The current law unnecessarily restricts the flexibility of contractors to operate state-owned hatcheries and may result in the closure of productive state facilities that do not have immediate cost-recovery potential sufficient to support their operating costs. Under AS 16.10.450, PNP hatchery operators are able to utilize funds generated from harvests of salmon returning to their facilities for reasonable operating costs, including debt retirement, expansion of facilities, fisheries research or other salmon rehabilitation projects, or operating costs and fisheries-related activities of the regional aquaculture association. This bill would allow contractors of state-owned hatcheries to operate contracted hatcheries with the same flexibility they already have with their own hatcheries. It may also reduce the need for loans or additional state funding for some contracted hatcheries where cost recovery is not possible.

Signature:


Carl L. Rosier, Commissioner

3/14/93
Date



MAR 16 1993

UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 112
Juneau, Alaska 99801
907/586-2820
Fax: 907/463-2545

March 16, 1993

The Honorable Carl Moses, Chair
and Committee Members
House Special Committee on Fisheries
The Capitol Building
Juneau, Alaska 99802-1182

RE: HB 191 - An Act relating to cost recovery by
contractors who operate state-owned hatcheries

Dear Chairman Moses and Committee Members:

The State of Alaska has more or less completed the process of transferring the operations of state-owned salmon hatcheries to regional aquaculture associations. Standard lease agreements with the State allow the regional associations to harvest a portion of the returning hatchery salmon to pay for the cost of producing those salmon. However, under current laws, the revenues received in the cost recovery harvest may only be used to pay for costs at the state-owned facility, and only for operating costs.

This bill, which is unanimously supported by the United Fishermen of Alaska, would allow the regional associations to use cost recovery revenues earned at state-owned hatcheries to pay for all costs that may be associated with producing salmon at those hatcheries. These include administrative, maintenance, and capital costs; program evaluation costs, such as tagging; and, debt retirement of any loans associated with the state-owned facilities.

The bill would also allow the regional associations to use those revenues to pay for costs associated with any other projects or facilities operated by the regional association. This allows an association to pool all cost recovery and enhancement tax revenues for the most efficient and effective use in its program.

The State has transferred the operation of commercially important hatcheries to the regional associations under the presumption that resource users should pay for the programs which benefit them. In order to make these transfers financially feasible, the regional associations have, in many cases, made capital improvements to these facilities.

MEMBER ORGANIZATIONS

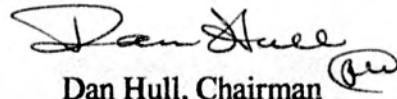
Alaska Crab Coalition • Alaska Longline Fisherman's Association • Alaska Trollers Association • Area K Seiners Association
Bering Sea Fishermen's Association • Bristol Bay Driftnetters Association • Concerned Area "M" Fishermen
Cook Inlet Aquaculture Association • Cordova District Fishermen United • Kenai Peninsula Fishermen's Association
North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Peninsula Marketing Association
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Seafood Producers Cooperative
Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Cook Inlet Drift Association • Western Alaska Cooperative Marketing Association

The Honorable Carl Moses, Chair
and Committee Members
House Special Committee on Fisheries
March 16, 1993
Page Two

Now that the regional associations have the responsibility to operate these hatcheries, it is important that the State of Alaska also give them the opportunity to make them succeed, and not hobble them with unreasonable constraints. This bill will help to make the transfer program a success by removing one such constraint.

Thank you.

Sincerely,



Dan Hull, Chairman
Aquaculture Committee
United Fishermen of Alaska



Jerry McCune, President
United Fishermen of Alaska

cc: UFA Board of Directors

FD:Legislation:HB191:HSComOnFish/3-19

SCOMM

87:13

8-LS0817E
Utermohle
3/19/93

CS FOR HOUSE BILL NO. 218(FSH)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

Offered:
Referred:

Sponsor(s): **REPRESENTATIVE MOSES**

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the maximum length of salmon seine vessels; and providing
2 for an effective date."

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

4 * Section 1. AS 16.05.835 is repealed and reenacted to read:

5 Sec. 16.05.835. **MAXIMUM LENGTH OF SALMON SEINE VESSELS.** The
6 Board of Fisheries may adopt regulations for each salmon seine fishery specifying the
7 maximum length of a vessel that may be used in the fishery.

8 * Sec. 2. This Act takes effect January 1, 1994.

8-LS0817J
Utermohle
3/25/93

CS FOR HOUSE BILL NO. 218()
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE MOSES

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the maximum length of salmon seine vessels; and providing
2 for an effective date."

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

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

5 Sec. 16.05.835. MAXIMUM LENGTH OF SALMON SEINE VESSELS.

6 Except as otherwise provided by the Board of Fisheries by regulation, a [A]
7 salmon seine vessel may not be longer than 58 feet overall length except vessels that
8 have fished for salmon with seines in waters of the state before January 1, 1962, as
9 50-foot, official Coast Guard register length vessels. In this section, "overall length"
10 means the straight line length between the extremities of the vessel excluding anchor
11 rollers.

12 * Sec. 2. AS 16.05.835 is repealed and reenacted to read:

13 Sec. 16.05.835. MAXIMUM LENGTH OF SALMON SEINE VESSELS. The
14 Board of Fisheries may adopt regulations for each salmon seine fishery specifying the

- 1 maximum length of a vessel that may be used in the fishery.
- 2 * **Sec. 3.** Section 1 of this Act takes effect January 1, 1994.
- 3 * **Sec. 4.** Section 2 of this Act takes effect January 1, 1997.

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. HB 218

Revision Date: _____

Department Affected: Fish and Game

Title: Repeal Salmon Seine Vessel

BRU: Commercial Fisheries

Length _____

Component: Commercial Fisheries

Sponsor: Representative Moses

Requestor: (H) FSH

COMPONENT SERIAL NO. 459

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	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

Estimate of current year (FY93) impact: \$ 0

ANALYSIS: (Attach a separate page if necessary.)

The passage of this legislation should not have any fiscal impact on the Division of Commercial Fisheries.

Prepared By: Bob Clasby

Phone: 465-4210

Division: Commercial Fisheries

Date: 3/12/93

Approved by Commissioner: [Signature]

Agency: Department of Fish and Game

Date: 3/16/93

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

DEPARTMENT OF FISH AND GAME
POSITION PAPER

Bill No: CSHB 218
Sponsor: Representative Moses
Division: Division of Commercial Fisheries
Bill Title: "An Act relating to the maximum length of salmon seine vessels; and providing for an effective date."
Department Position: Neutral

The Alaska limit on the length of purse seine vessels has been around for a long time. Prior to 1970, the limit was in regulation. In 1970, it was put into Alaska statute. The purpose of the limit was to exclude larger vessels from Puget Sound from participation in salmon fisheries in Alaska. The state of Washington has no limit on the length of salmon seine vessels.

At the time the limit was enacted, larger vessels were being constructed for use in the salmon fisheries in Washington State. Alaskan's were concerned about these vessels providing a competitive advantage to nonresidents participating in Alaska's fisheries.

The Division of Commercial Fisheries doesn't believe that the removal of the 58 foot would result in any negative impacts on the management of the salmon fisheries.

The department has one amendment to propose. The present draft of HB 218 would repeal the limit unless the Board of Fisheries choose to adopt the limit. The Board of Fisheries is on a three year cycle for taking up the various fishing regions of the state. It would be advisable to amend the legislation so that the 58 foot limit would remain in effect in an area until the Board has an opportunity to address whether or not to eliminate the limit in that area. The reason for this is that fishermen in some areas may support keeping the limit, while in other areas fishermen may want to have it repealed.

Dep.
Commissioner's Signature



Date: 3/25/13

Alaska State Legislature

Representative Carl E. Moses



CHAIRMAN
HOUSE RULES COMMITTEE

CHAIRMAN
HOUSE SPECIAL FISHERIES COMMITTEE

MEMBER
FINANCE SUBCOMMITTEES
FISH AND GAME
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FAX: (907) 581-2875

SPONSOR STATEMENT

HOUSE BILL 218 (Fish Committee Substitute) 58 FOOT SALMON SEINE LIMIT

In 1970 the Alaska Legislature passed a law banning the use of seine vessels larger than 58 feet from fishing for salmon in state waters. Twenty years ago, the Puget Sound salmon fisheries were alive and strong, and with their larger boats, Washington state fishermen had their eyes on the rich salmon resources of Alaska. In order to keep these larger boats from competing with the smaller boat fisheries of local Alaska residents, the Legislature actually put into statute a prohibition against the use of larger vessels in these fisheries.

During the past 10 years, there have been several efforts to repeal this provision. Opponents of repealing it argue that it would merely raise the level of capital investment needed to participate in the fishery, forcing many Alaska fishermen out of the fishery.

I believe, however, that repealing this restriction would allow for better diversification of Alaska's fishing fleets. A fisherman could use the same boat for salmon, groundfish and crab, rather than needing two separate vessels at much greater expense. This restriction has essentially resulted in giving much of our crab and groundfish fisheries to the nonresident fishermen. However, these fisheries are constantly in flux, especially with IFQs on the way, and it is not too late to help Alaskans participate in them.

In some regions of the state there may be legitimate reasons for keeping the 58 foot limit. For that reason, the Fisheries Committee adopted CSHB 218 (FSH) which would make clear that length restrictions for salmon seine vessels should be determined by the Board of Fisheries on a regional basis. It would also give the Board a three year period to address this issue as they take up each region's salmon fisheries.

Alaska State Legislature

Representative Carl E. Moses



CHAIRMAN
HOUSE RULES COMMITTEE

CHAIRMAN
HOUSE SPECIAL FISHERIES COMMITTEE

MEMBER
FINANCE SUBCOMMITTEES
FISH AND GAME
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PHONE: (907) 581-1234
FAX: (907) 581-2875

SPONSOR STATEMENT

HOUSE BILL 218 REPEALING 58 FOOT SALMON SEINE LIMIT

In 1970 the Alaska Legislature passed a law banning the use of seine vessels larger than 58 feet from fishing for salmon in state waters. Twenty years ago, the Puget Sound salmon fisheries were alive and strong, and with their larger boats, Washington state fishermen had their eyes on the rich salmon resources of Alaska. In order to keep these larger boats from competing with the smaller boat fisheries of local Alaska residents, the Legislature actually put into statute a prohibition against the use of larger vessels in these fisheries.

During the past 10 years, there have been several efforts to repeal this provision. Opponents of repealing it argue that it would merely raise the level of capital investment needed to participate in the fishery, forcing many Alaska fishermen out of the fishery.

I believe, however, that repealing this restriction would allow for better diversification of Alaska's fishing fleets. A fisherman could use the same boat for salmon, groundfish and crab, rather than needing two separate vessels at much greater expense. This restriction has essentially resulted in giving much of our crab and groundfish fisheries to the nonresident fishermen. These fisheries are constantly in flux, especially with IFQs on the way, and I don't believe it is too late to help Alaskans participate in them.

I also believe that in some regions of the state there may be legitimate reasons for keeping the 58 foot limit. For that reason, I have proposed a Committee Substitute to HB 218 which would make clear that length restrictions for salmon seine vessels should be determined by the Board of Fisheries on a regional basis.

SALMON BUSTERS

Guided Fishing

MAR 22 1993

3222 Tide Avenue South
Ketchikan, Alaska 99901

Owner - Dan McQueen

Telephone - 907-225-2731

House Special Committee on Fisheries,
Rep. Moses Chair.

19 Mar 93

State Capitol
Juneau Alaska

Rep. Moses, Committee Members,

I would like to express my feelings on H.B. 218. The present size on salmon seine vessels is just right. There is no reason to increase the size of a seiner. Current catch rates now are more than the processors can handle. Resulting in wastage of our resource. Therefore I would like to ask that you reject H.B. 218.

Thank you & Good fishin to ya!

Dan McQueen

ment for not more than six months, or by both. In addition, a person who violates this section is subject to a civil action by the state for the cost of replacing the salmon wasted. (§ 3 ch 99 SLA 1975; am § 18 ch 132 SLA 1984)

Revisor's notes. — This section was enacted in section 3 of both ch. 89 and ch. 99, SLA 1975. Chapter 99 had an immediate effective date (May 30, 1975), so the section was already in effect when ch. 89, enacting identical language, took effect on August 20, 1975.

Collateral references. — 35 Am. Jur. 2d, Fish and Game, § 51.

Sec. 16.05.835. Maximum length of salmon seine vessels. A salmon seine vessel may not be longer than 58 feet overall length except vessels that have fished for salmon with seines in waters of the state before January 1, 1962, as 50-foot, official Coast Guard register length vessels. In this section, "overall length" means the straight line length between the extremities of the vessel excluding anchor rollers. (§ 1 ch 252 SLA 1970; am § 1 ch 24 SLA 1990)

Effect of amendments. — The 1990 amendment deleted "50 feet, official coast guard registered length, and" after "longer than" in the first sentence and added the second sentence.

Sec. 16.05.840. Fishway required. If the commissioner considers it necessary, every dam or other obstruction built by any person across a stream frequented by salmon or other fish shall be provided by that person with a durable and efficient fishway and a device for efficient passage for downstream migrants. The fishway or device or both shall be maintained in a practical and effective manner in the place, form, and capacity the commissioner approves, for which plans and specifications shall be approved by the department upon application to it. The fishway or device shall be kept open, unobstructed, and supplied with a sufficient quantity of water to admit freely the passage of fish through it. (§ 30 art I ch 94 SLA 1959)

Cross references. — See also AS 16.10.010 — 16.10.050.

NOTES TO DECISIONS

Stated in Southeast Alaska Conservation Council, Inc. v. State, 665 P.2d 544 (Alaska 1983).

Sec. 16.05.850. Hatchery required. If a fishway over a dam or obstruction is considered impracticable by the commissioner because of cost, the owner of the dam or obstruction, in order to compensate for the loss resulting from the dam or obstruction shall, at the owner's option

Alaska State Legislature

Representative Carl E. Moses



CHAIRMAN
HOUSE RULES COMMITTEE

CHAIRMAN
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MEMBER
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MEMORANDUM

TO: Representative Mike Miller, Chair
Senate Resources Committee

FROM: Representative Carl Moses, Chair *CEM*
House Rules Committee

DATE: April 13, 1993

RE: Request for scheduling

I respectfully request that you schedule for a hearing as soon as possible in your committee CSHB 218 (FSH). This bill has had extensive hearings, and is now supported by most commercial fishing groups.

In 1970 the Alaska Legislature passed a law banning the use of seine vessels larger than 58 feet from fishing for salmon in state waters in order to keep larger boats from Washington state from competing with the smaller boat fisheries of local Alaska residents. I believe that repealing this restriction would allow for better diversification of Alaska's fishing fleets. A fisherman could use the same boat for salmon, groundfish and crab, rather than needing two separate vessels at much greater expense.

In some regions of the state there may be legitimate reasons for keeping the 58 foot limit. For that reason, the Fisheries Committee adopted CSHB 218 (FSH) which would make clear that length restrictions for salmon seine vessels should be determined by the Board of Fisheries on a regional basis. It would also give the Board a three year period to address this issue as they take up each region's salmon fisheries.



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 112
Juneau, Alaska 99801
907/586-2820
Fax: 907/463-2545

**Testimony of Jerry McCune, President
United Fishermen of Alaska
on House Bill 218
before the
House Special Committee on Fisheries
Friday, March 26, 1993**

Mr. Chairman and Members of the House Special Committee on Fisheries:

My name is Jerry McCune and I am President of United Fishermen of Alaska.

United Fishermen of Alaska has discussed House Bill 218 and has decided that if all the fishing organizations and fishermen agree to the repeal the 58-foot limit for seine vessels, UFA would support the portion of the bill that makes it clear that length restrictions for salmon seine vessels should be determined by the Board of Fisheries on a regional basis.

If House Bill 218 is repealed, then the Board of Fisheries will have to take some time to address this issue, so any one area would not be put at a disadvantage.

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Longline Fisherman's Association • Alaska Trollers Association • Area K Seiners Association
Bering Sea Fishermen's Association • Bristol Bay Driftnetters Association • Concerned Area "M" Fishermen
Cook Inlet Aquaculture Association • Cordova District Fishermen United • Kenai Peninsula Fishermen's Association
North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Peninsula Marketing Association
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Seafood Producers Cooperative
Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Cook Inlet Drift Association • Western Alaska Cooperative Marketing Association

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fax: (907) 789-5117

March 30, 1993

Representative Carl Moses
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Carl,

Given our busy agenda with Pacific Salmon Treaty and the Board of Fisheries, I am late in getting out this communication on State legislative matters. On behalf of SEAS, I would like to take this opportunity to exchange our thoughts and opinions on these fishery legislative matters:

CS for HB 218 - An Act relating to maximum length of salmon seine vessels.

Support. SEAS supports the Committee Substitute because it treats seine vessel limitations just like all other fishing vessels - it has the Board of Fisheries, not the Legislature, making the appropriate determination. Furthermore, the legislation ensures that the 58 foot vessel limit stays in place until the Board of Fisheries has an opportunity to address the 58 foot regulation in each region. I would like to stress that in supporting this legislation, we are merely supporting the principle of putting this in the right policy arena. SEAS has taken no position on whether or not to alter the 58 foot vessel length limit before the Board of Fisheries.

HB 230 - An Act relating to fees for commercial fishing licenses and permits.

Oppose. Rather than looking at a revenue generating program that calls for "shared sacrifice" of all Alaskans this bill proposes to nickel and dime the industry that is paying it's way. Furthermore, since we have no dedicated funds there is no assurance that the revenue raised from increased fees on licenses and permits would go to fund the budget directly associated with management and enforcement of commercial fisheries. In the past there has been no correlation between ADF&G's budget and increased revenues from raw fish tax, so it is unlikely that such a correlation would exist with these fee increases.

HB 191 - An Act relating to cost recovery receipts of state hatcheries.
No Objection.

SB 177 - An Act relating to Salmon Marketing

Oppose. This marketing proposal differs dramatically with the domestic marketing proposal developed at United Fishermen's of Alaska (UFA)'s recent Board meeting. While SEAS agreed with the substantive elements of UFA's marketing proposal, SEAS could not support the financial obligation of a 1% marketing assessment. But SEAS must oppose this legislation on substantive and financial grounds. SB 177 proposes that the state provide fishermen with professional services for price information and contractual agreements. In other commodity industries this service, sometime called a "mutual", is provided by industry. The State of Alaska can not and should not come between the fishermen and the processors in setting salmon prices. If you read

the enclosed article, you'll understand why it is totally inappropriate and ineffective for the State to take on this responsibility.

On the financial aspects of this bill, here is SEAS position as relayed to UFA:

"SEAS does not support an additional 1% assessment for a domestic marketing proposal. However, SEAS does support transferring 1% of our current 3% enhancement tax to marketing. This position is borne out by the general findings of the economic analysis in the Legislative Review of the Alaska Salmon Enhancement Program which indicate that marketing and not more production would generate higher net benefits and return on investments. The position taken by SEAS Board of Directors follows the poll results of a questionnaire sent to our members." At a minimum, SEAS would like the opportunity for all permit holders in Southeast Alaska to vote on this option of reducing enhancement tax by 1% to enable a 1% assessment for marketing. Southeast Alaska is the only region in the state that has a total 3% enhancement tax.

No position on HB 251, HB 252, or SB 153. Once the Executive Committee takes a position on these bills, I will be back in touch.

High Priority Concerns:

1. Support Confirmation of Debra Lyons to Board of Fisheries - If you read the enclosed endorsement letter SEAS sent to Governor Hickel, you'll understand why this is a high priority concern. We strongly encourage you to vote yes on Debra Lyons' confirmation.

2. Pass a Hold the Line Budget for ADF&G for these reasons:

* Commercial fishing more than pays its way. State tax revenues from commercial fishing and processing for FY 91 totaled \$53,760,000. State funding for Commercial Fisheries Division, FRED, CFEC and Boards for FY 91 totaled \$36,429,000. **This is a \$17 million surplus.**

* ADF&G's budget recommendation in the House Subcommittee is less than ADF&G's FY 83 budget. This FY 94 budget recommendation represents more than a decade of decline in ADF&G's budget; and this does not even account for inflation.

* If ADF&G loses sonar information, weir counts, aerial survey time, field biologist, etc. ADF&G will not only continue their conservative management approach but make more closures in the new and developing fisheries. Conservative management and closures means lost revenues to the State of Alaska.

* ADF&G's budget is not a fiscal problem because of all the revenues and jobs generated by commercial fishing. Rather if viewed properly, adequate funding of ADF&G is part of the revenue solution.

Please call if you have questions or desire more information.

Sincerely,



Kathryn Troll
Executive Director

Enclosures

Distribution List: All Southeast Legislators and Members of House Committee on Fisheries.

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for the mid-size class of combination vessels to be used by this country's fishermen in the North Pacific.

The *Sunset Bay* measured 108 feet long, with a beam of 28 feet, 11 inches (32.9 and 8.8 meters) and full-load draft of 14 feet, 6 inches (4.5 meters), with brake horsepower of 850 and a maximum speed of 11.5 knots.

The vessel was different from most of her contemporaries in one respect. She carried a stern ramp for future use as a trawler. The piping for the additional hydraulic winches needed when she was put into the drag fishery was already in place, thus requiring a minimum of conversion at that time. In anticipation of the greater power needed for towing a large net across the sea bottom, the vessel was fitted with a Kort nozzle propulsion system. This design develops greater propeller thrust for trawling, although it tends to lower vessel speed when running.

The *Sunset Bay* was built with three insulated, steel-lined fish holds, with a total space of 7,500 cubic feet (212.4 cubic meters). Other features included a system of loading hatches, fish gates and a fish elevator well for fish handling, as well as a chilled seawater system if the vessel were to be used as a salmon tender, a likely mission in years of heavy salmon runs to Western Alaska. The mast was strengthened to take the additional loads thrown upon it by trawling; the wheelhouse was extended on the starboard side to enclose the trawl control console from the weather and to permit a clear view of trawling operations. The *Sunset Bay* was the seventh combination crabber/trawler between 94 and 122 feet (28.7 and 37.2 meters) built and launched by the company during 1978, an optimistic assessment of the future of the North Pacific bottom fisheries.

The eighth of the class followed *Sunset Bay* into service just 45 days later. The vessel was *Discovery Bay*, of the same dimensions, but with differing gear. *Discovery Bay* was rigged first as a dragger, although she carried much of the equipment needed for crabbing and salmon carrying. The vessel did not enter the crab fishery like her sister-ships, but went right to work as a trawler based in Westport, Washington. For several months she was the largest stern ramp vessel working off the Washington and Oregon coasts.

During that same year, the first two vessels of the largest class projected at that time for use by United States fishermen in the bottom fisheries came closer to realization in Puget Sound yards. One was a 154-foot (46.9 meters) vessel, the *Jeffron*, built by Sea-Tac Alaska Corp., of Tacoma, Washington. The other was *American No. 1*, a 160-foot (48.8 meters) Marine Construction and Design Co., vessel. (Vessels of those sizes and similar capabilities began to appear in the North Pacific in 1976, but the handful of these that did

go to work were conversions from other craft, particularly navy hulls. All were of different design and, together, they did not constitute a "class" of vessels.)

The *American No. 1* was designed as the first of a new class of vessels with multi-purpose use a major consideration. Her maximum beam was designed at 41 feet, 2 inches (12.5 meters), with the maximum draft at 19 feet (5.8 meters). She was designed with two decks below the main deck, with a stateroom and galley deck above the fo'c'sle deck and a wheelhouse—with 360° vision—atop. Below the main deck, the upper hold deck allowed for a lazarette aft, an upper fish hold, a processing area and upper engine room. The lowest deck carried fuel tanks, water, the lower fish hold, a chilled holding area for fish awaiting processing and the main engine room. Stern gantries, a hydraulic crane almost amidships and booms swung from the mast characterized her profile. Her stern ramp was installed during building to allow quick conversion to trawling. She first crabbed in autumn 1979, then began dragging in the Bering Sea in February 1980.

The Alaska Limit

In the mid-1920's, the United States Bureau of Fisheries, predecessor agency to the National Marine Fisheries Service (in the interim, it was designated Bureau of Commercial Fisheries) and at that time overlord of Alaska fisheries, imposed something called the "Alaska-limit" on all vessels working in the Alaska salmon seine fishery.

As finally honed down, the regulation limited seine vessels to 58 feet (17.7 meters) overall length. The merits of the rule were debatable, but it stood and all who wished to seine for salmon in Alaska were forced to observe it or do their seining elsewhere. All the following years of experience with construction under the rule resulted in a compact boat as efficient as it could be under regulations meant to favor inefficiency. Development of the small western combination boat may have reached its finest state in this vessel in its varied configurations.

However, interest in the Alaska-limit size began to dwindle during the 1970's, as attention—and money—began to be diverted into the shrimp and crab fisheries of Western Alaska where much larger vessels became the norm. Little that could be described as innovative went into the design and construction of the limit boats during the decade, and many designers ended their work on them altogether. Those designing smaller vessels tended to concentrate on boats of about 45 feet (13.7 meters) for the Western Alaska seine fisheries, because these small boats also were handy for one- or two-man operations in the inshore shrimp fishery or for use as trollers in Alaska and the lower coastal states.

114 FISHING VESSELS OF THE NORTH PACIFIC

The first western boats were designed especially for the seine fishery and all other western boats stem from the seine boats. (British Columbia salmon seiners, unhampered by any length limit, have tended to settle for two sizes—one looking much like the Alaska-limit boat but reaching into the mid-60-foot (18-20 meters) length, the other resembling the old American sardine boat with a two-deck house and a length over 75 feet (22.9 meters). Vessels like these are also found on Puget Sound where no limit on length exists.) Over the years, designers have sweated over their boards to come up with the optimum combination of favorable characteristics. But the arbitrary maximum length of 58 feet (17.7 meters) imposes a certain limit on the talents of even the most ingenious designer and the only way to go is sideways. Thus, these latter-day limit boats tend to revert to a design popular about the time of Sir Francis Drake—short, wide and bluff-bowed. These boats of the 1970's and later do have somewhat better power than that enjoyed by Drake and his freebooters; so consequently, they make a bit better time through the water than those people did.

This trend toward wider and handsomer Alaska-limit boats can be illustrated by four vessels built between World War II and 1969. The first, *Ocean Mist* (launched as *Midway*), all wood, delivered in 1949, is 58 feet long (57 feet, 11 inches or 17.7 meters actually, to meet the technicalities of the regulations) with a beam of 15-1/2 feet (4.7 meters) and draft, light, of 6 feet (1.8 meters). The second, *Patty J*, delivered in 1957, wood also, is 58 by 16 by 7 feet (17.7 by 4.9 by 2.1 meters). The third, *Josie J*, welded aluminum (perhaps one of the first applications of this metal in American fishing vessels) measures 58 by 18-1/2 by 7-1/2 feet (17.7 by 5.6 by 2.3 meters). The fourth is *Jamie C*, welded steel, launched in 1969, with dimensions of 58 by 20-1/5 by 10 feet (17.7 by 6.2 by 3.0 meters).

The concurrent evolution of good looks in fishing vessel design is quickly apparent among these four boats. The *Ocean Mist*, first of the four, with her nearly-vertical stem and relative lack of curved lines through her bow, shows the influence of a design period when utility, not beauty, was the rule. But along those 20 years between *Ocean Mist* and *Jamie C*, a softening of angles crept through the drawings, a corollary, perhaps, of the increasing American concern with beauty and purity of environment. This interest in good looks was not universal when *Jamie C* was built. Another limit boat, laid down and launched almost simultaneously with the *Jamie*, resembles the *Ocean Mist* far more than she does the *Jamie*. Her hull is welded steel, too, but she measures only 56-1/2 by 16-1/2 by 6 feet (17.2 by 5 by 1.8 meters). Her bow lines are but slightly refined

from those of *Ocean Mist*, although her gunwale does run aft in a smooth, sweeping line. The *Jamie's* hull profile is easier to look at than that of the other boat, however, with its sharp break at the fo'c'sle deck and the long sweep aft. The vessel has scarcely a straight line in her except for the rectangular windows of the wheelhouse.

The *Jamie C*, after outfitting, represented the peak of limit boat design. No finer Alaska-limit vessel has been launched in the years since. She was built to the specifications of an experienced fisherman interested in more than summertime salmon seining. The vessel is quickly convertible to trawling, crabbing and albacore trolling. She has been equipped more elaborately than many owners are willing to finance or able to afford. Her complement of electronics gear is as nearly complete as that of the new king crabbers. She reportedly was the first fishing vessel in the United States to be built with a hold of stainless steel; more than 5 tons of that semi-precious metal were used. Her stanchions and pen boards are aluminum. Her refrigeration system allows for brine spray for salmon and circulating sea water for crab. Hold temperature and outside water temperature are recorded simultaneously on a 7-day graph on a monitor mounted on a galley bulkhead, a position where it is almost impossible to avoid an up-to-the-minute appraisal of the vital temperature of the hold. Stainless steel was not confined to the hold; the net shield and bulwarks to a point amidships are faced with it to reduce web chafing and the time spent patching it. She carries 5,200 gallons (almost 22,000 liters) of oil and 1,500 gallons (6,340 liters) of fresh water. Two 20-kilowatt auxiliaries supply electric power. Her wheel is stainless steel, 58 by 44 inches (1,473 by 1,118 mm).

The owners of vessels built as bulkily as the *Jamie C* necessarily have to pay something of a penalty when it comes to main engine power. It takes more horsepower to move these big boats at the accepted cruising speed of 10 knots or thereabouts. Bigger engines cost more going in and bigger engines use more oil per mile of travel. The *Patty J*, almost 13 years old when the *Jamie* went to work, cruises at a comfortable 10 knots with a 220-horsepower engine, one of the "Jimmies" so popular with West Coast fishermen. The *Jamie*, with her beam, needs a 472-horsepower engine of the same make to achieve a similar speed. Men experienced in the handling of vessels of similar beam and semi-cruiser stern report they steer awkwardly in a following sea of any size.

The *Jamie* and limit boats contemporary with her or later make older vessels of her kind look something very like slave ships. Just as some designers gave little thought to looks, good or awkward, neither did most owners pay much atten-

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tion to crew comfort. Fo'c'sles were (and a lot still are, of course) cramped and crowded, uncomfortable the year-round—warm, stuffy and smelly in summer; cold damp and smelly in winter. Gear stowage was mostly nonexistent and the fo'c'sle deck seemed paved with boots. Living conditions were especially poor below decks in the boats that fished eight to 10 men in the days before the Poretic Block or the drum slimmed crews down to four to six men. Sanitary facilities were exceedingly primitive on older boats, and on some consisted of no more than a tin wash basin and a pail that doubled as deck bucket. Most boats built after World War II have sink and running water in the fo'c'sle, and some have showers. People playing around with design of these limit vessels might well show a bit more ingenuity in allotting position and reckoning size of the head, but here is a place where most seem to have developed a blind spot. In any event, though, even the simplest of heads is superior to the drafty bucket. A handful of newer vessels such as the *Josie J* have two staterooms on deck and enough bunk space for a four-man crew, if fishing with the drum.

No Limit

To the south of that Pacific Northwest area so much oriented to the salmon seine fishery, Oregonians and Californians build to the lengths they wish, free from restrictions imposed by the Alaska limit. Vessels designed for the fisheries of those states run well over the Alaska limit, because all fishing along that coast is offshore. All salmon seining from Puget Sound to Central Alaska takes place in usually sheltered waters. The only open water seining is done around Kodiak Island, Unimak Island and the south side of the Alaska Peninsula, although even there it still is a close-to-the-beach operation because of the salmon's preference for routes along the beaches after coming inshore on the spawning migration. But no matter the size of these southern vessels, they show the characteristics bequeathed them by their western combination ancestry.

In mid-California, however, there appeared smaller vessels with lines reflecting the Mediterranean inheritance of the men who fished them. These were the Monterey hulls with clipper bow, canoe stern and rakish lines that would look pretty much at home with a lateen sail rigged above them. This Monterey influence appeared in the north for the first time about 1966, when a big troller built at Moss Landing on Monterey Bay showed up in the Southeastern Alaska salmon fishery. Similarly, a stranger appeared on the Kodiak shrimp grounds in 1969, with the coming of a trawler built on Gulf of Mexico lines. This boat was built in Mobile, Alabama, and its proving out resulted in more construction orders for the same

firm, mostly because the vessels could be built in Alabama for less money than on the West Coast.

As for new-boat construction on the West Coast, Puget Sound yards built more boats through the 1960's and 1970's than California, Oregon and Alaska combined. This did not necessarily mean that Washington's fisheries were that much healthier than those of the other states. It merely indicated that the Puget Sound yards were building most of Alaska's boats as well as its own. Included in this construction was that for the distant water tuna fleet, based in Tacoma, where the first of the super-seiners, *Royal Pacific*, was launched in 1961. This trend toward distinctively bigger seine vessels was typified by the *Hornet* class of 167-foot (50.9 meters) seiners built since 1962 in Tacoma. The *Hornet*, when she was launched, was the largest tuna vessel in the world. She and her sisters had a beam of 35 feet (10.7 meters) and drew 21 feet (6.4 meters). They cruised at from 12-1/2 to 13 knots loaded. They carried from 750 to 800 tons of fish in 14 wells. In practical use, they were world-ranging. Bigger vessels have since been built. The largest was the 258-foot (78.6 meters) *Apollo*, designed to carry 2,000 tons of tuna.

The Pack Mule

One other big vessel, big at least as West Coast fishing and support vessels are counted, has played an important (but undramatic) part in development and supply of fisheries of the North Pacific, especially in the fisheries of British Columbia and Alaska. This vessel is the homely and humble power scow, the self-propelled pack mule of western fisheries, destined to spend its working days lifting bundles and toting bales from Puget Sound to the Bering Sea. The power scow does not even have the good looks of the least attractive fishing vessel; its profile is as unglamorous as any marine profile anywhere, with its two-deck house squatting on the stern and its deck running almost flatly forward to its snub nose. There is a minute rise only along the bulwarks from house to bow, its bottom is almost as flat as its deck and it waddles across the water as ungracefully as a duck on land. But it is a mule for work, comparatively inexpensive to build and blessed with a long working life.

The power scow comes in several sizes and a typical one measures 81 by 26 by 7.7 feet (24.7 by 7.9 by 2.3 meters), that draft being about that of the average Alaska-limit boat. This particular scow had twin 230-horsepower diesels, enough to move at about 7 or 8 knots with a following breeze. The scow is found wherever salmon are fished from Puget Sound north, as well as in a few other capacities where an inexpensive freight-hauler not needing licensed officers can be used. On Bristol Bay, a fleet of smaller scows works freight and packs salmon from

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FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. CS HB 230(RES)

Revision Date: 2/1/94 Department Affected: Fish and Game
 Title: An act relating to fees for a commercial fishing vessel license BRU: Commercial Fisheries (Limited) Entry Commission
 Sponsor: Representative Moses Component: Limited Entry Program Administration
 Requestor: Representative Moses COMPONENT SERIAL NO. 0471

EXPENDITURES/REVENUES

(Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	16.6					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	16.6	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	871.5	871.5	871.5	871.5	871.5	871.5
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	16.6	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA						
Other						
TOTAL	16.6	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY(\$)) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY	1					

ANALYSIS: (Attach a separate page if necessary.) CFEC has simplified and automated the licensing process in response to continuing budget reductions and staff losses over the past several years. The current \$20 per vessel fee is automatically applied with minimal staff resources. The fiscal note is necessitated by the change in the licensing system which will require development of new annual licensing forms, collection and verification of data, response to public inquiry, and reprogramming of data processing. The existing skeletal staff will need to be supplemented for the first year until the new system becomes established. (See attachments)

Prepared By: Roger Kolden Phone: 789-6160
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 2/1/94

Approved by Commissioner: 
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 2/1/94

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FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. CS HB230 (FSH)

Revision Date: _____ Department Affected: Fish and Game
 Title: "An Act relating to fees for commercial fishing licenses" BRU: Commercial Fisheries (Limited) Entry Commission
 Sponsor: Representative Moses Component: Limited Entry Program Administration
 Requestor: Representative Moses COMPONENT SERIAL NO 0 4 7 1

EXPENDITURES/REVENUES:(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	16.6					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	16.6	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE FUND SOURCE: 1005	913.1	913.1	913.1	913.1	913.1	913.1
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	16.6					
1006 GF/MHTIA						
Other						
TOTAL	16.6	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY	1					

Estimate of current year (FY93) impact: \$ 0.0

ANALYSIS: (Attach a separate page if necessary.) CFEC has simplified and automated the licensing process in response to continuing budget reductions and staff losses over the past several years. The current \$20 per vessel fee is automatically applied with minimal staff resources. The fiscal note is necessitated by the change in the licensing system which will require development of new annual licensing forms, collection and verification of data, response to public inquiry, and reprogramming of data processing. The existing skeletal staff will need to be supplemented for the first year until the new system becomes established. (See attachments)

Prepared By: Roger Kolden Phone: 789-6160
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 4/1/93

Approved by Commissioner: *Frank McHanna*
 Agency: Commercial Fisheries (Limited) Entry Commission Date: 4/1/93

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**HB230 Projected Revenue
Commercial Fisheries Entry Commission**

Vessel Length	Number Vessels	Proposed Fee	Projected Revenue	Percentage
000-025	6,797	20	135,940	39.5%
026-050	8,783	50	439,150	51.1%
051-075	795	100	79,500	4.6%
076-150	628	250	157,000	3.7%
151-250	167	500	83,500	1.0%
251-998	24	750	<u>18,000</u>	0.1%
Total	17,194		913,090	

MEMORANDUM**STATE OF ALASKA****TO:** Commission**DATE:** April 1, 1993**FILE NO:****FROM:** Chris Kelly *CK*
Licensing Project Leader
CFEC**TELEPHONE NO:****SUBJECT:** Impacts of Change
in Vessel Fees

I, and the staff in licensing, feel that further explanation of the impacts of the proposed legislation on licensing procedures and workload may be helpful in support of the request for an additional temporary licensing clerk during the first seven months of this transition.

Each fall we mail pre-printed renewal forms to all entities that licensed vessels in the current year. If the vessel owner also held fishing permits, the permit renewal form is printed on the other side of the vessel form. In most cases, very minor changes, if any, are needed on these forms and the license holder simply signs the form and submits the indicated fee. This simplified renewal process was first implemented in 1992 to minimize paper-handling and streamline the process for the fishermen and maximize the efficiency of the small staff available for licensing.

One negative aspect of the process is that less explanatory information can be included on the form. (The assumption is that a simplified form works for straight renewals because the license holders are presumably already familiar with the basic regulations and requirements.) However, the staff has found that license holders tend not to read the preprinted forms closely, they frequently overlook changes in fees even though they may be printed in BOLD print right on the face of the form. Like most people, fishermen are creatures of habit and they tend to sign the form and send it in with the same fee they've paid for years.

For example, in 1992 when these forms were first used, several individuals wrote or called to say that they had received their preprinted permit renewal forms and they really liked having all the permits listed on one form, but they didn't receive their vessel license renewal form(s). They were usually quite embarrassed when we asked them to turn the permit form over, and they found their vessel renewal(s) printed right on the other side!

With a change in the fee schedule, many vessel license applications will have processing delayed until additional fees are received. This

will also delay issuance of permits, since the permit cards cannot be issued until the associated vessels are actually licensed. This requires the staff to send letters explaining the problem and requesting additional fees and these letters must be maintained in a "suspense" file until the fees are received.

As you know, the impact will become greater the closer it gets to the fishing seasons. When license holders find themselves without the necessary permits or vessel licenses as the fishery is about to start, they get on the phone to licensing staff to find out how their licenses may be expedited, and/or to demand that staff make arrangements with local ADF&G offices to somehow enable them to commence fishing even if the licenses haven't been received yet. Each such instance may take 20-30 minutes of phone calls back and forth, and it is not uncommon for you and/or legislators to be dragged into the process.

The renewal forms will have to be modified to explain the new fee schedule and how to determine the vessel length, and to emphasize that the applicant must certify under penalty of perjury that the length information provided is correct. To the extent that we may not be able to list all of the licenses on a single page, this may result in some loss of the efficiencies we gained by introducing the new forms. We know from experience that any such change results in a great deal of confusion and numerous telephone calls from persons complaining about the higher rates and demanding to know how they were established. A significant amount of licensing staff time is taken up in attempting to respond to these inquiries.

These impacts will primarily be felt during the first year of implementation. The additional temporary employee will help to keep licensing productivity at an acceptable level even though the staff will be burdened with a greater than normal volume of telephone calls and correspondence. During the first year, fishermen and vessel owners will be made aware of the changes and the validity of data contained on the vessel license file will be improved. By the second year, the transition should be pretty much accomplished and any lingering impacts can be absorbed with existing permanent and seasonal staff.

Thank you for supporting this request.

Fee Schedule, Limited Fisheries
 No Fee Cap, \$15 Poverty Fee
 Estimated Permit Values used to calculate fees
 Current and Proposed Permit Renewal Fees and Projected
 Revenues for Limited Fisheries

Fishery	Catagory	Fee	Permit Renewal Fees				
			Current		Proposed		
			Pmts	Revenues	Fee	Pmts	Revenues
C61A	Resident	\$250	96	\$24,000	\$350	92	\$32,200
Sablefish	Non-Res	\$750	21	\$15,750	\$1,050	21	\$22,050
Southeast	Poverty	\$15	9	\$135	\$15	9	\$135
Long line (> 5 tons)	Total		126	\$39,885		122	\$54,385
C61C	Resident	\$50	22	\$1,100	\$300	21	\$6,300
Sablefish	Non-Res	\$150	6	\$900	\$900	6	\$5,400
Southeast	Poverty	\$15	2	\$30	\$15	2	\$30
Long line (> 5 tons)	Total		30	\$2,030		29	\$11,730
G01A	Resident	\$250	38	\$9,500	\$600	38	\$22,800
Herring, roe	Non-Res	\$750	13	\$9,750	\$1,800	13	\$23,400
Southeast	Poverty	\$15	0	\$0	\$15	0	\$0
Purse seine	Total		51	\$19,250		51	\$46,200
G01E	Resident	\$250	81	\$20,250	\$450	80	\$36,000
Herring, roe	Non-Res	\$750	25	\$18,750	\$1,350	25	\$33,750
Prince William Sd	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		107	\$39,015		106	\$69,765
G01H	Resident	\$250	50	\$12,500	\$200	48	\$9,600
Herring, roe	Non-Res	\$750	25	\$18,750	\$600	25	\$15,000
Cook Inlet	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		76	\$31,265		74	\$24,615
G01K	Resident	\$200	59	\$11,800	\$150	57	\$8,550
Herring, roe	Non-Res	\$600	9	\$5,400	\$450	9	\$4,050
Kodiak	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		69	\$17,215		67	\$12,615
G34A	Resident	\$50	75	\$3,750	\$100	75	\$7,500
Herring, roe	Non-Res	\$150	43	\$6,450	\$300	43	\$12,900
Southeast	Poverty	\$15	1	\$15	\$15	1	\$15
Gill net	Total		119	\$10,215		119	\$20,415

Fee Schedule, Limited Fisheries
 No Fee Cap, \$15 Poverty Fee
 Estimated Permit Values used to calculate fees
 Current and Proposed Permit Renewal Fees and Projected
 Revenues for Limited Fisheries

Fishery	Category	Fee	Permit Renewal Fees				
			Current		Proposed		
			Pmts	Revenues	Fee	Pmts	Revenues
S01K	Resident	\$250	270	\$67,500	\$150	261	\$39,150
Salmon	Non-Res	\$750	98	\$73,500	\$450	96	\$43,200
Kodiak	Poverty	\$15	9	\$135	\$15	9	\$135
Purse seine	Total		377	\$141,135		366	\$82,485
S01L	Resident	\$250	84	\$21,000	\$1,000	83	\$83,000
Salmon	Non-Res	\$750	17	\$12,750	\$3,000	17	\$51,000
Chignik	Poverty	\$15	0	\$0	\$15	0	\$0
Purse seine	Total		101	\$33,750		100	\$134,000
S01M	Resident	\$250	98	\$24,500	\$450	96	\$43,200
Salmon	Non-Res	\$750	27	\$20,250	\$1,350	27	\$36,450
AK Peninsula	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		126	\$44,765		124	\$79,665
S02K	Resident	\$100	27	\$2,700	\$100	25	\$2,500
Salmon	Non-Res	\$300	3	\$900	\$300	2	\$600
Kodiak	Poverty	\$15	1	\$15	\$15	1	\$15
Beach seine	Total		31	\$3,615		28	\$3,115
S03A	Resident	\$200	313	\$62,600	\$200	313	\$62,600
Salmon	Non-Res	\$600	154	\$92,400	\$600	150	\$90,000
Southeast	Poverty	\$15	16	\$240	\$15	16	\$240
Drift gill net	Total		483	\$155,240		479	\$152,840
S03E	Resident	\$250	392	\$98,000	\$300	389	\$116,700
Salmon	Non-Res	\$750	138	\$103,500	\$900	134	\$120,600
Prince William sd	Poverty	\$15	9	\$135	\$15	9	\$135
Drift gill net	Total		539	\$201,635		532	\$237,435
S03H	Resident	\$250	392	\$98,000	\$200	378	\$75,600
Salmon	Non-Res	\$750	174	\$130,500	\$600	174	\$104,400
Cook Inlet	Poverty	\$15	17	\$255	\$15	17	\$255
Drift gill net	Total		583	\$228,755		569	\$180,255

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Fee Schedule, Limited Fisheries
 No Fee Cap, \$15 Poverty Fee
 Estimated Permit Values used to calculate fees
 Current and Proposed Permit Renewal Fees and Projected
 Revenues for Limited Fisheries

Fishery	Category	Fee	Permit Renewal Fees				
			Current		Proposed		
			Pmts	Revenues	Fee	Pmts	Revenues
C61A	Resident	\$250	96	\$24,000	\$350	92	\$32,200
Sablefish	Non-Res	\$750	21	\$15,750	\$1,050	21	\$22,050
Southeast	Poverty	\$15	9	\$135	\$15	9	\$135
Long line (> 5 tons)	Total		126	\$39,885		122	\$54,385
C61C	Resident	\$50	22	\$1,100	\$300	21	\$6,300
Sablefish	Non-Res	\$150	6	\$900	\$900	6	\$5,400
Southeast	Poverty	\$15	2	\$30	\$15	2	\$30
Long line (> 5 tons)	Total		30	\$2,030		29	\$11,730
G01A	Resident	\$250	38	\$9,500	\$600	38	\$22,800
Herring, roe	Non-Res	\$750	13	\$9,750	\$1,800	13	\$23,400
Southeast	Poverty	\$15	0	\$0	\$15	0	\$0
Purse seine	Total		51	\$19,250		51	\$46,200
G01E	Resident	\$250	81	\$20,250	\$450	80	\$36,000
Herring, roe	Non-Res	\$750	25	\$18,750	\$1,350	25	\$33,750
Prince William Sd	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		107	\$39,015		106	\$69,765
G01H	Resident	\$250	50	\$12,500	\$200	48	\$9,600
Herring, roe	Non-Res	\$750	25	\$18,750	\$600	25	\$15,000
Cook Inlet	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		76	\$31,265		74	\$24,615
G01K	Resident	\$200	59	\$11,800	\$150	57	\$8,550
Herring, roe	Non-Res	\$600	9	\$5,400	\$450	9	\$4,050
Kodiak	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		69	\$17,215		67	\$12,615
G34A	Resident	\$50	75	\$3,750	\$100	75	\$7,500
Herring, roe	Non-Res	\$150	43	\$6,450	\$300	43	\$12,900
Southeast	Poverty	\$15	1	\$15	\$15	1	\$15
Gill net	Total		119	\$10,215		119	\$20,415

Fee Schedule, Limited Fisheries
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 Current and Proposed Permit Renewal Fees and Projected
 Revenues for Limited Fisheries

Fishery	Category	Fee	Permit Renewal Fees				
			Current		Proposed		
			Pmts	Revenues	Fee	Pmts	Revenues
G34E	Resident	\$200	22	\$4,400	\$200	22	\$4,400
Herring, roe	Non-Res	\$600	2	\$1,200	\$600	2	\$1,200
Prince William sd	Poverty	\$15	0	\$0	\$15	0	\$0
Gill net	Total		24	\$5,600		24	\$5,600
G34K	Resident	\$100	93	\$9,300	\$50	91	\$4,550
Herring, roe	Non-Res	\$300	5	\$1,500	\$150	5	\$750
Kodiak	Poverty	\$15	0	\$0	\$15	0	\$0
Gill net	Total		98	\$10,800		96	\$5,300
G34Z	Resident	\$100	275	\$27,500	\$50	247	\$12,350
Herring, roe	Non-Res	\$300	91	\$27,300	\$150	77	\$11,550
Norton Sound	Poverty	\$15	31	\$465	\$15	23	\$345
Gill net	Total		397	\$55,265		347	\$24,245
L21E	Resident	\$150	103	\$15,450	\$100	103	\$10,300
Herring spawn on kelp	Non-Res	\$450	25	\$11,250	\$300	23	\$6,900
Prince William sd	Poverty	\$15	0	\$0	\$15	0	\$0
Pound	Total		128	\$26,700		126	\$17,200
S01A	Resident	\$250	177	\$44,250	\$200	173	\$34,600
Salmon	Non-Res	\$750	233	\$174,750	\$600	232	\$139,200
Southeast	Poverty	\$15	3	\$45	\$15	3	\$45
Purse seine	Total		413	\$219,045		408	\$173,845
S01E	Resident	\$250	183	\$45,750	\$250	179	\$44,750
Salmon	Non-Res	\$750	79	\$59,250	\$750	76	\$57,000
Prince William sd	Poverty	\$15	3	\$45	\$15	3	\$45
Purse seine	Total		265	\$105,045		258	\$101,795
S01H	Resident	\$250	74	\$18,500	\$350	67	\$23,450
Salmon	Non-Res	\$750	2	\$1,500	\$1,050	2	\$2,100
Cook Inlet	Poverty	\$15	5	\$75	\$15	5	\$75
Purse seine	Total		81	\$20,075		74	\$25,625

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Fishery	Category	Fee	Permit Renewal Fees				
			Current Pmts	Revenues	Fee	Proposed Pmts	Revenues
S01K	Resident	\$250	270	\$67,500	\$150	261	\$39,150
Salmon	Non-Res	\$750	98	\$73,500	\$450	96	\$43,200
Kodiak	Poverty	\$15	9	\$135	\$15	9	\$135
Purse seine	Total		377	\$141,135		366	\$82,485
S01L	Resident	\$250	84	\$21,000	\$1,000	83	\$83,000
Salmon	Non-Res	\$750	17	\$12,750	\$3,000	17	\$51,000
Chignik	Poverty	\$15	0	\$0	\$15	0	\$0
Purse seine	Total		101	\$33,750		100	\$134,000
S01M	Resident	\$250	98	\$24,500	\$450	96	\$43,200
Salmon	Non-Res	\$750	27	\$20,250	\$1,350	27	\$36,450
AK Peninsula	Poverty	\$15	1	\$15	\$15	1	\$15
Purse seine	Total		126	\$44,765		124	\$79,665
S02K	Resident	\$100	27	\$2,700	\$100	25	\$2,500
Salmon	Non-Res	\$300	3	\$900	\$300	2	\$600
Kodiak	Poverty	\$15	1	\$15	\$15	1	\$15
Beach seine	Total		31	\$3,615		28	\$3,115
S03A	Resident	\$200	313	\$62,600	\$200	313	\$62,600
Salmon	Non-Res	\$600	154	\$92,400	\$600	150	\$90,000
Southeast	Poverty	\$15	16	\$240	\$15	16	\$240
Drift gill net	Total		483	\$155,240		479	\$152,840
S03E	Resident	\$250	392	\$98,000	\$300	389	\$116,700
Salmon	Non-Res	\$750	138	\$103,500	\$900	134	\$120,600
Prince William Sd	Poverty	\$15	9	\$135	\$15	9	\$135
Drift gill net	Total		539	\$201,635		532	\$237,435
S03H	Resident	\$250	392	\$98,000	\$200	378	\$75,600
Salmon	Non-Res	\$750	174	\$130,500	\$600	174	\$104,400
Cook Inlet	Poverty	\$15	17	\$255	\$15	17	\$255
Drift gill net	Total		583	\$228,755		569	\$180,255

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Fishery	Category	Fee	Permit Renewal Fees				
			Current		Proposed		
			Pmts	Revenues	Fee	Pmts	Revenues
S03M	Resident	\$250	90	\$22,500	\$800	90	\$72,000
Salmon	Non-Res	\$750	72	\$54,000	\$2,400	72	\$172,800
AK Peninsula	Poverty	\$15	1	\$15	\$15	1	\$15
Drift gill net	Total		163	\$76,515		163	\$244,815
S03T	Resident	\$250	935	\$233,750	\$550	913	\$502,150
Salmon	Non-Res	\$750	856	\$642,000	\$1,650	856	\$1,412,400
Bristol Bay	Poverty	\$15	88	\$1,320	\$15	88	\$1,320
Drift gill net	Total		1879	\$877,070		1857	\$1,915,870
S04D	Resident	\$100	135	\$13,500	\$100	133	\$13,300
Salmon	Non-Res	\$300	25	\$7,500	\$300	24	\$7,200
Yakutat	Poverty	\$15	7	\$105	\$15	7	\$105
Set gill net	Total		167	\$21,105		164	\$20,605
S04E	Resident	\$150	27	\$4,050	\$250	26	\$6,500
Salmon	Non-Res	\$450	3	\$1,350	\$750	3	\$2,250
Prince William Sd	Poverty	\$15	1	\$15	\$15	1	\$15
Set gill net	Total		31	\$5,415		30	\$8,765
S04H	Resident	\$200	607	\$121,400	\$100	583	\$58,300
Salmon	Non-Res	\$600	101	\$60,600	\$300	101	\$30,300
Cook Inlet	Poverty	\$15	34	\$510	\$15	34	\$510
Set gill net	Total		742	\$182,510		718	\$89,110
S04K	Resident	\$250	139	\$34,750	\$250	136	\$34,000
Salmon	Non-Res	\$750	48	\$36,000	\$750	48	\$36,000
Kodiak	Poverty	\$15	2	\$30	\$15	2	\$30
Set gill net	Total		189	\$70,780		186	\$70,030
S04M	Resident	\$200	90	\$18,000	\$300	88	\$26,400
Salmon	Non-Res	\$600	20	\$12,000	\$900	20	\$18,000
AK Peninsula	Poverty	\$15	4	\$60	\$15	4	\$60
Set gill net	Total		114	\$30,060		112	\$44,460

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Fishery	Category	Fee	Permit Renewal Fees				
			Current		Proposed		
			Pmts	Revenues	Fee	Pmts	Revenues
S04P	Resident	\$50	63	\$3,150	\$50	61	\$3,050
Salmon	Non-Res	\$150	2	\$300	\$150	1	\$150
Upper Yukon	Poverty	\$15	5	\$75	\$15	5	\$75
Set gill net	Total		70	\$3,525		67	\$3,275
S04T	Resident	\$150	703	\$105,450	\$150	691	\$103,650
Salmon	Non-Res	\$450	246	\$110,700	\$450	245	\$110,250
Bristol Bay	Poverty	\$15	66	\$990	\$15	66	\$990
Set gill net	Total		1015	\$217,140		1002	\$214,890
S04W	Resident	\$50	702	\$35,100	\$50	676	\$33,800
Salmon	Non-Res	\$150	1	\$150	\$150	1	\$150
Kuskokwim	Poverty	\$15	127	\$1,905	\$15	127	\$1,905
Set gill net	Total		830	\$37,155		804	\$35,855
S04X	Resident	\$50	184	\$9,200	\$50	175	\$8,750
Salmon	Non-Res	\$150	5	\$750	\$150	4	\$600
Kotzebue	Poverty	\$15	14	\$210	\$15	14	\$210
Set gill net	Total		203	\$10,160		193	\$9,560
S04Y	Resident	\$50	613	\$30,650	\$100	594	\$59,400
Salmon	Non-Res	\$150	9	\$1,350	\$300	9	\$2,700
Lower Yukon	Poverty	\$15	80	\$1,200	\$15	80	\$1,200
Set gill net	Total		702	\$33,200		683	\$63,300
S04Z	Resident	\$50	170	\$8,500	\$50	161	\$8,050
Salmon	Non-Res	\$150	2	\$300	\$150	2	\$300
Norton Sound	Poverty	\$15	17	\$255	\$15	17	\$255
Set gill net	Total		189	\$9,055		180	\$8,605
S05B	Resident	\$50	1343	\$67,150	\$50	1263	\$63,150
Salmon	Non-Res	\$150	146	\$21,900	\$150	137	\$20,550
Statewide	Poverty	\$15	66	\$990	\$15	66	\$990
Hand troll	Total		1555	\$90,040		1466	\$84,690

Fee Schedule, Limited Fisheries
 No Fee Cap, \$15 Poverty Fee
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 Current and Proposed Permit Renewal Fees and Projected
 Revenues for Limited Fisheries

Fishery	Category	Permit Renewal Fees					
		Fee	Current Pmts	Revenues	Fee	Proposed Pmts	Revenues
S08P	Resident	\$50	143	\$7,150	\$50	141	\$7,050
Salmon	Non-Res	\$150	1	\$150	\$150	1	\$150
Upper Yukon	Poverty	\$15	12	\$180	\$15	12	\$180
Fishwheel	Total		156	\$7,480		154	\$7,380
S15B	Resident	\$100	710	\$71,000	\$100	699	\$69,900
Salmon	Non-Res	\$300	196	\$58,800	\$300	196	\$58,800
Statewide	Poverty	\$15	44	\$660	\$15	44	\$660
Power troll	Total		950	\$130,460		939	\$129,360

Total Permits	Current	Proposed
Resident	9,578	9,268
Non-Res	2,923	2,879
Poverty	678	670
Grand Total	13,179	12,817

Total Revenues	Current	Proposed
Resident	\$1,407,650	\$1,749,550
Non-Res	\$1,794,150	\$2,654,100
Poverty	\$10,170	\$10,050
Grand Total	\$3,211,970	\$4,413,700

YR	FSHY	RES	NRES	POV	LIM	SHORT DESCRIPTION	LONG DESCRIPTION
93	A12B	50	150	15		ABALONE DIVING STW	ABALONE, DIVING GEAR, STATEWIDE
93	B05B	50	150	15		HALIBUT HAND STW	HALIBUT, HAND TROLL, STATEWIDE
93	B06B	50	150	15		HALIBUT LL S STW	HALIBUT, LONG LINE, UNDER 5 TONS, STATEWIDE
93	B26B	50	150	15		HALIBUT JIG STW	HALIBUT, MECHANICAL JIG, STATEWIDE
93	B61B	50	150	15		HALIBUT LL L STW	HALIBUT, LONG LINE, 5 TONS OR OVER, STATEWIDE
93	C04B	50	150	15		SBLFSH NET STW	SABLEFISH, SUNKEN GILL NET, STATEWIDE
93	C06B	50	150	15		SBLFSH LL S STW	SABLEFISH, LONG LINE, UNDER 5 TONS, STATEWIDE(EXCLUDING SOUTHEAST)
93	C07B	250	750	15		SBLFSH OTTER STW	SABLEFISH, OTTER TRAWL, STATEWIDE
93	C09B	50	150	15		SBLFSH POT S STW	SABLEFISH, POT GEAR, TO 50 FT, STATEWIDE(EXCLUDING SOUTHEAST)
93	C17B	50	150	15		SBLFSH BEAM STW	SABLEFISH, BEAM TRAWL, STATEWIDE
93	C26B	50	150	15		SBLFSH JIG STW	SABLEFISH, MECHANICAL JIG, STATEWIDE
93	C37B	50	150	15		SBLFSH PAIR STW	SABLEFISH, PAIR TRAWL, STATEWIDE
93	C61A	250	750	15	*	SBLFSH LL L NORTH SE	SABLEFISH, LONGLINE, NORTHERN SOUTHEAST
93	C61B	200	600	15		SBLFSH LL L STW	SABLEFISH, LONG LINE, 5 TONS OR OVER, STATEWIDE
93	C61C	50	150	15	*	SBLFSH LL L SOUTH SE	SABLEFISH, LONG LINE, 5 TONS OR OVER, SOUTHERN SOUTHEAST
93	C91B	250	750	15		SBLFSH POT L STW	SABLEFISH, POT GEAR, OVER 50 FT, STATEWIDE
93	C91C	50	150	15	*	SBLFSH POT L SOUTH SE	SABLEFISH, POT GEAR, SOUTHERN SOUTHEAST
93	D09A	50	150	15	*	DUNGENESS POT S SOUTHEAST	DUNGENESS CRAB, POT GEAR, TO 50 FT, SOUTHEASTERN
93	D09D	150	450	15		DUNGENESS POT S YAKUTAT	DUNGENESS CRAB, POT GEAR, TO 50 FT, YAKUTAT
93	D09E	50	150	15		DUNGENESS POT S PWS	DUNGENESS CRAB, POT GEAR, TO 50 FT, PRINCE WILLIAM SOUND
93	D09H	50	150	15		DUNGENESS POT S COOK INLET	DUNGENESS CRAB, POT GEAR, TO 50 FT, COOK INLET
93	D09J	50	150	15		DUNGENESS POT S WESTWARD	DUNGENESS CRAB, POT GEAR, TO 50 FT, WESTWARD
93	D09M	100	300	15		DUNGENESS POT S AK PEN	DUNGENESS CRAB, POT GEAR, TO 50 FT, ALASKA PENINSULA
93	D10A	50	150	15	*	DUNGENESS RING SOUTHEAST	DUNGENESS CRAB, RING NETS, SOUTHEASTERN
93	D10D	50	150	15		DUNGENESS RING YAKUTAT	DUNGENESS CRAB, RING NET, YAKUTAT
93	D10E	50	150	15		DUNGENESS RING PRINCE WM SD	DUNGENESS CRAB, RING NET, PRINCE WILLIAM SOUND
93	D10H	50	150	15		DUNGENESS RING COOK INLET	DUNGENESS CRAB, RING NET, COOK INLET
93	D10J	50	150	15		DUNGENESS RING WESTWARD	DUNGENESS CRAB, RING NET, WESTWARD
93	D10M	50	150	15		DUNGENESS RING AK PENINSULA	DUNGENESS CRAB, RING NET, ALASKA PENINSULA
93	D12A	50	150	15	*	DUNGENESS DIVING SOUTHEAST	DUNGENESS CRAB, DIVING GEAR, SOUTHEASTERN
93	D12D	50	150	15		DUNGENESS DIVING YAKUTAT	DUNGENESS CRAB, DIVING GEAR, YAKUTAT
93	D12E	50	150	15		DUNGENESS DIVING PRINCE WM SD	DUNGENESS CRAB, DIVING GEAR, PRINCE WILLIAM SOUND
93	D12H	50	150	15		DUNGENESS DIVING COOK INLET	DUNGENESS CRAB, DIVING GEAR, COOK INLET
93	D91A	50	150	15	*	DUNGENESS POT L SOUTHEAST	DUNGENESS CRAB, POT GEAR, OVER 50 FT, SOUTHEASTERN
93	D91D	250	750	15		DUNGENESS POT L YAKUTAT	DUNGENESS CRAB, POT GEAR, OVER 50 FT, YAKUTAT
93	D91E	50	150	15		DUNGENESS POT L PRINCE WM SD	DUNGENESS CRAB, POT GEAR, OVER 50 FT, PRINCE WILLIAM SOUND
93	D91H	150	450	15		DUNGENESS POT L COOK INLET	DUNGENESS CRAB, POT GEAR, OVER 50 FT, COOK INLET
93	D91J	250	750	15		DUNGENESS POT L WESTWARD	DUNGENESS CRAB, POT GEAR, OVER 50 FT, WESTWARD
93	D91M	100	300	15		DUNGENESS POT L AK PENINSULA	DUNGENESS CRAB, POT GEAR, OVER 50 FT, ALASKA PENINSULA
93	E09B	50	150	15		MISC CRAB POT S STW	MISCELLANEOUS CRAB, POT GEAR, TO 50 FT, STATEWIDE
93	E91B	50	150	15		MISC CRAB POT L STW	MISCELLANEOUS CRAB, POT GEAR, OVER 50 FT, STATEWIDE
93	F02B	50	150	15		FRSHWTR BEACH STW	FRESHWATER FISH, BEACH SEINE, STATEWIDE
93	F04B	50	150	15		FRSHWTR SET STW	FRESHWATER FISH, SET GILL NET, STATEWIDE
93	F05B	50	150	15		FRSHWTR HAND STW	FRESHWATER FISH, HAND LINE, STATEWIDE
93	F06B	50	150	15		FRSHWTR LL S STW	FRESHWATER FISH, LONGLINE, STATEWIDE
93	F08B	50	150	15		FRSHWTR WHEEL STW	FRESHWATER FISH, FISHWHEEL, STATEWIDE
93	F09B	50	150	15		FRSHWTR POT S STW	FRESHWATER FISH, POT GEAR, TO 50 FR, STATEWIDE
93	F26B	50	150	15		FRSHWTR JIG STW	FRESHWATER FISH, MECHANICAL JIG, STATEWIDE
93	F99B	50	150	15		FRSHWTR OTHER STW	FRESHWATER FISH, OTHER GEAR, STATEWIDE
93	G01A	250	750	15	*	HER ROE PURSE SE	ROE HERRING, PURSE SEINE, SOUTHEASTERN
93	G01E	250	750	15	*	HER ROE PURSE PWS	ROE HERRING, PURSE SEINE, PRINCE WILLIAM SOUND
93	G01H	200	600	15	*	HER ROE PURSE CI	ROE HERRING, PURSE SEINE, COOK INLET
93	G01K	100	300	15	*	HER ROE PURSE KOD	ROE HERRING, PURSE SEINE, KODIAK
93	G01L	50	150	15		HER ROE PURSE CHG	ROE HERRING, PURSE SEINE, CHIGNIK
93	G01M	50	150	15		HER ROE PURSE PEN	ROE HERRING, PURSE SEINE, PENINSULA-ALEUTIANS

93 G01T	50	150	15	HER ROE PURSE BB	ROE HERRING, PURSE SEINE, BRISTOL BAY
93 G01X	100	300	15	HER ROE PURSE KOT	ROE HERRING, PURSE SEINE, KOTZEBUE
93 G02X	50	150	15	HER ROE BEACH KOT	ROE HERRING, BEACH SEINE, KOTZEBUE
93 G02Z	50	150	15	HERRING BEACH NORTON SOUND	HERRING, BEACH SEINE, NORTON SOUND
93 G31K	150	450	15 *	HER ROE PURSE/GILL KODIAK	ROE HERRING, GILL NET AND PURSE SEINE, KODIAK
93 G34A	100	300	15 *	HER ROE NET SOUTHEAST	ROE HERRING, GILL NET, SOUTHEASTERN
93 G34E	200	600	15 *	HER ROE NET PRINCE WM SD	ROE HERRING, GILL NET, PRINCE WILLIAM SOUND
93 G34H	50	150	15	HER ROE NET COOK INLET	ROE HERRING, GILL NET, COOK INLET
93 G34K	50	150	15 *	HER ROE NET KODIAK	ROE HERRING, GILL NET, KODIAK
93 G34M	50	150	15	HER ROE NET PENINSULA	ROE HERRING, GILL NET, PENINSULA-ALEUTIANS
93 G34N	50	150	15 *	HERRING NET NELSON	HERRING, GILL NET, NELSON ISLAND
93 G34S	50	150	15	HER ROE NET SECURITY COVE	ROE HERRING, GILL NET, SECURITY COVE
93 G34T	50	150	15	HER ROE NET BRISTOL BAY	ROE HERRING, GILL NET, BRISTOL BAY
93 G34U	50	150	15 *	HERRING NET NUNIVAK IS	HERRING, GILL NET, NUNIVAK ISLAND
93 G34V	50	150	15	HER ROE NET CAPE AVINOF	ROE HERRING, GILL NET, CAPE AVINOF
93 G34W	50	150	15	HER ROE NET GOODNEWS BAY	ROE HERRING, GILL NET, GOODNEWS BAY
93 G34X	50	150	15	HER ROE NET KOTZEBUE	ROE HERRING, GILL NET, KOTZEBUE
93 G34Y	50	150	15 *	HERRING NET CAPE ROMANZOF	HERRING, GILL NET, CAPE ROMANZOF
93 G34Z	100	300	15 *	HERRING NET NORTON SOUND	HERRING, GILL NET, NORTON SOUND
93 G77Z	50	50	50	HERR ROE SPECIAL NORTON SD	ROE HERRING, GILL NET, NORTON SOUND (EDUCATIONAL PERMIT)
93 H01A	100	300	15	HER BT/FD PURSE SOUTHEAST	HERRING, PURSE SEINE, SOUTHEASTERN
93 H01D	50	150	15	HER BT/FD PURSE YAKUTAT	HERRING, PURSE SEINE, YAKUTAT
93 H01E	200	600	15	HER BT/FD PURSE PRINCE WM SD	HERRING FOR BAIT, PURSE SEINE, PRINCE WILLIAM SOUND
93 H01K	50	150	15	HER BT/FD PURSE KODIAK	HERRING, PURSE SEINE, KODIAK
93 H01L	50	150	15	HER BT/FD PURSE CHIGNIK	HERRING, PURSE SEINE, CHIGNIK
93 H01M	200	600	15	HER BT/FD PURSE PENINSULA	HERRING, PURSE SEINE, PENINSULA-ALEUTIANS
93 H01X	50	150	15	HER BT/FD PURSE KOTZEBUE	HERRING, PURSE SEINE, KOTZEBUE
93 H02H	50	150	15	HER BT/FD BEACH COOK INLET	HERRING, BEACH SEINE, COOK INLET
93 H02K	50	150	15	HER BT/FD BEACH KODIAK	HERRING, BEACH SEINE, KODIAK
93 H02X	50	150	15	HER BT/FD BEACH KOTZEBUE	HERRING, BEACH SEINE, KOTZEBUE
93 H07A	50	150	15	HER BT/FD OTTER SOUTHEAST	HERRING, OTTER TRAWL, SOUTHEAST
93 H07D	50	150	15	HER BT/FD OTTER YAKUTAT	HERRING, OTTER TRAWL, YAKUTAT
93 H07E	50	150	15	HER BT/FD OTTER PWS	HERRING, OTTER TRAWL, PRINCE WILLIAM SOUND
93 H07K	100	300	15	HER BT/FD OTTER KODIAK	HERRING, OTTER TRAWL, KODIAK
93 H17A	50	150	15	HER BT/FD BEAM SOUTHEAST	HERRING, BEAM TRAWL, SOUTHEAST
93 H17D	50	150	15	HER BT/FD BEAM YAKUTAT	HERRING, BEAM TRAWL, YAKUTAT
93 H17E	50	150	15	HER BT/FD BEAM PR WM SD	HERRING BAIT/FOOD, BEAM TRAWL, PRINCE WILLIAM SOUND
93 H17K	50	150	15	HER BT/FD BEAM KODIAK	HERRING, BEAM TRAWL, KODIAK
93 H21A	50	150	15	HER BT/FD POUND SOUTHEAST	HERRING, POUND, SOUTHEASTERN
93 H21H	50	150	15	HER BT/FD POUND COOK INLET	HERRING, POUND, COOK INLET
93 H34D	50	150	15	HER BT/FD NET YAKUTAT	HERRING, GILL NET, YAKUTAT
93 H34E	50	150	15	HER BT/FD NET PRINCE WM SD	HERRING, GILL NET, PRINCE WILLIAM SOUND
93 H34H	50	150	15	HER BT/FD NET COOK INLET	HERRING, GILL NET, COOK INLET
93 H34K	50	150	15	HER BT/FD NET KODIAK	HERRING, GILL NET, KODIAK
93 H34M	50	150	15	HER BT/FD NET PENINSULA	HERRING, GILL NET, PENINSULA-ALEUTIANS
93 H34X	50	150	15	HER BT/FD NET KOTZEBUE	HERRING, GILL NET, KOTZEBUE
93 H37A	50	150	15	HER BT/FD PAIR SOUTHEAST	HERRING BAIT/FOOD, PAIR TRAWL, SOUTHEAST
93 H37D	50	150	15	HER BT/FD PAIR YAKUTAT	HERRING, PAIR TRAWL, YAKUTAT
93 H37E	50	150	15	HER BT/FD PAIR PRINCE WM SD	HERRING BAIT/FOOD, PAIR TRAWL, PRINCE WILLIAM SOUND
93 H37K	50	150	15	HER BT/FD PAIR KODIAK	HERRING, PAIR TRAWL, KODIAK
93 K09D	50	150	15	KING POT S YAKUTAT	KING CRAB, POT GEAR, TO 50 FT, YAKUTAT
93 K09E	50	150	15	KING POT S PRINCE WM SD	KING CRAB, POT GEAR, TO 50 FT, PRINCE WILLIAM SOUND
93 K09H	100	300	15	KING POT S COOK INLET	KING CRAB, POT GEAR, TO 50 FT, COOK INLET
93 K09K	50	150	15	KING POT S KODIAK	KING CRAB, POT GEAR, TO 50 FT, KODIAK
93 K09M	250	750	15	KING POT S PENINSULA	KING CRAB, POT GEAR, TO 50 FT, PENINSULA-ALEUTIANS
93 K09O	50	150	15	KING POT S DUTCH HARBOR	KING CRAB, POT GEAR, TO 50 FT, DUTCH HARBOR
93 K09R	50	150	15	KING POT S ADAK	KING CRAB, POT GEAR, TO 50 FT, ADAK-WESTERN ALEUTIANS
93 K09T	150	450	15	KING POT S BRISTOL BAY	KING CRAB, POT GEAR, TO 50 FT, BRISTOL BAY
93 K09X	50	150	15	KING POT S ST LAWRENCE IS	KING CRAB, POT GEAR, TO 50 FT, ST LAWRENCE ISLAND
93 K09Z	50	150	15	KING POT S NORTON SOUND	KING CRAB, POT GEAR, TO 50 FT, NORTON SOUND
93 K19A	50	150	15 *	RED/BLUE KING CRAB POTS SE	RED/BLUE KING CRAB, POT GEAR, SOUTHEASTERN
93 K29A	250	750	15 *	RED/BLUE/BROWN KING POTS SE	RED/BLUE AND BROWN KING CRAB, POT GEAR, SOUTHEASTERN

93 K39A	200	600	15 *	BROWN KING POTS SE	BROWN KING CRAB, POT GEAR, SOUTHEASTERN
93 K49A	200	600	15 *	RED/BLUE KING & TANNER POTS SE	RED/BLUE KING/TANNER CRAB, POT GEAR, SOUTHEASTERN
93 K59A	250	750	15 *	BROWN KING & TANNER POTS SE	BROWN KING, TANNER CRAB, POT GEAR, SOUTHEASTERN
93 K69A	250	750	15 *	KING AND TANNER CRAB POTS SE	KING AND TANNER CRAB, POT GEAR, SOUTHEAST
93 K91D	50	150	15	KING POT L YAKUTAT	KING CRAB, POT GEAR, OVER 50 FT, YAKUTAT
93 K91E	50	150	15	KING POT L PRINCE WM SD	KING CRAB, POT GEAR, OVER 50 FT, PRINCE WILLIAM SOUND
93 K91H	100	300	15	KING POT L COOK INLET	KING CRAB, POT GEAR, OVER 50 FT, COOK INLET
93 K91K	50	150	15	KING POT L KODIAK	KING CRAB, POT GEAR, OVER 50 FT, KODIAK
93 K91M	250	750	15	KING POT L PENINSULA	KING CRAB, POT GEAR, OVER 50 FT, PENINSULA-ALEUTIANS
93 K91O	250	750	15	KING POT L DUTCH HARBOR	KING CRAB, POT GEAR, OVER 50 FT, DUTCH HARBOR
93 K91Q	250	750	15	KING POT L BERING SEA	KING CRAB, POT GEAR, OVER 50 FT, BERING SEA
93 K91R	250	750	15	KING POT L ADAK	KING CRAB, POT GEAR, OVER 50 FT, ADAK-WESTERN ALEUTIANS

YR	FSHY	RES	NRES	POV	LIM	SHORT DESCRIPTION	LONG DESCRIPTION
93	K91T	250	750	15		KING POT L BRISTOL BAY	KING CRAB, POT GEAR, OVER 50 FT, BRISTOL BAY
93	K91X	50	150	15		KING POT L ST LAWRENCE IS	KING CRAB, POT GEAR, OVER 50 FT, ST LAWRENCE ISLAND
93	K91Z	250	750	15		KING POT L NORTON SD	KING CRAB, POT GEAR, OVER 50 FT, NORTON SOUND
93	L12E	50	150	15		SPAWN DIV/HND PRINCE WM SD	HERRING SPAWN ON KELP, DIVING/HAND-PICKING, PRINCE WM SOUND
93	L12T	50	150	15	*	SPAWN HANDPICK BRISTOL BAY	HERRING SPAWN ON KELP, DIVING/HAND-PICKING, BRISTOL BAY
93	L21A	50	150	15		SPAWN POUND SOUTHEAST	HERRING SPAWN, POUND, SOUTHEAST
93	L21E	150	450	15	*	SPAWN POUND PWS	HERRING SPAWN, POUND, PRINCE WILLIAM SOUND
93	M01B	50	150	15		MISC FIN PURSE STW	MISC SALTWATER FINFISH, PURSE SEINE, STATEWIDE
93	M02B	50	150	15		MISC FIN BEACH STW	MISC SALTWATER FINFISH, BEACH SEINE, STATEWIDE
93	M04B	50	150	15		MISC FIN SET STW	MISC SALTWATER FINFISH, SET GILL NET, STATEWIDE
93	M05B	50	150	15		MISC FIN HAND STW	MISC SALTWATER FINFISH, HAND TROLL, STATEWIDE
93	M06B	50	150	15		MISC FIN LL S STW	MISC SALTWATER FINFISH, LONG LINE, UNDER 5 TONS, STATEWIDE
93	M07B	250	750	15		MISC FIN OTTER STW	MISC SALTWATER FINFISH, OTTER TRAWL, STATEWIDE
93	M09B	50	150	15		MISC FIN POT S STW	MISC SALTWATER FINFISH, POT GEAR, TO 50 FT, STATEWIDE
93	M17B	50	150	15		MISC FIN BEAM STW	MISC SALTWATER FINFISH, BEAM TRAWL, STATEWIDE
93	M26B	50	150	15		MISC FIN JIG STW	MISC SALTWATER FINFISH, JIG, STATEWIDE
93	M37B	50	150	15		MISC FIN PAIR STW	MISC SALTWATER FINFISH, PAIR TRAWL, STATEWIDE
93	M61B	100	300	15		MISC FIN LL L STW	MISC SALTWATER FINFISH, LONG LINE, 5 TONS OR OVER, STATEWIDE
93	M91B	100	300	15		MISC FIN POT L STW	MISC SALTWATER FINFISH, POT GEAR, OVER 50 FT, STATEWIDE
93	M99B	50	150	15		MISC FIN OTHER STW	MISC SALTWATER FINFISH, OTHER GEAR, STATEWIDE
93	N09B	50	150	15		SNAILS POTS S STATEWIDE	SNAILS, POT GEAR, VESSEL TO 50 FT, STATEWIDE
93	N12B	50	150	15		SNAILS DIVING STATEWIDE	SNAILS, DIVING GEAR, STATEWIDE
93	N91B	50	150	15		SNAILS POTS L STW	SNAILS, POT GEAR, VESSEL OVER 50 FT, STATEWIDE
93	N99B	50	150	15		SNAILS OTHER STW	SNAILS, MISCELLANEOUS GEAR, STATEWIDE
93	O05B	50	150	15		OCTOPI/SQUID HAND STW	OCTOPI/SQUID, HANDLINE, STATEWIDE
93	O06B	50	150	15		OCTOPI/SQUID LL S STW	OCTOPI/SQUID, LONGLINE, UNDER 5 TONS, STATEWIDE
93	O09B	50	150	15		OCTOPI/SQUID POTS S STATEWIDE	OCTOPI/SQUID, POT GEAR, 50' OR UNDER, STATEWIDE
93	O12B	50	150	15		OCTOPI/SQUID DIV/HND STATEWIDE	OCTOPI/SQUID, DIVING/HANDPICKING, STATEWIDE
93	O61B	50	150	15		OCTOPI/SQUID LL L STW	OCTOPI/SQUID LONGLINE, 5 TONS OR OVER, STATEWIDE
93	O91B	50	150	15		OCTOPI/SQUID POTS L STATEWIDE	OCTOPI/SQUID, POT GEAR, OVER 50', STATEWIDE
93	O99B	50	150	15		OCTOPI/SQUID OTHER STW	OCTOPI/SQUID, OTHER GEAR, STATEWIDE
93	P07B	50	150	15		SHRIMP OTTER STW	SHRIMP, OTTER TRAWL, STATEWIDE
93	P07H	100	300	15		SHRIMP OTTER CI	SHRIMP, OTTER TRAWL, COOK INLET
93	P09B	50	150	15		SHRIMP POT S STW	SHRIMP, POT GEAR, TO 50 FT, STATEWIDE
93	P09E	50	150	15		SHRIMP POT S PWS	SHRIMP, POT, 50 FEET & UNDER, PRINCE WILLIAM SOUND
93	P17B	50	150	15		SHRIMP BEAM STW	SHRIMP, BEAM TRAWL, STATEWIDE
93	P17H	50	150	15		SHRIMP BEAM CI	SHRIMP, BEAM TRAWL, COOK INLET
93	P37B	50	150	15		SHRIMP PAIR STW	SHRIMP, PAIR TRAWL, STATEWIDE
93	P37H	50	150	15		SHRIMP PAIR CI	SHRIMP, PAIR TRAWL, COOK INLET
93	P91B	50	150	15		SHRIMP POT L STW	SHRIMP, POT GEAR, OVER 50 FT, STATEWIDE
93	P91E	50	150	15		SHRIMP POT L PWS	SHRIMP, POT, OVER 50 FEET, PRINCE WILLIAM SOUND
93	R12B	50	150	15		CLAM DIV/HND PICK STATEWIDE	CLAMS, DIVING GEAR/HAND PICKING, STATEWIDE
93	R18B	50	150	15		CLAM SHOVEL STW	CLAMS, SHOVEL, STATEWIDE
93	R23B	50	150	15		CLAM MECH DIG STW	CLAMS, MECHANICAL DIGGER, STATEWIDE
93	S01A	150	450	15	*	SALMON PURSE SE	SALMON, PURSE SEINE, SOUTHEASTERN
93	S01E	250	750	15	*	SALMON PURSE PWS	SALMON, PURSE SEINE, PRINCE WILLIAM SOUND
93	S01H	250	750	15	*	SALMON PURSE CI	SALMON, PURSE SEINE, COOK INLET
93	S01K	200	600	15	*	SALMON PURSE KOD	SALMON, PURSE SEINE, KODIAK
93	S01L	250	750	15	*	SALMON PURSE CH	SALMON, PURSE SEINE, CHIGNIK
93	S01M	250	750	15	*	SALMON PURSE PEN	SALMON, PURSE SEINE, PENINSULA-ALEUTIANS
93	S02K	100	300	15	*	SALMON BEACH KOD	SALMON, BEACH SEINE, KODIAK
93	S03A	200	600	15	*	SALMON DRIFT SE	SALMON, DRIFT GILL NET, SOUTHEASTERN
93	S03E	250	750	15	*	SALMON DRIFT PWS	SALMON, DRIFT GILL NET, PRINCE WILLIAM SOUND
93	S03H	200	600	15	*	SALMON DRIFT CI	SALMON, DRIFT GILL NET, COOK INLET
93	S03M	250	750	15	*	SALMON DRIFT PEN	SALMON, DRIFT GILL NET, PENINSULA-ALEUTIANS

93 S03T	250	750	15	*	SALMON DRIFT BB	SALMON, DRIFT GILL NET, BRISTOL BAY
93 S04D	100	300	15	*	SALMON SET YAK	SALMON, SET GILL NET, YAKUTAT
93 S04E	250	750	15	*	SALMON SET PWS	SALMON, SET GILL NET, PRINCE WILLIAM SOUND
93 S04F	50	150	15		SALMON SET ATKA	SALMON, SET GILL NET, ATKA/AMLIA ISLANDS
93 S04H	100	300	15	*	SALMON SET CI	SALMON, SET GILL NET, COOK INLET
93 S04K	250	750	15	*	SALMON SET KOD	SALMON, SET GILL NET, KODIAK
93 S04M	250	750	15	*	SALMON SET PEN	SALMON, SET GILL NET, PENINSULA-ALEUTIANS
93 S04P	50	150	15	*	SALMON NET UP YU	SALMON, GILL NET, UPPER YUKON
93 S04T	150	450	15	*	SALMON SET BB	SALMON, SET GILL NET, BRISTOL BAY
93 S04W	50	150	15	*	SALMON NET KUS	SALMON, GILL NET, KUSKOKWIM
93 S04X	50	150	15	*	SALMON NET KOT	SALMON, GILL NET, KOTZEBUE
93 S04Y	50	150	15	*	SALMON NET LW YU	SALMON, GILL NET, LOWER YUKON
93 S04Z	50	150	15	*	SALMON NET NORTON SOUND	SALMON, GILL NET, NORTON SOUND-PORT CLARENC
93 S05B	50	150	15	*	SALMON HAND STW	SALMON, HAND TROLL, STATEWIDE
93 S08P	50	150	15	*	SALMON WHEEL UP YUKON	SALMON, FISHWHEEL, UPPER YUKON
93 S15B	100	300	15	*	SALMON POWER STW	SALMON, POWER GURDY TROLL, STATEWIDE
93 S77A	50	50	50		SALMON SPECIAL SE	SALMON, SPECIAL HARVEST AREA (HATCHERY), SOUTHEAST
93 S77E	50	50	50		SALMON SPECIAL PWS	SALMON, SPECIAL HARVEST AREA (HATCHERY), PRINCE WILLIAM SOUND
93 S77H	50	50	50		SALMON SPECIAL CI	SALMON, SPECIAL HARVEST AREA (HATCHERY), COOK INLET
93 S77K	50	50	50		SALMON SPECIAL KODIAK	SALMON, SPECIAL HARVEST AREA, KODIAK
93 S77T	50	150	50		SALMON SPECIAL BRISTOL BAY	SALMON, EDUCATIONAL ENTRY PERMIT, BRISTOL BAY
93 S77W	50	150	50		SALMON SPECIAL KUSKOKWIM	SALMON, EDUCATIONAL ENTRY PERMIT, KUSKOKWIM
93 S77Y	50	150	50		SALMON SPECIAL LOWER YUKON	SALMON, SPECIAL HARVEST AREA, LOWER YUKON
93 S99A	0	0	0	*	SALMON TRAPS SOUTHEAST	SALMON, TRAPS, SOUTHEAST (METLAKATLA RESERVATION ONLY)
93 T09D	50	150	15		TANNER POT S YAK	TANNER CRAB, POT GEAR, TO 50 FT, YAKUTAT
93 T09E	100	300	15		TANNER POT S PWS	TANNER CRAB, POT GEAR, TO 50 FT, PRINCE WILLIAM SOUND
93 T09H	50	150	15		TANNER POT S CI	TANNER CRAB, POT GEAR, TO 50 FT, COOK INLET
93 T09K	100	300	15		TANNER POT S KOD	TANNER CRAB, POT GEAR, TO 50 FT, KODIAK
93 T09M	150	450	15		TANNER POT S PEN	TANNER CRAB, POT GEAR, TO 50 FT, PENINSULA-ALEUTIANS
93 T09O	100	300	15		TANNER POT S DUT	TANNER CRAB, POT GEAR, TO 50 FT, DUTCH HARBOR
93 T09Q	50	150	15		TANNER POT S BER	TANNER CRAB, POT GEAR, TO 50 FT, BERING SEA
93 T09R	50	150	15		TANNER POT S ADAK	TANNER CRAB, POT GEAR, TO 50 FT, ADAK
93 T10A	50	150	15		TANNER RING SOUTHEAST	TANNER CRAB, RING NETS, SOUTHEASTERN
93 T19A	150	450	15	*	TANNER POTS SE	TANNER CRAB, POT GEAR, SOUTHEASTERN
93 T91D	150	450	15		TANNER POT L YAK	TANNER CRAB, POT GEAR, OVER 50 FT, YAKUTAT
93 T91E	150	450	15		TANNER POT L PWS	TANNER CRAB, POT GEAR, OVER 50 FT, PRINCE WILLIAM SOUND
93 T91H	150	450	15		TANNER POT L CI	TANNER CRAB, POT GEAR, OVER 50 FT, COOK INLET
93 T91K	100	300	15		TANNER POT L KOD	TANNER CRAB, POT GEAR, OVER 50 FT, KODIAK
93 T91M	250	750	15		TANNER POT L PEN	TANNER CRAB, POT GEAR, OVER 50 FT, PENINSULA-ALEUTIANS
93 T91O	150	450	15		TANNER POT L DUT	TANNER CRAB, POT GEAR, OVER 50 FT, DUTCH HARBOR
93 T91Q	250	750	15		TANNER POT L BER	TANNER CRAB, POT GEAR, OVER 50 FT, BERING SEA
93 T91R	50	150	15		TANNER POT L ADAK	TANNER CRAB, POT GEAR, OVER 50 FT, ADAK
93 U12B	50	150	15		URCHIN DIVING STATEWIDE	SEA URCHINS, DIVING GEAR, STATEWIDE
93 W22B	250	750	15		SCALLOP DREDGE STW	SCALLOPS, DREDGE, STATEWIDE
93 Y05A	50	150	15		ROCKFISH HAND SOUTHEAST	DEMERSAL SHELF ROCKFISH, HAND TROLL/HAND LINE, SOUTHEAST
93 Y06A	50	150	15		ROCKFISH LONGLINE S SOUTHEAST	DEMERSAL SHELF ROCKFISH, LONGLINE, UNDER 5 TONS, SOUTHEAST
93 Y26A	50	150	15		ROCKFISH JIG SOUTHEAST	DEMERSAL SHELF ROCKFISH, MECHANICAL JIG, SOUTHEAST
93 Y61A	50	150	15		ROCKFISH LONGLINE L SOUTHEAST	DEMERSAL SHELF ROCKFISH, LONGLINE, 5 TONS OR OVER, SOUTHEAST
93 Z01B	50	150	15			
93 Z06B	50	150	15			
93 Z09B	50	150	15			
93 Z12B	50	150	15		SEA CUCUMBER, DIV/HND, STW	SEA CUCUMBER, DIVING/HANDPICKING, STATEWIDE
93 Z17B	50	150	15			
93 Z18B	50	150	15		MUSSELS SHOVEL STW	MUSSELS, SHOVEL, STATEWIDE
93 Z26B	50	150	15			
93 Z37B	50	150	15			
93 Z61B	50	150	15			
93 Z91B	50	150	15			
93 Z99B	50	150	15			

**Projected Vessel Licensing Revenue
Based on HB230
Greater of \$20 or \$2/Gross Ton
Commercial Fisheries Entry Commission**

Gross Tons	Average Fee	Vessel Count	Projected Revenue	Percentage of Vessels
Minimum	20	12,647	252,940	73.6%
11-19	30	1,287	39,040	7.5%
20-29	48	871	42,218	5.1%
30-39	67	573	38,612	3.3%
40-49	87	388	33,878	2.3%
50-59	108	186	20,100	1.1%
60-69	128	127	16,260	0.7%
70-79	147	141	20,758	0.8%
80-89	168	88	14,762	0.5%
90-99	191	97	18,534	0.6%
100-119	220	87	19,114	0.5%
120-139	258	84	21,670	0.5%
140-159	297	62	18,430	0.4%
160-179	337	84	28,278	0.5%
180-199	387	301	116,440	1.8%
200-249	447	11	4,912	0.1%
250-299	561	35	19,628	0.2%
300-349	653	15	9,796	0.1%
350-399	744	12	8,922	0.1%
400-449	865	13	11,250	0.1%
450-499	970	45	43,628	0.3%
500-549	1,093	2	2,186	0.0%
550-599	1,148	4	4,590	0.0%
600-649	1,221	5	6,104	0.0%
650-699	1,348	5	6,742	0.0%
700-749	1,468	3	4,404	0.0%
750-799	1,546	5	7,730	0.0%
800-849	1,644	3	4,932	0.0%
850-899	1,740	1	1,740	0.0%
900-949	1,826	4	7,304	0.0%
950-998	1,953	8	15,626	0.0%
Totals		17,194	\$860,528	

Frequency Table of Vessel Length and Gross Tonnage Commercial Fisheries Entry Commission

Length From To		Gross Tonnage																				Totals			
		1 4	5 9	10 14	15 19	20 29	30 39	40 49	50 59	60 79	80 99	100 119	120 139	140 159	160 179	180 199	200 249	250 299	300 349	350 399	400 499		500 998	999	
0	25	2	0	1	2	2	1	1	0	1	1	0	0	0	0	1	0	0	0	0	1	0	2	40	
7	19	3,314	568	35	1	1	2	1	0	0	1	0	0	1	0	0	0	0	0	0	0	0	2	0	3,926
20	29	2,548	1,009	776	366	30	9	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	4,741
30	39	934	100	748	1,692	1,036	401	56	1	0	2	1	1	1	1	0	0	1	1	0	0	0	1	1	4,978
40	49	173	1	9	47	150	544	414	224	99	78	16	6	0	0	0	0	0	0	0	1	0	0	0	1,762
50	59	61	0	0	2	1	27	119	140	55	97	35	4	2	0	0	1	0	1	0	0	0	1	0	546
60	69	18	0	0	1	1	0	6	22	28	66	57	23	8	6	2	1	0	1	0	0	0	0	0	240
70	79	26	0	0	2	0	0	0	0	3	24	39	41	44	24	16	4	1	0	0	0	0	1	0	225
80	99	11	0	0	0	1	1	1	0	1	1	23	11	22	22	55	111	5	2	3	0	1	0	0	271
100	119	14	0	0	0	0	0	0	0	0	0	13	2	6	6	7	97	3	5	3	2	6	2	0	166
120	149	2	0	0	0	0	0	0	0	0	0	0	0	0	1	0	57	2	9	7	2	14	4	1	99
150	179	10	0	0	0	0	0	0	0	0	0	1	0	0	0	2	26	0	12	1	3	31	20	4	110
180	219	19	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2	0	4	1	3	5	10	9	55
220	249	7	0	0	0	0	0	0	0	0	0	0	0	1	0	1	1	0	0	0	0	0	1	0	11
250	299	9	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	2	13
300	998	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	11
999		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals		7,181	1,680	1,568	2,112	1,222	986	599	388	186	270	186	88	84	63	85	301	12	35	15	12	58	44	19	17,194

U.S. Department
of Transportation

United States
Coast Guard



Commanding Officer
Marine Safety Office
Vessel Documentation

2760 Sherwood Lane
Suite 2A
Juneau, AK 99801
(907)463-2460

MARCH 1992

DOCUMENTATION OF VESSELS

INTRODUCTION

This pamphlet provides basic information about documentation of vessels. The information is not intended to be all-inclusive inasmuch as each vessel has its own peculiarities and must be handled on a case-by-case basis. General documentation procedures, however, are the same for all vessels and are found in Title 46, Code of Federal Regulations, Part 67.

WHAT IS DOCUMENTATION

Documentation is a form of national registration and evidence that a vessel qualifies to be employed in a specified trade. Any vessel of at least 5 net tons which engages in the coastwise trade (carrying passengers, hauling freight, towing, etc.), Great Lakes trade or American fisheries **IS REQUIRED BY FEDERAL LAW TO BE DOCUMENTED.** Generally a 32' vessel measures at least 5 net tons. All other vessels which meet the 5 net ton requirement are eligible for documentation at the option of the owner; however, they are not required to be documented--this includes recreational vessels.

Documentation does not exempt vessels from any State or Federal taxes. It also does not excuse non-compliance with all safety and equipment regulations of the Federal Government and the State of Alaska.

NOTE: An undocumented vessel equipped with propelling machinery must have a number issued by the proper issuing authority in the state in which the vessel principally operates. For the State of Alaska, AK registration numbers are issued by Commander(b), U. S. Coast Guard, P. O. Box 25517, Juneau, Alaska 99802-5517.

An AK registration number will not be issued to a vessel which is documented or required to be documented.

DEFINITIONS

ADF&G NUMBER: The number assigned by the State of Alaska, Department of Fish and Game to commercial fishing vessels.

COMMERCIAL VESSEL: Any vessel used in the coastwise trade (such as carrying passengers on sightseeing tours, charter fishing, carrying freight, towing) OR engaged in fisheries OR documented for registry.

DOCUMENTED VESSEL: A vessel which has been issued a Certificate of Documentation.

HAILING PORT: The city and state marked on the vessel.

HOME PORT: The port of documentation where the records of a vessel are kept. This port is determined by the owner's domicile (residence) OR in the case of a corporation, its principal place of business or address within state of incorporation. It is not the port in which the vessel operates. Juneau is the only place in the State of Alaska where vessel documentation records are maintained by the Coast Guard.

HULL IDENTIFICATION NUMBER (HIN): A 12-digit identification number assigned by either the builder/manufacturer or a state motorboat agency to recreational vessels and vessels which will carry six or fewer passengers.

OFFICIAL NUMBER: The six-digit number assigned to vessels which are issued Certificates of Documentation by the U.S. Coast Guard.

RECREATIONAL (PLEASURE) VESSEL: Any vessel used entirely for the personal use of the owner (sport fishing, day trip with friends where friends contribute nothing to the operation of the vessel, hunting trip, etc.).

TON (TONNAGE): Equivalent to 100 cubic feet; it is a measure of cubic volume rather than vessel weight.

CITIZENSHIP OF OWNER AND PERSON IN COMMAND OF VESSEL

Documented vessels must be owned entirely by citizens of the United States.

A documented vessel may only be operated by a citizen of the United States.

Additional individual licensing requirements may apply. Contact the nearest Coast Guard Regional Examination Center for specific guidance.

MEASUREMENT OF A VESSEL

A vessel may be documented only if it has been measured to establish gross and net tonnages and measures at least 5 net tons. The TONNAGE of a vessel is not a measure of weight, but rather a measure of cubic volume; one ton being equal to 100 cubic feet. Gross tonnage (total cubic volume) is determined and then the volumes of certain spaces are deducted to calculate net tonnage.

There are two methods which are used to determine tonnage--simplified and standard. A commercial vessel less than 79 feet which is required to be documented, may be measured under either the Simplified Measurement Method (through the Coast Guard) or the Standard Measurement System (through the American Bureau of Shipping or Det Norske Veritas). Under the simplified system, a vessel may be measured by providing basic vessel data to the Coast Guard on Form CG-5397, Application for Optional Simplified Measurement. This may be submitted to the Coast Guard at the vessel's home port or the port where the initial application for documentation or subsequent changes is processed. There is no fee for simplified measurement.

Barges of any size not engaged in international voyages may be measured under either the simplified or standard systems.

Generally, vessels 79 feet and over must be measured under the standard system. The only two organizations authorized to provide this service are American Bureau of Shipping (ABS) and Det Norske Veritas (DNV). Contact each organization directly for information on costs involved. Addresses and telephone numbers are provided below.

ABS Americas, 263 North Belt East, Houston, Texas 77060-6080;
Telephone 713-873-0700; FAX No. 713-874-9553

Det Norske Veritas, Attn: Phil Essex, 80 Grand Ave., Suite 201,
River Edge, New Jersey 07661
Telephone 201-488-0112; FAX No. 201-488-1778

HOW TO APPLY FOR DOCUMENTATION

The forms necessary for documentation are listed below and will be sent at no cost upon request.

CG-1258	Application for Documentation or for Surrender, Replacement, or Redocumentation
CG-1261	Builder's Certification
CG-5397	Application for Optional Simplified Measurement
CG-1322	Certificate of Marking
CG-1340	Bill of Sale (not always required)
MA-899	Declaration of Citizenship for Vessel Recordation Purposes (not always required)

FEES

ALL VESSELS

Change of vessel name	\$100.00
Recording fees: Bills of Sale	\$ 1.00 (per sale)
Mortgages	\$.20 per hundred words

RECREATIONAL VESSELS ONLY

Initial Documentation	\$100.00
Subsequent Changes	\$ 50.00*

*If a change of vessel name is requested as part of a subsequent change, only the fee for name change applies.

There is no fee for the annual renewal of the Certificate of Documentation.

Fees are payable to the U. S. Coast Guard by check or money order.

BUILD AND TITLE EVIDENCE

If a vessel is to be used in the coastwise trade or American fisheries, the owner must furnish evidence that the vessel was built in the United States. That evidence may be an original Builder's Certification (CG-1261) or other original document containing the same information. A person having personal knowledge of the facts of build because he constructed or supervised the actual construction of the vessel may complete the form. A separate certification from each builder involved in the construction of the vessel must be filed.

A vessel may be documented only in the name of the legal owner. If the vessel was built for the applicant, the Builder's Certification may be used to establish title as well as furnish the facts of build.

If the vessel was not built for the applicant, recordable bills of sale, preferably on form CG-1340, must be obtained from each of the previous owners. A declaration of citizenship, MA-899, must be submitted for each purchaser.

If the applicant cannot obtain the builder's certification and/or recordable bills of sale from previous owners, contact the Vessel Documentation Office for guidance. The applicant should present whatever evidence of build or title is available, such as non-standard bills of sale or other evidence of purchase, for a determination as to acceptability.

If a vessel is to be documented for registry or recreation the owner may not need to provide build evidence. Vessels to be documented for fishery may not need to provide a complete ownership chain. Contact the Vessel Documentation Office for guidance in completing and submitting the required paperwork.

VESSEL MARKINGS

When an Application for Documentation is submitted, an official number is awarded the vessel for identification purposes. That number, preceded by the abbreviation "NO." must be permanently marked in block-type, arabic numbers not less than three inches high on some clearly visible interior structural part of the hull. The number must be marked so that it cannot be obliterated or obscured.

For vessels documented exclusively for recreational purposes, the name and hailing port must be marked together on some clearly visible exterior part of the hull.

All other documented vessels must have the vessel name and hailing port (must include BOTH CITY AND STATE) permanently displayed in a clearly visible manner on the stern. The name must be marked on the port and starboard bow. The letters must be clearly legible and not less than 4 inches in height.

The hailing port may be either the home port OR the place used to determine home port (city of domicile/residence or principal place of business in Alaska). If the owner moves and/or re-marks the vessel, he should notify the Vessel Documentation Office to update the vessel records.

EXAMPLE 1: Owner lives in Kodiak: The home port is Juneau as that is the place the vessel records are kept. The hailing port marking may be either Juneau, Alaska or Kodiak, Alaska.

EXAMPLE 2: Owner living in Kodiak moves to Bellingham, Washington: The homeport of the vessel may remain Juneau as long as the hailing port marking remains a city and state within the State of Alaska. If the owner wants to re-mark the vessel with Bellingham, WA, the home port must then be changed to Seattle, WA.