

505

HRES

HB 573

-

HB 720

505

THIS BILL RESOLUTION

has been prepared by the staff of the Legislative Affairs Agency in response to the request and at the direction of the sponsoring member or committee. The staff has attempted to place the document in proper legal and clerical form, subject to any special limitations or instructions of the requestor.

Any staff questions or comments as to legality, constitutionality, and form have been included in the memorandum addressed to the requestor and kept in the work file. If we may be of further assistance in this matter, please contact the Director of Legal Services or the Director of Research Services, as appropriate.

Delivered to requestor 1-30-78

LA-L 40

Original sponsors: Osterback and Snider

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

CS FOR HOUSE BILL NO. 573

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act amending the Commercial Fishing Loan Act; and providing for an effective date."

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

* Section 1. AS 16.10.310(a)(1) is amended by adding a new subparagraph to read:

(C) corporations, partnerships, or joint ventures 51 per cent of which are owned by individual commercial fishermen who have been state residents for a continuous period of five years, and have had ~~a commercial fishing license~~ ^{any} for three years for the purchase, construction, repair or upgrading of fishing vessels or gear;

* Sec. 2. AS 16.10.320 is amended to read:

Sec. 16.10.320. LIMITATIONS ON LOANS. A commercial fishing loan may not exceed \$500,000 [\$150,000]. A loan may not run longer than 15 years or bear interest exceeding seven per cent, and it shall be secured by a first lien and appropriate security agreements, except that a lien in favor of the state is not required for loans guaranteed fully by the federal government under the Federal Ship Financing Act of 1972 (46 U.S.C. secs. 1271-1279b; 86 Stat. 909), as amended. In the case of a security agreement given to secure a loan made under secs. 300 - 370 of this chapter and covering a vessel documented under the laws of the United States and so long as the Ship Mortgage Act of 1920 (46 U.S.C. secs. 911-934; 41 Stat. 1000), as amended, and the Shipping Act of 1916 (46 U.S.C. secs 301-342; 39 Stat. 728), as amended, remain ambiguous with respect to whether or not a state or state agency qualifies as a

citizen of the United States for purposes of those Acts, the first lien requirement of this section may be satisfied by the recordation and endorsement of a first preferred ship mortgage under the Ship Mortgage Act of 1920, and by perfection of a security interest under the Uniform Commercial Code - Secured Transactions (AS 45.05.690 - 45.05.794), if the approval of the Secretary of Commerce is obtained under 46 U.S.C. sec. 839 for the transfer to the department of the interest in a vessel documented under the laws of the United States. In the case of a security agreement given to secure a loan made under secs. 300 - 370 of this chapter and covering a vessel documented under the laws of the United States, the first lien requirement of this section may also be satisfied by use of a trust deed and bond issue under it, if the trustee is a citizen of the United States and obtains a first preferred ship mortgage on the vessel under the Ship Mortgage Act of 1920, and the approval of the Secretary of Commerce is obtained under 46 U.S.C. secs. 839 and 961 for the transfer of the bond or bonds to the department if the trustee is not a trustee approved by the Secretary of Commerce under 46 U.S.C. secs. 808, 835 and 961. Loans may not exceed 75 per cent of the appraised value of the collateral used to secure the loan.

* Sec. 3. AS 16.10.320 is amended by adding a new subsection to read:

(b) No more than one commercial fishing loan may be made to any person for the purchase, construction, repair or upgrading of a fishing vessel or its gear. A loan to an associate of the borrower is considered to be a loan to the borrower. For the purposes of this section, "associate of the borrower" means

(1) a corporation or other organization of which the borrower is an officer, director or partner, or is, directly or indirectly, the beneficial owner of 10 per cent or more of any class of equity securities;

(2) a person who is, directly or indirectly, the beneficial owner of 10 per cent or more of any class of equity securities of the borrower;

(3) a trust or other estate in which the borrower has a substantial beneficial interest or as to which the borrower serves as trustee or in a similar fiduciary capacity;

(4) a relative or spouse of the borrower or a relative of the spouse, who has the same home as the borrower;

(5) a person directly or indirectly controlling, controlled by, or under common control with, the borrower.

* Sec. 4. AS 16.10 is amended by adding new sections to read:

Sec. 16.10.333. LOANS FOR PURCHASE OF ALASKA LIMITED ENTRY PERMITS. (a) Loans under secs. 300 - 370 of this chapter may be made to an individual commercial fisherman for the purchase of a limited entry permit upon certification by the commission that the fisherman is a person who qualifies as a transferee for the permit under ch. 43 of this title and the regulations adopted by the commission.

(b) Upon approval by the commissioner, the permit to be purchased may be pledged as security for a loan under (a) of this section, if

(1) the certificate for the pledged permit lists the commissioner as the legal owner of the permit;

(2) the certificate for the pledged permit lists the debtor as the equitable owner of the permit;

(3) all annual permit cards issued under the pledged permit list the name of the debtor;

(4) all obligations and responsibilities of a permit owner are assumed by the debtor;

(5) co-signers or other sureties for performance under the note are not vested with any rights in the pledged permit and their

obligation is limited to satisfaction of the note and payment of costs directly incurred by the department in administering the loan.

(c) The commissioner is not liable for any act or omission resulting from permit ownership nor will that act or omission affect his title to the permit or his rights under it.

(d) Upon satisfaction of the note by the debtor, the commissioner shall certify to the commission that the note has been satisfied.

(e) Upon certification as provided in (d) of this section, the commission shall amend the permit certificate to list the debtor as the legal owner.

Sec. 16.10.335. DEFAULT AND FORECLOSURE. (a) If the debtor defaults upon a note for which a limited entry permit has been pledged as security under sec. 333 of this chapter, the commissioner shall provide the debtor, by registered or certified mail sent to his last known address on file with the commissioner, with a notice of default which includes

(1) a description of the security given for the note including the number assigned to the pledged permit by the commission;

(2) the date upon which the default occurred;

(3) the amount of arrearages as of the date of the notice, the total amount remaining on the note less unearned interest, and the amount of daily interest;

(4) a statement that the debtor may, within 15 days of the postmark date of the notice, request a hearing at which he may submit evidence showing he has not defaulted;

(5) a statement that the note may be reinstated if brought current within 60 days from the postmark date of the notice;

(6) a statement that the note may be paid in full less unearned interest within 90 days from the postmark date of the notice;

2 (7) the place where reinstatement or payment in full may be
made; and

3 (8) a notice in at least 10-point bold type stating: "IM-
4 PORTANT: YOUR FAILURE TO REINSTATE OR PAY THIS NOTE IN FULL BY THE DATE
5 SPECIFIED WILL RESULT IN A FORFEITURE OF ALL RIGHTS TO THE PERMIT AND
6 THE POSSIBILITY OF LEGAL ACTION BEING INSTITUTED AGAINST YOU."

7 (b) Upon the debtor's failure to reinstate or satisfy the note
8 within the time specified in (a) of this section, his equitable interest
9 is terminated by operation of law without further notice. Any entry
10 permit cards issued to him under the permit shall be cancelled immedi-
11 ately upon receipt by the commission of a certificate of termination
12 containing a copy of the notice required by (a) of this section issued
13 by the commissioner.

14 Sec. 16.19.337. DEFICIENCIES AND TRANSFER OF ENTRY PERMITS AFTER
15 FORECLOSURE. (a) Upon a foreclosure on an entry permit as provided in
16 sec. 335 of this chapter, the commissioner shall offer the commission a
17 right of first refusal if the permit is subject to a buy-back program
18 under AS 16.43.290 - 16.43.330 at a price equal to the amount outstand-
19 ing on the note plus any costs the department directly incurred in
20 administering the loan.

21 (b) If the commission does not exercise its right of first refusal
22 within 30 days after it receives the offer, or if the permit is not
23 subject to a buy-back program under AS 16.43.290 - 16.43.330, the de-
24 partment shall promptly notify the debtor of this fact. The debtor has
25 30 days after receiving this notice to nominate a person qualified to
26 assume the note. The person nominated must qualify under the require-
ments of sec. 333(a) of this chapter. If qualified, he may assume all
rights and liabilities of the original debtor.

(c) If the debtor is unable to nominate a qualified person to

assume the note under (b) of this section, the permit must be made available to a qualified person, chosen as provided in this section, who must assume the note subject to all rights and liabilities of the original debtor. The commission shall provide the commissioner with a list of persons chosen by lottery who qualify as transferees of entry permits under ch. 43 of this title and regulations adopted by the commission and who have met the residency and commercial fishing participation requirements of sec. 310(a) of this chapter. The commissioner then shall determine, in order of presentation, any remaining qualifications. The commissioner shall allow the first applicant meeting all qualifications to assume the note.

(d) Nothing in this section affects the right of the commissioner to institute legal action for a deficiency resulting from a default on a note given under sec. 333 of this chapter. In addition to any deficiency, the debtor is liable for the costs of administering the note and for costs and attorney fees.

Sec. 16.10.339. REGULATIONS. The commission, with the approval of the department, shall adopt regulations to implement secs. 333 - 337 of this chapter.

* Sec. 5. AS 16.10.360 is amended by adding new paragraphs to read:

(3) "commission" means the Commercial Fisheries Entry Commission;

(4) "debtor" means an individual commercial fisherman who either initially contracts for a loan under secs. 333 - 337 of this chapter or assumes a loan as provided in those sections.

* Sec. 6. AS 16.43.150(g) is amended to read:

(g) Except as provided in AS 16.10.333 - 16.10.337, an [A] entry permit may not be:

(1) pledged, mortgaged, leased, or encumbered in any way;

(2) transferred with any retained right of repossession or foreclosure; or

(3) attached, distrained, or sold on execution of judgment or under any other process or order of any court.

* Sec. 7. AS 16.43.170(a) is amended to read:

(a) Except as provided in AS 16.10.333 - 16.10.337, entry [ENTRY] permits and interim-use permits are transferable only through the commission as provided in this section and sec. 130 of this chapter and under regulations adopted by the commission.

* Sec. 8. This Act takes effect July 1, 1978.

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Development

Budget Request Unit(s) Affected Division of Business Loans

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES			39.2	41.1	43.2	45.4
200 TRAVEL			Ø	Ø	Ø	Ø
300 CONTRACTUAL			10.0	10.5	11.0	11.6
400 COMMODITIES			1.0	1.0	1.1	1.1
500 EQUIPMENT			4.0	Ø	Ø	Ø
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			54.2	52.6	55.3	58.1

FUNDING (Thousands of Dollars)

GENERAL FUND			54.2	52.6	55.3	58.1
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME			2	2	2	2
PART TIME						
TEMPORARY						

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

The addition of two Loan Closers, one in Juneau and one in Anchorage, would free the Loan Examiners from handling these chores and would allow them more time to work on applications.

IV. DATE 1-23-78

PREPARED BY Pete Jeans, Director

AGENCY Business Loans

PHONE 2510

Original: Legislative Finance

cc: Budget and Management



PERSONAL SERVICES

Loan Closer I	Range 10	14,124	
Loan Closer II	Range 12	15,068	
		<u>39,192</u>	
FICA		1,826	
Health		1,972	
Benefits		<u>5,238</u>	
Total		39,193	39,193
Travel			0
Contractual - Revising Regulations and applications including printing			10,000
Commodities			1,000
Equipment			<u>4,000</u>
TOTAL			54.2

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 573
 Title An Act amending the Commercial Fishing Loan Act
 Requested by _____ Date 1-17-78

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
 Program Category Affected Development
 Budget Request Unit(s) Affected Division of Business Loans

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES		NONE				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact.

IV. DATE 1-17-78 PREPARED BY *[Signature]*
 AGENCY Commerce & Economic Development
 PHONE 465-2570
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 18, 1978

SUBJECT: Commercial Fishing Loan Bills
(Work Order No. 4657)

TO: D.ann Nelson
House Resources Committee

FROM: Kenneth E. Vassar
Legislative Counsel *KEV*

You have requested a brief summary of the bills currently in the House Resources Committee which relate to the commercial fishing loan act. Those bills are HB 573, HB 574 and HB 581.

House Bill 573 would amend the commercial fishing loan act in two ways. First, it would allow the Department of Fish and Game to make loans to corporations, partnerships, or joint ventures. Under current law, the department may only make loans to individual fishermen. Second, it would allow loans made for the repair, restoration, or upgrading of existing vessels and gear or for the purchase of gear and the construction and purchase of fishing vessels to be secured by a second mortgage. Presently, the law requires a first mortgage as security for any commercial fishing loan.

House Bill 574 makes the following four changes in the present act:

- (1) it raises the maximum allowable loan from \$150,000 to \$300,000;
- (2) it increases the maximum term of a loan from 15 years to 20 years;
- (3) it lowers the interest charged from 7 percent to 5 percent;
- (4) it allows loans to be made for up to 90 percent of the appraised value of the collateral used to secure the loan; loans currently are limited to 75 percent.

Diann Nelson
Page 2
January 18, 1978

House Bill 581 adds sections to the loan act which would allow the department to make loans to individual commerical fishermen for the purchase of limited entry permits.

In summary, while each bill is related to the commercial fishing loan act, each addresses separate and independent issues. If I can provide any further assistance, please let me know.

KEV:jpd

HB

581

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

POUCH D - JUNEAU 99811

January 25, 1978

The Honorable Aivin Osterback
Chairman
House Resources Committee
Alaska State Legislature
Juneau, Alaska 99811

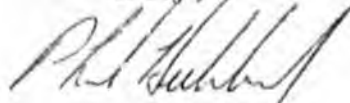
Dear Mr. Chairman:

Thank you for your letter of January 19 requesting our position on several bills which will be considered by your committee.

At this time, we will confine our comments to HB 581 (commercial fishing loans), as the other bills mentioned do not fall within our jurisdiction as presently written.

House Bill 581 will enable this department to make loans on limited entry permits and accept the permit as collateral. At the present time, we are receiving loan applications for permits. However, most fishermen do not have the collateral required to secure the loan. The proposed legislation will simplify this process. As evidenced by the fiscal note accompanying this bill at the time of introduction, we expect any fiscal impact to be minimal.

Yours truly,



H. Phillip Hubbard
Commissioner

cc: Pete Jeans, Director
Division of Business Loans

*gent in
to files*



Alaska State Legislature

House

HOUSE RESOURCES COMMITTEE

Alvin Osterback, Chairman

Pouch V, State Capitol
Juneau, Alaska 99811
(907) 465-3715

26 January 1978

MINUTES

The meeting was called to order at 1:30 p.m. in Room 118 of the Capitol Building by Rep. Alvin Osterback, Chairman.

Members Present

Rep. Osterback, Chairman
Rep. Snider, Vice Chairman
Rep. Malone
Rep. Miller
Rep. Smith
Rep. Akers
Rep. Bennett
Rep. Urion

Absent

Rep. Eliason

CSHB 573 Amending Commercial Fishing Loan Act.

Testimony: Pete Jeans, Director, Division of Business Loans, testified that in the first section the requirements on residency for loan applicants should be increased to 75% or 100%. He pointed out an ambiguity concerning the language on residency which should be clarified. On the fourth section of the bill he testified that the division favored the change. He also indicated that the increased expenditures set out in the fiscal note resulted from general increase in loan activity and did not derive directly from this particular proposed change in the loan program.

Billy Perrier, Director, Division of Legal Services, testified that there may be constitutional problems with requiring that loan applicants be Alaskan residents but that under the Higland case these requirements should be able to withstand challenge. Increasing the requirement from 51% to 100% should make no difference on the constitutionality question.

David George, attorney from Limited Entry Commission, pointed out that the Committee Substitute refers only to fishing licenses and that under current law there are only limited entry permits, interim-use permits and crew member licenses.

The committee asked that a second Committee Substitute be prepared to specify that 100% of the loan participants be Alaskan residents, to clarify the ambiguous language, and to correct the language on commercial fishing licenses. No other

Minutes

Page Two

26 January 1978

action was taken on CSHB 573.

HB 569 Appropriation to transplant caribou to Aleutian
and Shumagin Islands

Testimony: George Utermohle, Research Analyst, Division of
Research Services, explained the substance of the bill.

Bob Hinman, Deputy Director, Division of Game, stated that
the department supports the concept of this bill. Careful
watch should be kept to insure adequate control on the size
of the herd. Akutan and Unga Islands are the two islands
best suited to a transplant of caribou.

Discussion followed on the past experiences of the Division
of Game in other wild game transplants. Questions were
raised about future access to some of the islands which are
owned by the federal government or by Native Corporations.

MOTIONS

Rep. Urion moved that HB 569 be amended to (1) change the amount
of the appropriation from \$352,000 to \$116,000 and to (2) limit
the transplants to Akutan, Deer Island and Unga Island.

A vote was taken:

In favor: Bennett, Malone, Miller, Snider, Urion

Opposed: Akers, Osterback

Absent: Eliason, Smith

The motion carries.

Rep. Urion moved that his amendment be considered a committee
substitute to HB 569. The vote was identical to the vote on
the previous amendment.

Rep. Miller moved that CSHB 569 be passed out of committee.

A vote was taken:

In favor: Akers, Bennett, Malone, Miller, Osterback, Snider

Absent: Eliason, Smith

The motion carries.

The meeting adjourned at 2:45 p.m.

by: Teresa B. Cramer, A.A.
House Resources



STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 18, 1978

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(Work Order No. 4657)

TO: Diann Nelson
House Resources Committee

FROM: Kenneth E. Vassar
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Diann Nelson
Page 2
January 18, 1978

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In summary, while each bill is related to the commercial fishing loan act, each addresses separate and independent issues. If I can provide any further assistance, please let me know.

KEV:jpd

January 10, 1978

The Honorable Hugh Malone
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, and in accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill authorizing the Department of Commerce and Economic Development to accept a limited entry permit as collateral for a commercial fishing loan used to purchase that permit. Under existing law, a limited entry permit may not be mortgaged or otherwise encumbered, transferred with any retention of rights thereunder, or executed on for satisfaction of any debt.

Experience has shown that otherwise qualified commercial fishermen are unable to obtain commercial fishing loans to join the commercial fishing fleet through purchase of both a boat and limited entry permit. To use a commercial fishing loan to purchase a limited entry permit, an otherwise qualified commercial fisherman must supply as collateral for the loan either an unencumbered boat or other unencumbered property. This bill will permit the limited entry permit purchased with the loan proceeds to serve as collateral for that loan. However, as under existing law, it could not be used for any other purpose.

Sincerely,

S/JSH

Jay S. Hammond
Governor

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE NO. 1

I. REQUEST

Bill/Resolution No. Law Log 5 HOUSE BILL NO. 581
 Title See attached "Subject of Proposed Bill"
 Requested by Commercial Fisheries Entry Commission Date 12-9-77

II. FISCAL DETAIL

Governor's Office, Dept. of Commerce,
 Agency Affected Alaska Commercial Fisheries Entry Commission
 Program Category Affected NRMEC
 Budget Request Unit(s) Affected Alaska Commercial Fisheries Entry Commission

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		1.1	2.3	3.0	3.2	3.4
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	1.1	2.3	3.0	3.2	3.4

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND	0	1.1	2.3	3.0	3.2	3.4
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME						
PART TIME						
TEMPORARY						

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

The projected costs cover additional expenses that the Commercial Fisheries Entry Commission will incur providing legislation is enacted. These costs include data processing, RSA agreements with the Department of Revenue, postage and advertising. Because only one-half of the year remains in FY 78, its figures reflect only half the amount of money requested. The data processing costs will be for semi-annual and annual updates and to provide programming support to generate printouts (e.g., qualified buyers, market surveys on price printouts and verification of costs of permits sold through income tax records). Postage is for computer printout listings provided to various outside user groups. Advertising will also be necessary in conjunction with any necessary regulatory proposals. RSA agreements will be necessary as much of the data base necessary to determine the fair market value of permits will be contained in income tax returns which, due to confidentiality, are accessible only by Department of Revenue personnel.

IV. DATE 12-8-77 PREPARED BY Derrill L. Johnson
 AGENCY Commercial Fisheries Entry Commission
 PHONE 586-3456
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

FISCAL NOTE No. 2.

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 581
 Title "An Act relating to Commercial Fishing Loans"
 Requested by Office of the Governor Date 12-12-77

II. FISCAL DETAIL

Agency Affected Division of Business Loans, Dept. of Commerce & Econ. Devel.
 Program Category Affected Development
 Budget Request Unit(s) Affected Business Loans

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES		NONE				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)		NONE				

POSITIONS

FULL TIME						
PART TIME		NONE				
TEMPORARY						

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

Volume should not increase in an amount sufficient to justify additional cost.

IV. DATE 12-12-77 PREPARED BY *[Signature]*
 AGENCY DIVISION OF BUSINESS LOANS
 PHONE 465-2510
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HB

590

COMMITTEE REPORT

HOUSE

1-10-78

FURTHER: _____

Date: 3/9/1978

Mr. Speaker:

The Committee on RESOURCES has had HR 590
"An Act relating to sport fishing, hunting and trapping license requirements."

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass () recommends it do not pass
- () recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____
- and _____ () new title same title
- AND attaches a Letter of Intent () New Fiscal Note
- () reports it back without recommendation
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signatures and notes]

Chairman


LETTER OF INTENT

8 March 1976

The Honorable Hugh Malone
Speaker of the House

Dear Speaker Malone:

With regard to the adoption of CSHB 590, the House Resources Committee intends that the forms available for applications required under AS 16.05.400(b) and other sections of Title 16 be on the premises of all licensed vendors, as well as all of the offices of the Department of Fish and Game throughout the State, in order to avoid any hardship on any person wishing to comply with the statutes therein but are unable to obtain such forms.


Alvin Osterback, Chairman
House Resources Committee

128190

January 10, 1978

The Honorable Hugh Malone
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, and in accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which provides that those individuals who are exempt from sport fishing, hunting and trapping license requirements, because they are 60 years of age or more and have been a resident of this state for 30 consecutive years or more, must carry a card, to be issued by the Department of Fish and Game, indicating their exempt status while they are engaged in sport fishing, hunting and trapping activities. The Alaska Department of Fish and Game has estimated that it will issue approximately 1,200 of these licenses annually.

While the cards are currently available, their possession in the field is not mandatory. The bill would aid in enforcement of the license requirement, by identifying those who are truly exempt.

Sincerely,

S/JSH

Jay S. Hammond
Governor

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HOUSE BILL NO. 590
 Title An act relating to sport fishing, hunting, and trapping license requirements
 Requested by Governor Date _____

II. FISCAL DETAIL
 Agency Affected Fish and Game
 Program Category Affected NRMEC
 Budget Request Unit(s) Affected Sport Fish

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND			0	0	0	0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

The passage of this bill will allow the issuance of a permanent identification card to residents over 60 years of age with more than 30 years of consecutive residency. In order to simplify administrative handling, all cards will be issued by the headquarters office of the Division of Sport Fish. Cost of the cards is minimal and can be absorbed within the existing budgets.

IV. DATE 12/12/77 PREPARED BY Jeff Morrison
 AGENCY Fish and Game
 PHONE 465-4120
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

SUBPORT BUILDING - JUNEAU 99801

January 27, 1978

The Honorable Alvin Osterback
Chairman, House Resources Committee
Alaska State Legislature
Pouch V, State Capitol
Juneau, Alaska 99811

Put in files

Dear Mr. Osterback:

H.B. 590 can be considered as an oversight bill to Ch. 180 SLA 1972. The original bill exempted those persons 60 years of age or more with 30 years or more of consecutive residency in the State from the provisions requiring a sport fishing, hunting and trapping license.

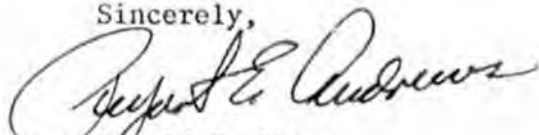
Several problem areas became immediately apparent. These include:

- 1) A qualified person could be checked for a license and not having one or adequate proof of qualification, could be required to provide such proof to a Fish and Wildlife Enforcement Officer or Department of Fish and Game employee. This situation could occur several times in any given year to an individual.
- 2) A license number is normally required in various areas of the Department regulations. For example, when legally taken fish or game is given to another person; when furs legally taken are sold or exported; or when applying for special hunts.

It was determined by the Department that an unnecessary burden would be placed on this segment of our residents if the original legislation was implemented without modification. The Department, on its own initiative and expense, decided to provide those qualified residents with an unofficial identification card if they would complete an appropriate affidavit attesting to their meeting the qualifications as prescribed in Ch. 180 SLA 1972 (16.05.400(b)).

Since inception of this I.D. program, the Sport Fish Division has issued approximately 1,200 cards per year. There are no legal requirements for such I.D. cards or penalties for falsification of application. H.B. 590 would formalize this procedure presently in existence.

Sincerely,


Ronald O. Skoog
for Commissioner

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH S - JUNEAU 99811

Copies
(11)

February 10, 1978


The Honorable Alvin Osterback
Chairman
House Resources Committee
Alaska State Legislature
State Capitol Building
Juneau, Alaska

Dear Mr. Osterback:

For the information of the House Resources Committee, I am enclosing nine copies of statements prepared by the Fish and Game Licensing Section of the Department of Revenue concerning sport fishing and hunting license fees and commercial fishing gear and license fees as follows:

1. Sport fish and game receipts for the calendar year 1977 by type and number of licenses and tags.
2. Commercial fish license receipts for the calendar year 1977 by type and number of licenses and gear.
3. Gross commercial fishing gear and license receipts for the calendar years 1968 through 1977 by type of gear and license.

Very truly yours,



R. D. Stevenson
Special Assistant

Enclosures

Calendar Year 1977
SPORT FISH AND GAME RECEIPTS

CODE	TYPE OF LICENSE	NUMBER	GROSS	NET	NET/SPORT	NET/GAME	NET/GENERAL
201	R. Sport Fishing	76892	763,250.00	725,012.91	725,012.91		
202	R. Hunting	21470	250,110.00	237,620.26		237,620.26	
203A	R. Hunt/Trap	2063	30,300.00	28,744.61		22,812.71	5,931.90
204	R. Spt. Fish/Hunt	30403	665,406.00	632,304.48	287,276.22	345,028.26	
205	R. Fish/Hunt/Trap	9153	227,555.00	215,983.22	86,275.49	103,648.35	26,059.38
206	NR Sport Fishing	23564	349,080.00	329,249.17	329,249.17		
207	NR Sport Fishing	12766	380,480.00	360,440.86	360,440.86		
208	NR Hunting	3656	206,680.00	195,721.74		195,721.74	
209	NR Fish/Hunt	803	70,670.00	66,792.99	22,455.18	44,337.81	
210	NR Hunt/Trap	52	10,400.00	9,926.22		2,839.09	7,087.13
211	NR 1-Day Spt. Fish	11174	55,870.00	53,178.53	53,178.53		
212	NR Military Spt. Fish	6527	65,270.00	61,998.90	61,998.90		
213	NR Military Small Hunt	841	10,092.00	9,573.09		9,573.09	
214	NR Military Spt./Hunt	987	21,714.00	20,641.97	9,382.72	11,259.25	
217 3B	R. Trap	1589	4,767.00	4,542.14			4,542.14
218	Duplicate License	2748	5,496.00	5,223.01			5,223.01
120	Fish/Fur/Game Farm	2	100.00	95.65			95.65
121	R. Fur Dealer	107	5,320.00	5,296.35			5,296.35
122	NR Fur Dealer	4	800.00	790.39			790.39
123	R. Taxidermy	45	3,375.00	3,299.64			3,299.64
124	NR Taxidermy	1	200.00	191.01			191.01
200	Permit Fees	218	1,090.00	1,026.64		1,026.64	
201 B	R. Blind Spt. Fish	2	.50	.49	.49		
205 A	R. 25c Hunt/Fish/Trap	5463	1,365.75	1,293.07	430.92	603.49	258.66
SUBTOTAL		210530	3,129,391.25	2,968,947.34	1,935,701.39	974,470.69	58,775.26
215	R. Tag	2937	89,575.00	85,444.75		85,444.75	
216	NR Big Game Tags	5775	999,945.00	946,768.14		946,768.14	
TOTAL		219242	4,218,911.25	4,001,160.23	1,935,701.39	2,006,683.58	58,775.26
RESIDENT B/G # 2903	GROSS	72,575.00	MUSKOX	29	28,000.00		
RESIDENT MUSKOX 34		17,000.00	B/G	876	214,900.00		
2937		89,575.00	BLACK BEAR	877	86,550.00		
			DEER	425	13,445.00		
	GROSS	4,218,911.25	MOOSE	1438	277,900.00		
	COST	217,751.02	SHEEP	649	161,350.00		
	NET	4,001,160.23	5.16%	COAT	320	37,850.00	
				CARIBOU	875	164,350.00	
				WOLF	202	10,100.00	
				WOLVERINE	63	2,700.00	
				WALRUS	4	1,000.00	
				ELK	18	1,800.00	
				TOTAL	5775	999,945.00	

COMMERCIAL FISH LICENSE RECEIPTS

Final Calendar Year
January 1, 1977 thru December 31, 1977

Prepared January 30, 1977

RECEIPT CODE NO.	TYPE OF LICENSE RECEIPT	NUMBER SOLD	GROSS	COST	NET
126	Vessel	13,189	\$179,142.00	\$6,564.09	\$172,577.91
127	Troll Line	3,524	61,756.00	2,187.84	59,568.16
128	Long Line	2,409	64,303.00	2,203.35	62,099.65
129	Drift Gill Net	4,638	106,455.00	4,114.46	102,340.54
130	Set Gill Net	3,230	40,960.00	1,522.66	39,437.34
131	Beach Seine	52	845.00	27.62	817.38
132	Purse & Hand Purse Seine	1,339	128,410.00	3,931.40	124,478.60
133	Beam Trawl	45	2,450.00	60.60	2,389.40
134	Otter Trawl	153	12,250.00	217.19	12,032.81
135	Shellfish Pots	1,225	39,690.00	971.39	38,718.61
136)	Clam Digger's	158	368.00	30.58	337.42
137) 40%	Res. Comm. Fisherman	20,603	82,412.00	7,750.00	74,662.00
138)	Non-Res. Comm. Fisherman	7,965	95,556.00	8,638.69	86,917.31
139	Scallop Dredge	2	100.00	3.40	96.60
140	Comm. Fish Ext. Fee	---	7,965.00	---	7,965.00
SUBTOTAL	To General Fund	58,532	822,662.00	38,223.27	784,438.73
843)	Clam Digger's	---	552.00	---	552.00
844) 60%	Res. Comm. Fisherman	---	123,618.00	---	123,618.00
845)	Non-Res. Comm. Fisherman	---	143,334.00	---	143,334.00
SUBTOTAL	To Fishermen's Fund	---	267,504.00	---	267,504.00
TOTAL		\$58,532	\$1,090,166.00	\$38,223.27	\$1,051,942.73

GROSS SALES	\$1,090,166.00	
COST OF SALES	- 38,223.27	3.50%
NET RECEIPTS	\$1,051,942.73	

STATE OF ALASKA, DEPT. OF REVENUE
 FISH AND GAME LICENSES
 240 S. FRANKLIN, JUNEAU, AK 99801

GROSS COMFISH RECEIPTS 1968 THROUGH 1977

RECEIPT CODE	TYPE OF LICENSE	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977
		RESTRICTED SALMON NET	LABORATORY POSSIBLE RESTRICTED SALMON NET	ANTICIPATED RESTRICTION NET GEAR	1971 GEAR ELIGIBILITY REQUIREMENT REMOVED	1972 REGISTRATION IN AREA	1973 BRISTOL BAY SLIDING GEAR SCALE	1974 LEC INTERIM-USE PERMIT REQUIRED	1975 PERMITS REQUIRED	1976 PERMITS REQUIRED	1977 PERMITS REQUIRED
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
126	Vessel	143,955.00	146,898.00	161,863.00	156,490.00	156,624.00	164,194.00	152,486.00	158,704.00	163,180.00	179,142.00
127	Troll Line	36,605.00	42,740.00	48,450.00	42,965.00	43,185.00	56,910.00	59,780.00	49,920.00	47,835.00	61,756.00
128	Long Line	9,620.00	18,530.00	29,740.00	29,260.00	33,075.00	52,005.00	40,540.00	37,290.00	54,330.00	64,303.00
129	Drift Gill Net	93,820.00	107,100.00	125,800.00	116,490.00	117,100.00	142,075.00	100,655.00	106,210.00	104,275.00	106,455.00
130	Set Gill Net	30,995.00	33,950.00	37,355.00	34,460.00	35,600.00	38,720.00	36,145.00	35,900.00	37,910.00	40,960.00
131	Beach Seine	600.00	975.00	1,075.00	1,210.00	1,175.00	1,385.00	1,120.00	400.00	455.00	845.00
132	Purse Seine	135,080.00	118,790.00	131,150.00	126,160.00	119,290.00	128,590.00	131,700.00	121,180.00	123,795.00	128,410.00
133	Beam Trawl	675.00	650.00	750.00	1,100.00	1,600.00	2,900.00	4,750.00	3,150.00	2,250.00	2,450.00
134	Otter Trawl	1,700.00	1,650.00	2,550.00	4,550.00	5,850.00	7,900.00	14,050.00	14,100.00	12,800.00	12,250.00
135	shellfish Pots	14,970.00	17,430.00	18,225.00	14,415.00	17,685.00	29,025.00	35,445.00	28,875.00	31,410.00	39,690.00
136-40%	Clam Digger's	336.00	290.00	382.00	670.00	928.00	904.00	652.00	452.00	296.00	368.00
137-40%	Res. Commercial	59,488.00	50,436.00	57,480.00	56,704.00	57,476.00	66,500.00	62,796.00	64,252.00	70,988.00	82,412.00
138-40%	Nonres. Commercial	77,844.00	75,816.00	92,616.00	76,656.00	81,132.00	76,752.00	67,212.00	69,552.00	85,632.00	95,556.00
139	Scallop Dredge	.00	2,500.00	900.00	350.00	350.00	250.00	450.00	300.00	250.00	100.00
140	Comfish Ext. Fees	.00	.00	1,665.00	2,925.00	2,970.00	6,750.00	7,920.00	945.00	12,195.00	7,965.00
SUBTOTAL		605,688.00	617,755.00	710,001.00	664,405.00	674,040.00	774,860.00	715,701.00	691,230.00	747,601.00	2,662.00
843-60%	Clam Digger's	504.00	435.00	573.00	1,005.00	1,392.00	1,356.00	978.00	678.00	444.00	552.00
844-60%	Res. Commercial	89,232.00	75,654.00	86,220.00	85,030.00	86,214.00	99,750.00	94,194.00	96,378.00	106,482.00	23,618.00
845-60%	Nonres. Commercial	116,766.00	113,724.00	138,924.00	114,984.00	121,698.00	115,128.00	100,818.00	104,328.00	128,448.00	143,334.00
SUBTOTAL		206,502.00	189,813.00	225,717.00	201,045.00	209,304.00	216,234.00	195,990.00	201,384.00	235,374.00	267,504.00
TOTAL		812,190.00	807,568.00	935,718.00	865,450.00	883,344.00	991,094.00	911,691.00	892,614.00	982,975.00	1,090,166.00
NUMBER OF LICENSES SOLD EACH YEAR											
126	Vessel	9,926	9,972	10,877	10,710	10,791	11,777	11,338	11,630	11,813	13,189
127	Troll Line	2,103	2,303	2,567	2,353	2,413	3,190	3,238	2,810	2,683	3,524
128	Long Line	342	700	1,109	1,074	1,221	1,918	1,503	1,393	1,988	2,409
129	Drift Gill Net	4,050	4,374	4,710	4,779	4,611	6,425	4,248	4,511	4,457	4,638
130	Set Gill Net	2,708	3,011	3,053	3,062	3,112	3,504	3,137	3,139	3,178	3,230
131	Beach Seine	38	64	77	86	81	91	76	30	35	52
132	Purse Seine	1,291	1,207	1,311	1,323	1,147	1,341	1,372	1,265	1,289	1,339
133	Beam Trawl	18	13	13	16	32	54	79	57	45	45
134	Otter Trawl	26	30	41	67	87	106	167	172	158	153
135	Shellfish Pots	524	593	617	576	605	959	1,170	936	989	1,225
136	Clam Digger's	148	135	149	237	336	356	262	168	126	158
137	Res. Commercial	14,872	12,609	14,370	14,176	14,369	16,625	15,699	16,064	17,747	20,603
138	Nonres. Commercial	6,487	6,318	7,718	6,388	6,761	6,396	5,601	5,796	7,136	7,965
139	Scallop Dredge	0	18	8	7	5	5	7	6	3	2
TOTAL		42,533	41,347	46,620	44,854	45,571	52,747	47,897	47,977	51,647	58,532

HB

638

KODIAK AREA NATIVE ASSOCIATION

BOX 172
KODIAK, ALASKA 99615
PHONE: (907) 486-5725

February 10, 1978

The Honorable Alvin Osterback
House of Representatives
Pouch V
Juneau
Alaska 99801

Dear Representative:

We of the Kodiak Area Native Association are concerned about the threat to private salmon enhancement efforts posed by House Bill 638 introduced by Representative Ernie Haugen. Salmon fishing has always been the mainstay of the Kodiak Island economy, and the private non-profit hatchery program permits Kodiak fishermen and others who benefit from the salmon resource to help rebuild the salmon stocks to their former heights.

We appreciate your past support of the salmon resource and of the private non-profit hatchery program, and we request that you do whatever necessary to defeat H.B. 638.

Again, we thank you for your continued support of the salmon resource.

Sincerely,

KODIAK AREA NATIVE ASSOCIATION


Frank R. Peterson
President

B0:ac

Aleutian/Pribilof Islands Association, Inc.

430 "C" Street, Suite 303
Anchorage, Alaska 99501
Phone (907) 278-3567

St. Paul

St. George

Nelson Lagoon

False Pass

Sand Point

Belkofski
King Cove

Akutan

Unalaska

Nikolski

Atka



January 30, 1978

Representative Alvin Osterback
Chairman, House Resources Committee
Pouch V
Juneau, AK 99811

Dear Al:

Thank you for your letter of January 20, 1978, regarding the proposed legislation, H.B. 638.

After reviewing H.B. 638, I am somewhat surprised. I have always believed that the State was in the business, along with its' citizenry, to protect, promote, and enhance the growth of our greatest resources. That is the salmon resources. Now it appears as though this is not so. HB 638 would, in effect, kill off the valuable salmon stocks we are all working to enhance.

As you know, we on the Aleutians are making every attempt, through our Association, to develop and enhance the salmon stocks in some of our Island communities. We have been working on enhancement programs for the last several years. We are realizing success and only wish to see it continue.

Therefore, our Association is totally against HB 638. We do not believe that it will serve the best interests of the State or its' people. Please do all that is possible to insure the defeat of HB 638.

I look forward to hearing from you soon on this matter.

Sincerely yours,

Patrick Pletnikoff
Executive Director

rc

CITY OF KING COVE

P. O. Box 37 • King Cove, Alaska 99612 • (907) 497-2340

RESOLUTION NO. 78-02

A RESOLUTION OF THE CITY COUNCIL OPPOSING ALASKA STATE LEGISLATURE HOUSE BILL 638 WHICH PROPOSES TO PROHIBIT NON-PROFIT SALMON HATCHERIES UPON ADOPTION.

WHEREAS, the City Council has reviewed Alaska State House Bill 638 and has considered the effect of said House Bill and finds that the proposed bill would prohibit non-profit salmon hatcheries such as is located in Sand Point after adoption of said House Bill; and

WHEREAS, the City Council does not view such prohibition to be in the interest of residents of the Aleutian region.

NOW THEREFORE BE IT RESOLVED THAT, the City Council oppose adoption of Alaska State House Bill 638.

PASSED AND ADOPTED BY A UNANIMOUS VOTE THIS 31st DAY OF January, 1978.

Don V. McCallum
Mayor, City of King Cove

ATTEST:

Lothi J. Ruskin
City Clerk



February 2, 1978

Alvin Osterback, Chairman
 House Resources Committee
 Pouch V - State Capitol
 Juneau, AK 99811

Dear Mr. Chairman:

House Bill 638, a bill, providing for a termination date for receipt of applications for permits under the private non-profit hatchery program has come to my attention. I am opposed to this bill for many reasons.

As we all know the status of our Alaskan salmon resources are at a low ebb and a means of rehabilitating those runs without large scale closures is needed. Our Alaskan fishermen and those associated with those fisheries cannot afford that. It seems obvious that a hatchery program is needed. A hatchery program that has local involvement from the planning, financing, building, operating, and other obvious areas is the best way to proceed.

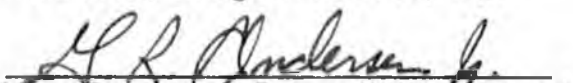
The private non-profit hatchery is a means to rehabilitate our fisheries with a method to get private and other capital not available to a state program while providing more local input, some local controls, stimulates the economy on a local level. If my own experience is an indicator it provides a total commitment and involvement by the user groups.

I would hope that the State of Alaska would try to further assist such a program that would benefit all "Alaskans" by what means they have at their disposal.

Sincerely,



President, Chugach Natives, Inc.



Vice-President, Prince William Sound
Aquaculture

CK

cc: Prince William Sound
Aquaculture

Tim Joyce, Aquaculturist
Sand Point JOM Program
P.O. Box 132
Sand Point, Alaska 99661

House Resources Committee
Alaska State Legislature
House of Representatives
Pouch V
Juneau, Alaska 99811

January 25, 1978

Attn: Alvin Osterback

Dear Sirs:

House Bill 638 was recently brought to my attention. I must urge you to the utmost to defeat this bill! It should be plain to see the benefits of the non-profit hatchery just by the results of Sheldon-Jackson College this last fall. It would be a grave mistake to put a deadline date on an infant program which has such a great potential.

The small hatchery operating here in Sand Point which I supervise provides tremendous opportunities for high school students to receive "hands on" training in the field of salmon culture. Several other communities have inquired about setting up a small educational facility as our own and the non-profit hatchery is a very good means to do it.

We have not had any returns as yet to our hatchery, but expect over 300 pink salmon to return this fall from the 33,000 released last spring. These fish were all spawned and cared for by the students in the aquaculture program. Our returns on silver salmon will not arrive until 1980.

Humboldt Creek, where our hatchery is located, is a small stream that has very depleted runs of both silver salmon and pink salmon. In the fall of 1976, only 60 pink salmon returned to spawn, as you can see, a return of over 300 fish in 1978 will increase the run five fold. This amount of fish is not of commercial importance, but they do supply many local residents and their children with a good sport fishery. This fishery would not exist without the present hatchery program. I ask you to cautiously consider the effects of HB 638 before you take action. The rejection of this bill will benefit Alaska and Alaskans far into the future.

Sincerely,



Timothy L. Joyce
Aquaculturist

amp

*File
in
all files*



KONIAG, INC.

HARBOR VIEW COMPLEX

P.O. Box 746

(907) 486-4147

KODIAK, ALASKA 99615

January 25, 1978

Honorable Representative Alvin Osterback, Chairman
House Resources Committee
Pouch V State Capitol
Juneau, Alaska 99801

Dear Mr. Osterback:

We are shocked and dismayed at the intent of HB 638 and whoever introduced it should be ashamed. Kodiak now has begun an aggressive positive move to establish a non-profit salmon hatchery program in this region where such a program is needed. If the program is not available to Kodiak then all funding for all such programs should be ended immediately. We are incensed at this blatant attempt by the haves to deprive and discriminate against the have-nots. HB 638 is wholly unworthy of any consideration.

*File in folder
all copy
put in my
file*

Respectfully,

KONIAG, INC.

Karl Armstrong
Executive Vice President

KA/va

Calista Corporation

516 Denali Street, Anchorage, Alaska 99501 (907) 279 - 5516
P. O. Box 574, Bethel, Alaska 99559 (907) 543 - 2191

File

January 27, 1978

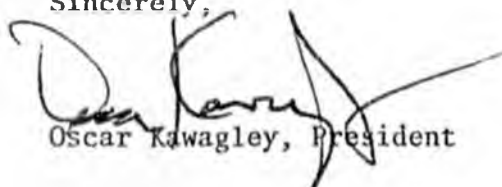
Alaska State Legislature
House of Representatives
Committee on Resources
Pouch V
Juneau, Alaska 99811

Attn: Rep. Alvin Osterback

We are surprised that legislation has proposed (HB 638) which would effectively kill the private nonprofit salmon hatchery program and strongly oppose this move. These hatchery programs are just getting started not only on the Kuskokwim and Yukon Rivers but in the Cook Inlet, Sand Point, Kodiak, PWS and Southeast areas and need the strongest possible support from the Legislature and State and Federal agencies. The success of the Port San Juan and Sheldon Jackson programs has been notable and we can see no justification whatever for discouraging these programs.

We unconditionally and emphatically oppose HB 638.

Sincerely,


Oscar Kawagley, President

OK/dj
REF/78-029



HB

652

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

1/18/78

Date: 1/31/78

Mr. Speaker:

The Committee on RESOURCES has had HR 652
"An Act making a special appropriation to the Department of Natural Resources for disbursement to the Steering Council on Alaska Lands; eff. date."

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____
- and _____ new title same title
- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS.

OTHER RECOMMENDATIONS:

H. H. ... DO PASS

Mark H. ... DO PASS

W. H. ...

...

... - Chairman

LA 11 2371 15.43 JA01 0933 15.43 02/01/78

Room 118

TO: CINDY, JUNEAU
FROM: CAROL, ANCH.

PLEASE DISREGARD LAST MESSAGE - I HIT THE ENTER BUTTON BY MISTAKE.

MESSAGE FOR BECKY CRAMER, HOUSE RESOURCES COMMITTEE
FROM: BECKY TISCHER, D-2 STEERING COUNCIL

1973 PROJECTED MAXIMUM ACTIVITY BUDGET

STAFF AND OPERATIONS	\$85,722.
PLANNING & COUNSELING	12,000.
TRAVEL/SPEAKERS BUREAU	102,500.
COMMUNICATIONS INTERNAL	40,000.
LEGAL REPRESENTATION	150,000.
MATERIALS REPRODUCTION	11,500.
PRINTING	13,000.
GRAPHICS DESIGN	4,000.
RADIO PRODUCTION	6,000.
TV FILM PRODUCTION/TIME PUR. BROADCAST	140,000.
SPACE PURCHASE	50,000.
DIRECT MAIL	10,000.
SURVEY RESEARCH	25,000.
SPECIAL CONSULTANTS	12,000.
EVALUATIONS & REPORTS	12,500.
MISC. EXPENSES	12,000.
SPECIAL PROJECTS	
USA NEWS MEDIA CAMPAIGN	70,000.
USA NEWS FEED OPERATION	75,000.
TOTAL	331,222.

HB

683

COMMITTEE REPORT

HOUSE

HB
1725/78

FURTHER: FINANCE

Date: April 5, 1978

Mr. Speaker:

The Committee on RESOURCES has had HB 663
"An act making a special appropriation to the Dept. of Fish and Game,
Fish and Wildlife books; eff. date."

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for HB 683
- and HB 683 new title same title
- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:
Mark H. Smith

OTHER RECOMMENDATIONS:

Chairman

Jay S. Hammond, Governor
State of Alaska

DATE: December 5, 1977 RP 78-163

FILE NO:

TELEPHONE NO:

DEC 13 1977

PASSED
1-12-77

TRANSMITTED TO LB&A

FROM: Ronald B. Lind, Director
Division of Budget & Management
Office of the Governor

SUBJECT: Department of Fish & Game
Request to Receive and Expend
\$200,000 in Federal and Private
Funds

SET UP CONTRACTS
FILE

Funds Requested

The Department of Fish & Game requests authority to receive and expend \$200,000 in federal and private funds. These funds will be used to compile and print three comprehensive volumes on Alaska's fish and wildlife. Two of the books, the Alaskan Fisheries Atlas, Volumes I and II, will provide information on the distribution and general habitat requirements for anadromous and fresh water finfish, herring, and shellfish. The third book, Alaska's Wildlife and Habitat, Volume II, will be a companion volume to an existing book, Alaska's Wildlife and Habitat, Volume I, published by the Department. Alaska's Wildlife and Habitat, Volume I, described information on the distribution and general habitat requirements of big game, marine mammals, water fowl and sea birds. Alaska's Wildlife and Habitat, Volume II will describe information on fur bearers, small game, upland game birds, and selected raptors.

These books will provide valuable information on fish and wildlife to State and Federal agencies. These agencies will be aided in the planning, research, and the management of Alaska's fish and game resources. This information will also be of interest to research and educational institutions. Additionally, the general public has expressed considerable interest for information on their State's fish and wildlife. The first book, Alaska's Wildlife and Habitat, Volume I, was mainly sold to organizations, businesses, libraries, and individuals. Over 2,000 copies of this book have been sold.

Total funding for this project will consist of \$200,000 requested in this revised program and \$217,900 in program receipts which will be requested as a FY 78 supplemental budget request. The Department currently has verbal commitments for almost \$100,000 in federal funds. Also, the Department expects to solicit \$100,000 from private industry. The \$217,900 supplemental will be based on Program Receipts generated by sales of the volumes.

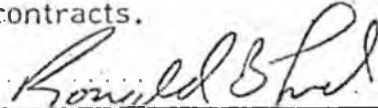
The Department expects to sell 2,000 sets of the fishery volumes and 1,500 copies of the game volume. The selling price of volume will be determined by the degree of financial participation from federal and private sources. If the full \$200,000 in federal and private funds is realized, the volumes will sell at \$40.00 each and the project will require a supplemental budget of \$217,900 in program receipts.

(Handwritten scribble)

213985

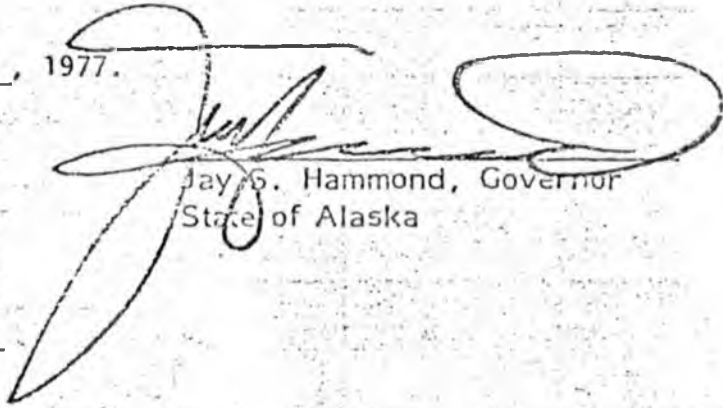
Actual implementation of the project will not commence until sufficient funds from federal and private sources are committed. Once these funds are committed, the Department will commence preparation of the fish and wildlife volumes so that, assuming the FY 78 supplemental appropriation passes, printing of the documents may be started as soon as possible.

Since this project will continue past June 30, 1978 it is requested that the balance of these funds be carried forward to FY 79 on July 1, 1978. Additionally, these funds will be restricted pending receipt of signed contracts.



Ronald B. Lind, Director
Division of Budget & Management
Office of the Governor

Approved this 12 day of Dec., 1977.



Jay S. Hammond, Governor
State of Alaska

Legislative Budget & Audit Committee
Date: _____

MEMORANDUM

TO: [Ronald Skoog, Commissioner
Department of Fish and Game

DATE: September 27, 1977

FILE NO:

TELEPHONE NO:

FROM: Jay S. Hammond, Governor
State of Alaska

SUBJECT: Federal Assistance in the Production
and Publication of Three Books
on Alaska Fish and Wildlife

Recently I have learned about the difficulties your Department has encountered in funding the compilation and printing of three books on Alaska's Fish and Wildlife. I hate to add to your problems, but I find it necessary to deny your revised program request to receive and expend book sale revenues (program receipts) to finance the production of these books. Your request to interpret book sale revenues as trust funds does not meet the criteria set forth in the Attorney General's definition of trust or custodial funds (see memo from Ron Lind, Director, Division of Budget & Management, to All Commissioners, dated 9/20/77).

I understand the value of this proposed project and believe that it will provide innumerable benefits to non-resident as well as resident Alaskans. I am pleased to see that various federal agencies recognize the importance of this project and are interested in contributing approximately \$179,000 to defray the total production costs of these books. As long as federal funds are available, I would favorably welcome your request for FY 78 supplemental funds (\$262,500 program receipts) to finance the State's share of this project. As you know, the Legislature is the final authority for appropriating monies for state expenditures. However, I assure you that I will do my utmost to secure passage of a supplemental appropriation for this project.



Federal-State
Land Use Planning Commission
For Alaska

May 3, 1977

Honorable Jay S. Hammond
Governor
State of Alaska
Pouch A
Juneau, Alaska 99811

Dear Governor Hammond:

The Alaska Department of Fish and Game has presented a proposal to publish an Alaskan Fisheries Atlas (two volumes) and Volume II of Alaska's Wildlife and Habitat. These volumes, along with Volume I of Alaska's Wildlife and Habitat which was published in 1973, will provide the type of comprehensive fish and wildlife resource information that is needed by all agencies concerned with our natural resources.

The Joint Federal-State Land Use Planning Commission has assisted in this project and we will continue to support the proposal. We consider these publications to be both a timely and necessary component of the statewide resource inventory that is needed for land-use planning and management. It is our hope that your administration and the Alaska Legislature will assist the Alaska Department of Fish and Game in the publication of this valuable data.

Sincerely,

Walter B. Parker
State Co-Chairman

MEMORANDUM

ASKA

OCT 28 Rec'd

TO: [Jeff Morrison, Director
Administration, Juneau

DATE: October 26, 1977

FROM: Ed Klinkhart
Special Projects, Anchorage

SUBJECT: Printing proposal

Attached is our proposal for publishing the fish and wildlife books. Our original proposals were in a blue cover. If any of these are around, throw them away. Everything you will need for the supplemental should be in here. If not, call me.

Here is the cost per volume based on varying amounts of grant money:

<u>Total Grant (thousands)</u>	<u>Game/volume</u>	<u>Fish/set of two</u>
0	\$76	\$152
25	71	142
50	67	134
75	62	124
100	58	116
125	53	106
150	49	98
175	44	88
200	40	80

HB

7/2

STATE OF ALASKA
THE LEGISLATURE
LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL
IUNEAU ALASKA 99811
907 465 3800

MEMORANDUM

April 14, 1978

SUBJECT: CSHB 712: GO Bonds for parks and recreations facilities

TO: House Resources Committee

ATTN: Diann Nelson, Administrative Assistant

FROM: John B. Chenoweth, Legislative Counsel

The additional facilities have been incorporated into the Committee Substitute and the total recomputed as follows:

Total of all projects: \$3,835,300

Amount allowed for costs related to
preparation and sale of bond (.0035%)
rounded up to nearest hundred dollars: 13,500

\$3,848,800

An amount is allowed for costs of bond sales for all state general obligation bonds, and an increase made in the total accordingly.

JBC:hjd

CATEGORY: NATURAL RESOURCE MANAGEMENT
 AGENCY: DEPARTMENT OF NATURAL RESOURCES

PROGRAM: PARKS CAPITAL PROJECTS

COMPONENT DESCRIPTION	FY78 ATH	FY78 RP	FY78 SUP	MAINT	REQUEST	GOVERNOR	HOUSE	SENATE	F.C.C.	BILL
CHENA RIVER REC AREA				550.0	550.0	550.0				
DEVELOP CHILKAT PARK				1205.0	1205.0					
SKAGWAY CAMPGROUND				1111.1	1111.1					
SILVER KING WAYSIDE				849.2	849.2	849.2				
ISAAC WALTON WAYSIDE				295.7	295.7	295.7				
KING MOUNTAIN WAYSIDE				75.0	75.0	75.0				
PARKS RESTROOMS-ALTERATIONS				104.0	104.0	52.0				
BIKE TRAILS & FOOTPATHS						200.0				
BIKE TRAILS & FOOTPATHS						200.0				
RIKA'S LANDING RDHOUSE				466.0	466.0	25.0				
TOTEM NIGHT				320.6	320.6	320.6				
HIGHWAY ROADSIDES				666.8	666.8	736.8				
MYROR LAKE WAYSIDE				245.7	245.7	245.7				
QUARTZ LAKE DEVELOPMENT				411.8	411.0					
PLANNING/ENGINEERING STUDIES				161.0	161.0					
MOON LAKE WAYSIDE				143.1	143.1					
HOMESTEAD FARM PARK				360.0	360.0					
WHISKEY GULCH ACQ/DEVELOPMENT				629.1	629.1					
WILLOW CREEK WAYSIDE				504.9	504.9					

** TOTAL				10053.8	10053.8	5162.4				
** CHANGE VERSUS FY78 ATH				100.0%	100.0%	100.0%				

OBJECT DESCRIPTION	FY78 ATH	FY78 RP	FY78 SUP	MAINT	REQUEST	GOVERNOR	HOUSE	SENATE	F.C.C.	BILL
MISC.				8099.8	8099.8	3550.8				
FUNDING SOURCE										
FED. RECEIPT				1498.9	1498.9	1341.5				
GENERAL FUND				4646.9	4646.9	597.7				
** GENERAL FUND CHANGE VS. FY78 ATH				100.0%	100.0%	100.0%				

POSITIONS	FY78 ATH	FY78 RP	FY78 SUP	MAINT	REQUEST	GOVERNOR	HOUSE	SENATE	F.C.C.	BILL
Anchor River Wayside				100.0						
Moose Creek Wayside				360.0						
Matanuska Glacier Wayside				117.0						
Deadman Lake Wayside				230.0						
Johnson Lake Wayside				450.0						
Kasilof River Wayside				50.0						

Willow Creek Wayside 504.9



KENAI PENINSULA BOROUGH

BOX 850 • SOLDOTNA, ALASKA 99669
PHONE 262-4441

March 21, 1978

DON GILMAN
MAYOR

MAR 23 1978

The Honorable Hugh Malone
Speaker of the House of Representatives
State Capital
Pouch V
Juneau, Alaska 99811

Dear Mr. Malone:

The Division of Parks has asked the Kenai Peninsula Borough to give up Borough selected land and Borough patented land for the development of wayside parks. Our Planning Commission has recommended this use of land, but has questioned the availability of adequate manpower and funds by the Division of Parks to maintain these parks properly.

The funding and manpower of the Division of Parks for maintenance in the Kenai district is inadequate. The problem results from the large numbers of people from the Anchorage area who use these parks on week-ends. The funding in the governor's budget for park maintenance in the Kenai district needs to be tripled. Another matter is House Bill 712. The Whiskey Gulch wayside, at a minimum, should be added with an amount of \$400,000.

Without proper facilities and maintenance the residents of our state cannot enjoy outside recreation activities. I ask your support of these requests.

Sincerely,


DONALD E. GILMAN
Borough Mayor

DEG:PW:rh



KENAI PENINSULA BOROUGH

BOX 850 • SOLDOTNA, ALASKA 99669
PHONE 262-4441

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DONALD E. GILMAN
Borough Mayor

DEG:PW:rh



Bicycle Manufacturers Association of America Inc.
1101 Fifteenth Street, N.W., Washington, D.C. 20005 (202) 452-1166

February 22, 1978

Copy

The Honorable Alvin Osterback
Chairman
House Resources Committee
House of Representatives
Juneau, Alaska 99801

Re: Alaska House Bill 712

Dear Mr. Osterback:

It has come to our attention that the House Rules Committee sponsored the above bill which was referred to your committee. As you know, this bill provides for the issuance of general obligation bonds, which the sum of \$200,000 may be expended for the construction of bicycle trails.

BMA strongly supports this legislation. We urge you and the other members of your committee to act affirmatively on this legislation and otherwise lend your assistance to insure its prompt passage.

One of the primary objectives of this Association is to encourage the construction of more bicycle facilities. You no doubt appreciate the many benefits of cycling. It is healthy exercise and is a fine recreational outlet. For many, it is an alternate means of transportation which consumes no energy and does not pollute the atmosphere. These are but a few of the reasons why cycling should be encouraged. One way to do so is by providing better bicycle facilities. The House Rules Committee bill is certainly a step in this direction.

Would you be kind enough to note our interest in this bill and alert us of any committee hearings at which we could testify in its favor. Thank you, and we deeply appreciate the work your committee is doing in the interests of cycling in Alaska.

Cordially,

A handwritten signature in cursive script, appearing to read "Philip J. Burke".

Philip J. Burke
Director of Information

PJB:cgd



Bicycle Manufacturers Association of America Inc.
1101 Fifteenth Street, N.W., Washington, D.C., 20005 (202) 452-1166

February 22, 1978

COPY

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House Resources Committee
House of Representatives
Juneau, Alaska 99801

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Would you be kind enough to note our interest in this bill and alert us of any committee hearings at which we could testify in its favor. Thank you, and we deeply appreciate the work your committee is doing in the interests of cycling in Alaska.

Cordially,

Philip J. Burke
Director of Information

PJB:cgd

HB

720

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

11TH FLOOR, STATE OFFICE BLDG.
POUCH M - JUNEAU 99811

February 28, 1978

The Honorable Alvin Osterback
Chairman, Resources Committee
Alaska House of Representatives
Juneau, Alaska 99801

Dear Mr. Osterback:

In response to the request from your Administrative Assistant, the Department of Natural Resources proposes the following changes to HB 720:

Amendment 1: On page 1, line 11, delete "7,000,000 acres of state", and delete Section 3 and insert in lieu thereof:

*Section 3 AS 38.08.010(a) is amended to read:

(a) The director shall classify, survey, and plat for homesite entry (25,000 ACRES OF) state land which is otherwise vacant, unappropriated and unreserved and is suitable for erection of residential dwellings to use as a permanent abode.

Rationale: The present language subsumes the homesite program as the major vehicle for disposal of habitable lands in the State. As was pointed out in the testimony of the Federal-State Joint Land Use Planning Commission a range of varying needs for lands exists within the State and there is a finite amount of fair to good land suitable for habitation. Mandating disbursal of most of the habitable land within one program precludes a rational, well-rounded disposal program leaving little acreage suitable for disbursal through other mechanisms such as open-to-entry, agriculture, remote cabins, land sales, etc.

Amendment 2: On page 1, delete Section 2.

Rationale: As was discussed at the previous hearing on this measure, the legal restraints placed upon disposal of interests in state lands makes the time frame set out in this section impossible to meet. If the question raised by this section was merely one of cost, we would have set forth the expenditures necessary to accomplish this mandate. However, in order to comply with this directive, a major overhaul of the methods of disposing of interest in state lands would be required.

NO

February 28, 1978

Amendment 3: One page 1, line 24, delete "In each annual offering" and insert in lieu thereof "annually".

Rationale: Employment of the phrase "In each annual offering" allows for construing legislative intent to a limit of one offering per year, which we do not believe to be the intent of the Legislature.

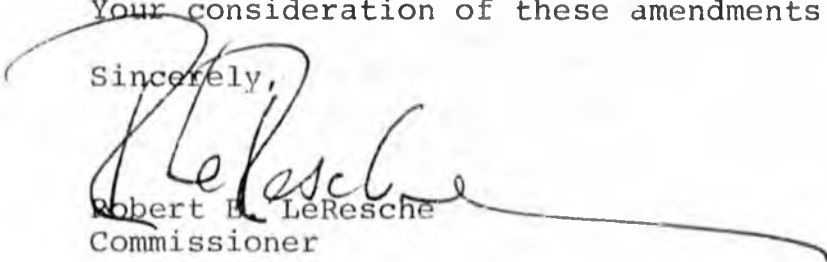
Amendment 4: On page 3, delete section 10.

Rationale: State law already provides for section line easements, and for easements to provide access to navigable and public waters. The fact that this is a subdivision type of disposal means that preliminary planning will have to be undertaken to insure roads and utility easements in accordance with platting requirements. The additional language does not do anything in that regard.

Amendment 5: No specific language has been developed but we believe that an amendment should be prepared which changes the nature of the entry permit to a contract with provision for an assignable interest. This would facilitate financing of improvements on the homesites prior to obtaining title to the parcel.

Your consideration of these amendments is greatly appreciated.

Sincerely,



Robert B. LeResche
Commissioner

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. House Bill No. 720
 Title An Act relating to Homesites
 Requested by Pat Conheady Date 2-6-78

II. FISCAL DETAIL
 Agency Affected Department of Natural Resources
 Program Category Affected Natural Resource Management
 Budget Request Unit(s) Affected District Operations, Cadastral Engineering, Classification, Land & Water Management, Management and Administration

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		702.4	744.0	789.0	836.0	886.0
200 TRAVEL		47.0	48.0	49.0	50.0	50.0
300 CONTRACTUAL		4,537.9	3,373.0	3,375.0	3,380.0	3,400.0
400 COMMODITIES		4.3	4.8	4.8	4.9	5.0
500 EQUIPMENT		36.6				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		5,328.2	4,169.8	4,217.8	4,270.9	4,341.0

FUNDING (Thousands of Dollars)

GENERAL FUND		5,328.2	4,169.8	4,217.8	4,270.9	4,341.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		27	27	27	27	27
PART TIME						
TEMPORARY						

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

A. Assumptions:

* That sections 2 and 3 are requiring that a total of 35,000 acres be classified, surveyed and platted by June 30, 1979 and will therefore be the required amount for FY 79.

34,000 acres into five acre sites equal 6,800 sites times \$600.00 per site. Average cost = \$4,080.00. Cadastral rectangular survey of the 34,000 acres at \$11.72 per acre equals \$398,400. Total survey cost for FY 79 equals \$4,478,400.

Survey contract funds needed for each remaining year are:

25,000 acres into 5 acre sites equals 5,000 sites times \$600.00 per site equals \$3,000,000. Cadastral rectangular survey of the 25,000 acres at \$11.72 per acre equals \$293,000. Total survey cost per year \$3,293,000.

*Due to the problem of negotiating for survey contracts, even with immediate passage of the bill it is impossible to implement Section 2 during FY 78 and therefore has been combined with FY 79.

IV. DATE 2/17/78 PREPARED BY Dean K. Hollist
 AGENCY Natural Resources
 PHONE 279-5577

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

B. Program Summary

Personal Service

\$702,355

Southeast District:

1 - Land Management Officer II \$28,313
1 - Land Management Officer I 24,725
TOTAL - 2 \$53,038

Southcentral District:

1 - Land Management Officer II \$28,313
1 - Land Management Officer I 24,725
TOTAL - 2 \$53,038

Northcentral District:

1 - Land Management Officer II \$30,030
TOTAL - 1 \$30,030

Cadastral Engineering:

4 - Cadastral Surveyer II \$144,847
2 - Cadastral Surveyer I 67,226
2 - Cartographer II 53,933
2 - Land Management Technician I 46,525
2 - Clerk III 31,300
TOTAL - 12 \$343,831

Classification:

1 - Senior Planner \$34,799
1 - Cartographer II 25,274
TOTAL - 2 \$60,073

Land and Water Management:

2 - Land Management Officer II \$56,626
1 - Land Management Officer I 24,725
1 - Clerk Typist III 16,315
2 - Documents Processing Clerk I 31,000
TOTAL - 6 \$128,666

Management and Administration:

1 - Accounting Clerk II \$17,564
1 - Clerk III 16,315
TOTAL - 2 \$33,679

Travel:

\$ 47,000

Southeast District \$5,000
Southcentral District 3,000
Northcentral District 4,000
Cadastral Engineering 30,000
Classification 3,000
Land and Water Management 2,000
TOTAL \$47,000

Contractual \$4,537,900

Southeast District	\$10,000
Southcentral District	8,000
Northcentral District	5,000
Cadastral Engineering	4,508,400
Classification	3,000
Land and Water	3,500
TOTAL	<u>\$4,537,900</u>

Comodities \$4,300

Southeast District	\$500
Southcentral District	500
Northcentral District	300
Cadastral Engineering	1,200
Classification	200
Land and Water Management	1,200
Management and Administration	400
TOTAL	<u>\$4,300</u>

Equipment: \$36,600

Southeast District	\$1,000
Southcentral District	1,000
Northcentral District	500
Cadastral Engineering	25,000
Classification	1,500
Land and Water Management	5,600
Management and Administration	2,000
TOTAL	<u>\$36,600</u>

16 February 1978

The House Resources Committee was called to order at approximately 2:25 p.m. by Chairman Alvin Osterback in Room 118 of the Capitol Building in Juneau, Alaska. All members were present

HB 211 Creating the Alaska Land Commission

TRANSCRIPT

MR. GRAVEL:

I really appreciate the opportunity to come forward. I received the invitation from the Speaker and President of the Senate to give my annual talk as other members of the delegation to the legislature. I'll be doing that. I think we have communicated back in March, about the 28th in the morning, if that would be the morning most desirable. From my point of view that is when we are having our Easter recess and I'll be in State for that whole period. What I wanted to do at this particular meeting in which you graciously afforded me the opportunity to do is to float, literally float, the draft of legislation on d-2 which I have promised to our collective constituencies that I would do at the beginning of the year, and I have it here and I met previously with the Steering Council and gave them copies of it since it is germane to their area of inquiry. And, also as I understand it, it is also germane to your area as a committee as the subject you are going through, so I would (indisc) submit for deliberation a copy of this Bill. Would appreciate your input and would hope to introduce this in the Senate sometime right around the 15th of March. The Bill does not have the magic numbers of acreage for the very simple reason, we could have easily done it, but since all of our attention is focused on acreage I thought it would detract from the substance of legal language in question to just worry about acreage and I thought it would be more advantageous to concentrate of substance, it would be easy to put some figures together that would hopefully cast us in a compromise mood with other pieces of legislation in that regard.

Before launching into this in some detail, because there is one element from my personal point of view in paramount. I would like to speak about two pieces of legislation. I think one is the reason you are having these hearings. Two pieces of legislation that involve land in Alaska and would have some unusual impact. One piece of legislation is HB 720 which apparently

is a substitute piece of legislation for HB 211. The Beirne bill is -- which is the Beirne bill?

UNIDENTIFIED VOICE: 720

MR. GRAVEL

720 - let me speak on that one first. If I were to suggest a piece of legislation that would destroy Alaska's position in Washington on d-2 I would think that this would be the piece of legislation. I want to make sure I've got the legislation properly. HB 720 as I understand it is a substitute. That is a new piece of legislation. If the initiative were to pass I think you would see the Congress react and this would foreclose the need of my -- initiatives. My testimony to you today is very (indisc). I would hope that this legislation would come into being and it would foreclose the need for (indisc). The reason is that, and I will use two cliches, we have federal laws right now that keeps us from doing what that initiative would do. As a result of those land scandals we have had in Florida and Arizona. If we were to parcel out chunks of land to the people wholesale, as I understand it, during the initial 15 year period there would be no responsibility at all for providing utilities or any planning process whatsoever, that essentially we would be selling unsubdivided land and this would be viewed by the Congress of (indisc) responsibility and would give real credence to the environmentalist community's charge, some elements of the environmentalist community, that Alaskan's are irresponsible and therefore we need a very strong d-2 bill because we don't know how to handle our own situation. Yet I can appreciate that the referendum, the initiative, would have a great deal of popular support. In fact one of the fears I would have and it's the reason why I'm talking about it now publicly -- I only found out about the initiative, I confess, not all that long ago and I couldn't believe it when somebody described to me what this initiative was going to do. And so realizing that it has a great deal of popularity and realizing that I may be treading on some individuals' toes -- I would respectfully apologize for treading on anybody's toes -- but the utilization of land and development of land is something that I feel a certain professional confidence in. I made my living in it. I've seen how people have butchered land from the state and how unconscionable this impact can be on the balance of society because once you've butchered it up, you spend the rest of your life paying to correct the deficiencies you've created structurally. And so what we'd be doing with this kind of initiative (indisc). And like I say, if you try to do this in the private sector, you'd be put in jail for trying to do it. And so trying to do it collectively as a society, you've got to realize what kind of an impact this would have in the United States and on the Congress. Therefore, the approach that's been taken with HB 70 in my mind is a very mature approach to try and sort of save the day because we've got so far down the road in the other approach. I can only commend to

your attention the capacity to effect legislation. (indisc) in general terms.

The next item I'd like to speak to is HB 211 which is a piece of legislation that was introduced last year, (indisc) Mike Miller, Mr. Speckling. I don't know if they have other co-sponsors. I was very impressed with it. Here again I find by noticing a lot of things that you're doing, that you're just doing a lot of good work and this essentially is the tactic that I'm here to recommend that the state employ in order to regain the initiative that we lost on the entire d-2 issue. We've got a chance now as the legislation comes into the Senate to take up the initiative. If we don't coalesce to some degree -- and I'll speak to how we can coalesce and still maintain our individual positions. But if we don't coalesce, we're just going to get run over as we have in the House. But one of the recourses that we will have at our disposal would be Senator Stevens and I would just wage a filibuster. I think we have the seniority and the capability and experience to wage a very effective one and I think we (indisc) legislation. I have never been one to be proud of negative acts because you're really not contributing anything, you're just stopping something from happening. But I think the task at hand is to bring something about not just stop something -- to bring something about that's worthwhile. So we have the opportunity to do this. In the legislation that I have here, there presupposes state legislation to accompany this. That's essentially what you have in HB 211, is state legislation. So if that could be flushed out and developed and passed in a reasonable period of time, that could be our position in the Congress. It wouldn't be Mike Gravel's position or Don Young's position or Steven's position, it would be the Alaska Legislature has so spoken. There's no question it's not going to be cast in concrete but it'll be a darn sight more powerful than anything else I can think about (indisc) that anybody else would have. And so if you can meet a time frame of early mid-March before the hearings reconvene, we could have a new product to present to the Congress -- the parties behind it, the State Legislature, the Governor would probably endorse it. I certainly endorse it and I think the balance of the delegation would endorse it. Let me now speak as to what would be the key elements of my endorsement and I've tried in the past to discuss the subject to varying degrees with success, with varying degrees of comprehension. Where I am right now I can say very simply, last year this document would not have been politically possible to introduce or to float under any elective official's name. We talked privately last year as to the efficacy of having cooperative management over the entire sub-continent of Alaska. And mind you, I'm specifically using the word sub-continent and not the state, the entire sub-continent. That would have been viewed quite oddly and very suspiciously, but we've all gone through a maturing process since last year and taking the position that they just can't do it to us is not a position, it's merely a reaction. That's all we've been

doing. They can't do it to us. That's why we have no initiative. That's why we have no collective posture. But what has happened is that we now see that every one of the state-wide leaders are talking the same rhetoric. They're talking the rhetoric of collective management. And so we're not far at all. When people in politics and society can begin to use the same words, then the only transition is to go from interpretative approaches to these words. So I would just like to share with you an analysis of what does collective cooperative management mean? And what would it mean from a tactical point of view as we would try to affect a compromise in the Congress. Let's take the first part of it. What does cooperative management mean? We could say in Alaska, in this area where they have federal lands, and part of those federal lands will be in four systems, one area, one level. Next we are going to have lands not in the four systems which would be under the BLM, which would be general lands under the Organic Act. That could quote be a fifth system, if you want to use that (indisc.) Then you've got state lands. That could be a sixth system. Then you've got Native lands, that could be a seventh system. And then somebody decides, well, there's a chunk of land here that maybe we ought to study or (indisc.) a little different, so let's make that a seventh (sic) system and we'll call that -- that's land that we think we're going to work and study together. And then you could have municipal lands, that's the eighth system and whatever lands that are held in patent today, you could develop and call it a system. You've just got a whole plethora of activity and definition on lands. And, in only one area where you have federal/state cooperation do you call that cooperative management. For my mind, if it's worthwhile to have cooperative management on one acre of ground -- if there's any merit to that concept at all, since there's really only two governmental entities on to themselves (indisc.) the federal government and the state government, then if it's worthy of having some cooperative management, then why just put it as part of it? Why pick up capriciously or arbitrarily ten million acres and say we're going to study that as cooperative management. If there's some merit to cooperative management, let's just do the whole thing in cooperative management. And then when you begin to think of it in that respect and the rhetoric is there for that, every one of the elected high officials quote, so to speak, are talking that rhetoric. We may have differences in the definition of cooperative management, but at least we're there.

Now let's look at what that would do. On the four systems lands, there's no way that you're going to have cooperative management. You usurp the powers of the Congress, literally. But (indisc.) you could very well do that. In a society of representative government, power is many times knowledge. Not always, but many times. And so if we set up a system, like the Land Use Planning Commission which is a vehicle for cooperative management, that Land Use Planning Commission has the ability to acquire knowledge

through research efforts, then that knowledge places them in a superior position than the individual members of Congress, or for that matter even yourselves, as individual legislators. And the reason why they have more knowledge is because they'd be more expert in the one particular area. The legislature and the Congress have a whole (indisc.) of issues that effect all facets of human life that we have to deal with continuously. So that simple fact that the Land Use Planning Commission in Alaska would be the major repository of land information and its use and adjudication would give it an edge that when it made a pronouncement or a study on something, that study would have great credibility in the Congress and I mean considerable credibility. Just as the present Land Use Planning Commission today, which is merely a voluntary organization, so to speak, when they'd come in and testify before the Interior Committee, it carried every bit as much weight as an individual member of the Congress. So you begin to see where the shift would take place. Ask yourself why the House of Representatives under the leadership of Mr. Udahl and Seiberling don't want a Land Use Planning Commission that has any muscle. In fact the one that I introduced in 1971 had police powers and came out of the Senate that way. It was diluted in the conference on the House side. The reason why it was diluted was because they did not want to see a diminution in the power at the federal level. Well if those fellows back there think that there's a diminution of power at the federal level, where do you think that power goes. It's going to come back at this level, maybe in federal hands, but really what's happening just in that process alone and in the process that takes place on federal lands that are handled by the Bureau of Land Management, you've shifted the center of gravity from the federal government in Washington to the federal government in Alaska, meaning that there's a great principle of government that's closest to the people (indisc.). So if we now have the Land Use Planning Commission that will adjudicate all federal lands save the four systems, but will have an effect on the four systems because of their superior knowledge, we've made quite a gain. Now that's on the federal side. On the state side, if we take all the state lands that are presently there except lands that are in municipalities and boroughs and that they would come under (indisc.) of the Land Use Planning Commission and then offer entry into this to the Native community so that the Natives would voluntarily bring their lands in -- that could be very simply -- you could initiate a study of possible taxation would take place -- the Native community, properly so, has great fear over the possibility of future property taxes. They could be land poor. Their land could be under development and that they would have no ability to have a cash flow to handle that form of taxation. So they rightfully, from their point of view, would like to see them absolved of this. That could be the ingredient that would bring them in on a voluntary basis. I think not to do it more than on a voluntary basis might cause some real acrimony since they would feel that they received

their lands as part of a legacy, the land claims, and then if we pulled a win by fiat, I think they'd feel that they had been violated. And rightly so in the one sense. The balance of the land that's in boroughs is already subject to a planning process. We have that in state law and so there need not be a duplication. There need but be a liaison relationship established so that a community that develops a plan, or borough or municipality, it would have a five year projection of what that plan would be, they'd submit that plan to the Land Use Planning Commission, and the Land Use Planning Commission would give it its seal, would sign off on it. But the function would be done by the municipality. This would solve the obvious problem of where individual governments come together, the frictions and the discoordinated activity is handled intelligently. So in this way, you look at the continent and I've just enumerated a process where all lands in Alaska is now under the aegis either directly, the Land Use Planning Commission or (indisc.) through the knowledge process of the four systems. Where that becomes a valuable tactic is that when we now talk to and negotiate in the Senate with the environmental community, national community and say we don't think that we need to put in a hundred million acres or ninety million acres into the four systems because we have a device that will continually adjudicate the use of land on an intelligent basis as a product of study. And so they're cast in a mode of saying well no we don't want to do something before we study it. Let's put it there before we study it. I don't think that's a very credible position for anybody to have. In fact when you look historically at why the environmental community has its extreme posture in some areas, it's because they could not get a resolution of the problem as they saw it in a legitimate fashion. And so what happens -- it's a simple process -- if you don't permit evolution, you have revolution. And so since we don't have a (indisc.) process in the United States of America, those people who are deeply concerned about the misuse of land and the atrocities that took place in the past and you need to travel this great country to see these atrocities then they are so fed up and their cup runneth over with such reaction, that all they can think of is that we just don't trust anybody. We don't trust anybody so let's just lock it up. And in some cases you can look around and there's valid reasons for that posture. And I would say that if we passed that referendum, that on the national point of view there would be a valid reason to lock up major portions of Alaska. So they're at where they're at because there wasn't a process that permitted the intelligent organized adjudication of land. So what I'm proposing here is that we lay down a device that will have definitive powers which will be able to adjudicate the land on the sub-continent. Of course you get this attitude -- the brokers say well I'm not too keen on that commission because obviously they're going to put a bunch of environmentalists on that commission and they're going to stop growth. Then you talk to some environmentalist and they say

well boy I'm not to keen on that commission because they are going to put a bunch of chamber of commerce types on there and they'll rip up the country. Essentially what both parties are saying is that they have no confidence in our system of representative government because, you know, what's the point of having a legislature, you might get some dingalings elected to it and many times we do. We've had them in the Congress and we've had them here occasionally. So that doesn't mean that we don't develop a system of representative government because sometimes it fails to work. We don't have any options. Either anarchy or we develop a pattern of evolving things in an orderly fashion and this, of course, is what I think would be a most compelling argument in the Congress. Looking at individuals, Scoop Jackson has passed a land using planning bill twice in the Senate. It's failed both times in the House. I think (indisc.) I think many other members would view this from the environmental community, Senators in that area, would view this as an unusual opportunity to establish a prototype. I think that we could -- in the future I would recommend that we have a sunset feature in this. We don't know if this is going to work. We'll say this law is going into effect for ten years. At the end of ten years the Congress has to renew its charter of the law, of the situation, and so would the state legislature. So if it succeeds, it will build its constituency of success and it will be easy to renew and if it's not working very well, it will have an alternate constituency and it will be very easy to stop its renewal. And I think that that really could ward off a lot of serious criticism and would permit us to negotiate down the quantity of acres to something reasonable and something obvious because there are obvious easy decisions to be made in placing land in the four systems. But it's the quantities that we find disturbing and the fact that we don't have the vehicle to make changes. But if we've learned anything from the Statehood Act and from the Native Claims Act is that we've had a steady stream of people to Washington trying to resolve all of those problems that have been placed with the Congress. Well if that doesn't tell us something that we should have a body that should be deliberating on these problems daily. The other thing that I would recommend is that we take the Clean Air Act, the Solid Waste Act, the Coastal Zone Management Act and the Clean Water Act and place this under the aegis of the Land Use Planning Commission. Let me give you an example. Right now supposing we took the interior of Alaska -- somebody wanted to build an asbestos mine and a cement factory, let's say two of the real bad polluting elements, and it was a group of Natives that had a mountain and they made a joint venture with some Japanese interests and New York interests and they're going to come in and they're going to build a cement plant, maybe we'll build a dam and other devices, that we'll need some cement and the economic success would warrant it here in Alaska. How does that take place? Well presently what you do is you deal at the borough level, then you turn around -- if it's in the borough, if not you just go to the state level and you're bicycled

around to the various interests be it land, be it for water, be it for access. The access is very much undetermined. You don't know what the access is going to be. But under the plan I'm suggesting, you'd develop your plan and you'd go to the Land Use Planning Commission. The Land Use Planning Commission would do exactly what the legislature's done which I think has shown great maturity. You've got to hire some consultants to evaluate this for me, I'm not in the cement business, I don't know anything about cement. Come in and tell me what that means. Come in and tell me what the access requirements are going to be and how (indisc.) with this possible development up there. Analyze for me if (indisc.) what the air pollution will be. Do all those things as one coordinated body. And then when you know all the facts, these nine individuals will say yes or no. That's it. And when they state their approval, that's it. You don't have to go over there, or getting dragged here or having a catch-22 there. You're getting it all done at once. That to me is efficient from an economic point of view and from a knowledgeable decision judgmental point of view, it's just excellent. Because the people will be expert in this area. That's all they will do. They'll be handsomely paid and they will have research capabilities. And then a decision will be made. Yes or no (indisc.). Another question -- people want land. There's no reason why people cannot have land and I certainly in my opposition to the referendum, I hope that it won't ever be construed that Mike Gravel's against people having land in this state. I believe in private property. I think it's an excellent base to our free enterprise system. But there's got to be something reasonable to it, because when you give somebody a piece of property, it's got to be a legitimate piece of property. And legitimate means you've got to have access to it, he's got to have water, he's got to have air that he can breathe on his property. He's got to be sure that he's not invaded or polluted by his neighbors in that regard. So there's got to be an orderly process. There's no reason why if a person wants to go out and live in a wilderness, that he can't go to the Land Use Planning Commission and say hey, I want five acres. I want to go out and chop trees and haul water to a cabin in a bucket. And there's no reason why the Land Use Planning Commission can't look at this and say, hey, here's your five acres, go at it -- and bring an orderly process to that type of existence. There's no reason why that can't be done. So we can handle every facet of this. The only thing that I'm (indisc.) begging for is that by God we're intelligent human beings, let's do it in an orderly fashion and set up a vehicle to do it in an orderly fashion and essentially that's the case. I could go through and perhaps we could stop at this point for some question and answers and then in this draft proposal, this deals specifically with the Land Use Planning Commission which is really the guts of this proposal. This proposal is essentially the collective conventional wisdom of where we're at in the whole d-2 situation. Subsistence is no longer a gut, backbreaking issue. The fact that we're going to legislate state land, title land, Native land titles is something that's pretty well accepted, a whole host of things. What's new probably in here is an authorization for five hundred million dollars for a

transportation system to Mt. McKinley. That would be a new element in there. That's a simple thought that if it works this way, we're going to have the greatest park in the United States and probably the greatest park in the world, we'd darn well better make it accessible to the American people. It's tough to get there right now. I get there, I get there in a helicopter, but that's not the way it should be available to the American people. So I've got an authorization in there if Congress wants to make a great park, they've got to pay to let the American people see it.

The other key element (indisc. -- cough) this draft here of the language. On the second page of this draft I've detailed what I would recommend as suggestions and I really want to underline suggestions. It's all a product of how much thought you want to effect on an issue and so when you people start your deliberations and marking up the legislation, you're going to think of things that we haven't thought of and to that end, when you get to that point, where you decide to go that, I would have Pat Prusho (ph) on my staff spend some time in Juneau so we can monitor what's going on so that we understand your thinking processes so that we stay on the same wave length. These are just, these are suggestions of what I think the state legislation should encompass and I can't help but be struck by the parallel with HB 211 and so HB 211 in my mind is a vehicle that you should ---. You already have introduced. It's under hearing now. When your hearings are complete, you can begin markup on it. I would hope you'll just consider these suggestions to be incorporated into HB 211 and if you have HB 211 out as a product by mid-March -- and if CMAL -- and I have every reason to believe that CMAL might be willing to endorse such a proposal. I can't speak for the other members of the delegation but I think that they would all be happy with a coalesce that might take place as a result of your actions. So let me just close with that point and you can proceed with questions and answers.

CHAIRMAN OSTERBACK:

Representative Malone.

MR. MALONE:

Thank you Mr. Chairman. Senator, first I'd like to thank you for making yourself available to the committee in this type of setting. As far as I know this is the first time a committee of the legislature during this legislature at least on the (indisc.) question has had an opportunity to meet in a hearing setting with a member of our congressional delegation. As legislator to legislator, I appreciate that. To begin with, some of the legislation that you