

529

HRES

SB

13

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SB

128

529

Senate Bill No. 13
Project Summary Totals

100	<u>Personal Services</u>		\$ 88,716.84
	FY 77	\$ 4,209.97	
	FY 78	\$40,655.95	
	FY 79	\$43,850.92	
200	<u>Travel</u>		\$ 2,350.00
	FY 77	\$ 0	
	FY 78	\$ 2,350.00	
	FY 79	\$ 0	
300	<u>Contractural Services</u>		\$ 1,700.00
	FY 77	\$ 0	
	FY 78	\$ 1,700.00	
	FY 79	\$ 0	
400	<u>Commodities</u>		\$ 8,040.00
	FY 77	\$ 0	
	FY 78	\$ 5,540.00	
	FY 79	\$ 2,500.00	
500	<u>Equipment</u>		\$ 500.00
	FY 77	\$ 0	
	FY 78	\$ 500.00	
	FY 79	\$ 0	
		TOTAL	\$ 101,306.84

Senate Bill No. 13
Analysis of Fiscal Note

FY 77 Costs

100 Personal Services

\$4,209.97

Senior Research Assistant (21A)

\$2,635.57

This position would be employed for one month prior to FY 78 to begin implementation of the research project. The Senior Research Assistant would be a specialist in horticulture technology and would be responsible for data analysis, background preparation, and other duties as assigned by the project head.

\$1,895.00	Salary (\$1,895.00 per month x 1 month)
301.31	Leave Allowance (15.9%)
<u>\$2,196.31</u>	Subtotal
439.26	Staff Benefits (20%)
<u>\$2,635.57</u>	Position Total

Horticulture Trainee (11A) (Temporary Help) \$1,574.40

This position would be employed for one month prior to FY 78 to perform gardening functions and other tasks. This position would weed, care for harvest, weigh the garden products, and perform other labor duties.

\$1,312.00	Salary (\$1,312.00 x 1 month)
<u>262.40</u>	Staff Benefits (20%)
<u>\$1,574.40</u>	Position Total

TOTAL FY 77 COSTS

\$4,209.97

100 Personal Services

\$40,655.95

Senior Research Assistant (21A) \$31,209.55

This position would be needed for 12 months to develop the project. The person employed would be a horticulture specialist who would care for plants, calculate data documenting project accomplishments, and do other duties as assigned by the project head.

\$22,440.00	Salary (\$2,040.00 per month x 11 months)
<u>3,567.96</u>	Leave Allowance (15.9%)
\$26,007.96	Subtotal
<u>5,201.59</u>	Staff Benefits (20%)
\$31,209.55	Position Total

Horticulture Trainee (11A) \$ 9,446.40
(Temporary Help)

This position would be responsible for performance of horticulture labor functions related to the project. The person would do maintenance duties of weeding, caring for plants, etc.

\$7,872.00	Salary (\$1,312.00 per month x 6 months)
<u>1,574.40</u>	Staff Benefits (20%)
\$9,446.40	Position Total

200 Travel

\$ 2,350.00

Travel required to review waste heat agriculture projects in parts of United States, such as Minnesota, Oregon, Idaho, etc., to analyze various techniques for application in Alaska. \$ 850.00

Iceland is one of the major countries that currently employ waste heat for industry uses. A review of its techniques would be done to examine for methods useable in Alaskan environment. \$ 1,200.00

Three trips to and from Palmer would be necessary to build greenhouse facilities. Transportation to install equipment and appliances would be required. \$ 300.00

300 Contractual Services

Photography services will be required to record results of study. Computer services will be needed to calculate and analyze data produced. \$ 500.00

Publication of study to report findings of the projects. Printing and mailing costs are included in the figure. \$ 1,200.00

400 Commodities

\$ 5,540.00

Supplies necessary for waste heat research

a) Thermo Couple Wire	\$ 175.00
b) Stakes, Tags, Bags Containers	200.00
c) Fertilizers and Growth Media	800.00
d) Shade Cloths and Alterations to Attach to This	725.00
e) Plants and Shipping	2,500.00
f) Special Tubing	250.00
g) Pots	325.00
h) Vexar Netting	145.00
i) Special Tools (Knives, pruning shears)	75.00
j) Insecticides	70.00
k) Connections for Steaming Soil	275.00
	<u>\$ 5,540.00</u>

500 Equipment

\$ 500.00

Special pumps and fertilizer injector are necessary for project.

FY 78 TOTAL

\$50,745.95

Senate Bill No. 13

FY 79 Costs

100 Personal Services \$43,850.92

Senior Research Assistant (218) \$32,942.90

This position would be responsible for maintenance and completion of the project. The person would also prepare documentation for publication on the results.

\$23,298.00	Salary (\$2,118.00 per month x 11 months)
3,704.38	Leave Allowance (15.9%)
<u>\$27,002.38</u>	Subtotal
5,940.52	Staff Benefits (22%)
<u>\$32,942.90</u>	Position Total

Secretary (9A) \$ 4,505.46

Secretarial services would be necessary for three months to type project results for publication and maintain files on project documentation.

\$3,693.00	Salary (\$1,231 per month x 3 months)
<u>812.46</u>	Staff Benefits (22%)
<u>\$4,505.46</u>	Position Total

Horticulture Trainee (11A) \$6,402.56
(Temporary Help)

This position would be necessary to perform maintenance and gardening functions and other tasks. This person would weed, care for harvest, weigh garden products and perform other labor functions.

\$5,248.00	Salary (\$1,312 per month x 4 months)
<u>1,154.56</u>	Staff Benefits (22%)
<u>\$6,402.56</u>	Position Total

400 Commodities \$2,500.00

Supplies necessary to continue waste heat research:

a) Fertilizers and Growth Media	\$ 550.00
b) Pots	225.00
c) Plants and Seed	<u>1,725.00</u>
	<u>\$2,500.00</u>

TOTAL FY 79 COSTS \$46,350.92

Research Proposal

The Development of technology necessary to use
"waste" heat for the enhancement of horticulture in Alaska and
to reduce thermal pollution problems

University of Alaska
Agricultural Experiment Station
Fairbanks, Alaska 99701

D.H. Dinkel
Principal Investigator

Abstract

The purpose of this project is to develop the horticultural technology necessary to use the enormous quantities of excess heat that will be rejected in Alaska from power plants, refineries, pipeline pumping stations and geothermal sources. The use of waste heat for the production of horticultural crops in greenhouses and heated areas of soil outdoors is common to all wise proposals to completely utilize reject heat. The horticulture production part is necessary because the heat can be utilized during summer months and when less is required for space heating or other uses.

It is estimated that the quantity of excess heat that would be available from industry in Alaska could meet the heat energy requirements for hundreds of acres of high value vegetable and flower production.

In this project, both soil heating and "space" heating for greenhouses will be employed in conjunction with proven Northern Agricultural practice, with the dual purpose of improving agricultural production and reducing final output temperature and consequently thermal pollution from power plant cooling water.

The agricultural industry, and particularly the horticultural industry, is probably in the best position of many of the energy consuming activities to use low-grade heat from cooling waters discharged by industry. The Agricultural industry is also in the best position to utilize the high temperature excess heat from the pumping stations of the oil and gas pipelines.

Considering the magnitude and basic importance of agricultural production and the extent of its' energy use, a significant increase in efficiency of production would be obtained through the substitution of waste energy for nonrenewable resource-consuming energy. In addition, the increase in solar energy conversion to food and ornamental plants would be an important Alaskan and national gain.

The principle reason for agriculture's favorable position in Alaska is that growth rates are increased dramatically when soil temperatures are increased slightly or conventional greenhouses and temporary plastic canopies are used to improve air temperatures. These practices make possible in Alaska the use of solar energy that otherwise is not useable for food and other beneficial production. In some instances, lengthened growing seasons may permit additions of another crop, possibly doubling and tripling production of the land. Increasing Alaska's critically low soil temperature and using canopies and greenhouses creates a significantly better plant growth environment than found in most other areas of the U.S. because of the long sunlight days. This advantage should allow us to produce high value intensively cultured crops at world market prices, and more important provide these products to Alaskans.

Much of the basic information needed for the establishment of a horticultural industry using waste heat in Alaska is available in literature and from preliminary research in the state. What is most needed now is applications research, and the engineering and economic design required to demonstrate and incorporate what is known into development plans.

The proposed research will be done by the Agriculture Experiment Station, University of Alaska in cooperation with (CRREL) Cold Regions Research and Engineering Laboratory) and the U.S. Army.

The work will be done using existing greenhouse and crop facilities at the Fairbanks Agricultural Experiment Station and in facilities that are fortuitously being developed by the U.S. Army at Fort Wainwright to reduce thermal pollution and ice fog problems associated with the power generating facility.

The engineering and construction for much of this project is being done by the U.S. Army and Cold Regions Research and Engineering Laboratory (CRREL) at the Fort Wainwright South Power Plant. Heated "waste" water with temperatures of +70°F to +85°F in large quantities is available. Evaporation from the present large cooling ponds associated with this waste creates a severe ice fog problem in winter months. Efforts to reduce this thermal pollution problem are underway by dissipating the heat in soil by circulating the warm water through a buried grid of pipes. There would be a significant advantage to Alaska and the immediate community if these efforts could be used to conduct the developmental research necessary to demonstrate the use for the tremendous quantities of unused heat in the state.

Introduction

The primary energy source for modern agricultural food, fiber and ornamental production remains the sun; however, man has learned that he can increase productivity of his crops by modifying the plants' environment for maximum capture of sunlight. This environment modification is largely dependent upon the use of fossil fuels to supply the required technological materials such as machinery, plastics, pesticides and petroleum for heating, farming, drying, processing and transportation.

Much of the energy required to produce intensively cultured crops in Alaska is in the form of heat requirements. This energy is needed to heat greenhouses and warm soils. If these heat requirements are supplied in Alaska we then have a plant growth environment that is technically superior which should create an economic advantage even in regards to competing on world markets for commodities that can be shipped. The advantage is due to the improved photosynthetic activity of leaves in sunlight and cool air conditions (10), and the longer period of this advantage. An analysis of Alaska's climate shows that during a similar calendar period corresponding to May through mid-September, there are 430 to 550 more hours of sunshine in Alaska than there are at latitudes similar to Minneapolis, Minnesota and Chicago, Illinois. The advantage

of this extra sunshine for rapid growth of adapted crops has been amply demonstrated by the production of the well-known 70-lb Alaskan cabbage and by numerous research studies in Alaska (7). Thus, the longer period of sunlight from March 20 to September 20 and the better internal plant condition for photosynthesis are advantages to growth if soil temperature or other factor does not limit the activity.

It has been demonstrated that one of the most critical environmental factors that limits the growth of many crops in Alaska is the soil temperature (4,5,6,7). Soil temperatures that seldom rise above 13-18°C. at the 10 cm. soil depth during the growing season impede seed germination and severely limit the growth of certain economic plants. The optimum soil temperatures for most cultivated crops ranges from between 21 and 30°C. Increased soil temperatures resulting from the use of clear polyethylene on the soil, electric heating cables and buried styrofoam give greatly increased growth of crops and earlier maturation (7). Clear polyethylene mulches cause soil heating by solar radiation because of the entrapped layer of still air, reduced moisture evaporation and the lower transmission by polyethylene of the heat radiation from soil as compared to the high transmission of incoming solar radiation. The improved soil temperatures allow the crops to take full advantage of the long sunlight days, and often higher yields are measured than those produced in the best commercial production areas of the nation.

Research in climates such as Minnesota show that soil warming by waste heat does provide some improved growth rate and some extension of the growing season (1,2). Due to normally warm soils during mid-summer in Minnesota that are near optimum for plant growth, waste energy can only be used during the spring and again in the fall. Alaska, with the much colder soils throughout the year and the greater sunlight during the growing season, offers greater advantages for waste heat utilization for the production of high value crops.

The feasibility for the use of low temperature waste heat for heating of greenhouses has been reported (3, 10, 11). A large greenhouse industry has developed in Iceland using warm water from geothermally heated springs for heating. A viable seasonal greenhouse industry has developed in Alaska using fossil fuels for a heat source. There is a significant need to expand this industry utilizing waste heat from industrial and geothermal sources. The rising cost and scarcity of fossil fuels to heat greenhouse units is a major threat to the stability and continuance of the nation's greenhouse vegetable and ornamental units. These factors appear to be blocking expansion and may actually terminate the greenhouse industry in areas where alternative methods of heating cannot be found.

Energy from industrial sources, usually in the form of hot water at temperatures from 21 to 70°C, is normally wasted by discharging it into the air or into bodies of water. These point sources of unused heat represent a poor stewardship of our resources and cause an environmental impact of considerable concern. A systematic approach to the utilization of unused heat suggest its' use in district heating of

houses, businesses and greenhouses, and in warming field soils for crop production.

Extent of unused heat: The efficiency of modern fossil fueled electrical generator plants is approximately 40%, while that of nuclear plants ranges between 30 and 33%. Thus, of the total energy available from the original fuel source slightly over one-third is presently used. The remaining two-thirds is rejected by being discharged into the environment. About 85 percent of the rejected heat is discharged into water bodies and 15 percent is discharged into the environment through the stack. Enormous quantities of very high temperature steam will be exhausted from the Energy Resources of Alaska refinery at North Pole, Alaska. Each pumping station along the trans-Alaska oil pipeline will exhaust large quantities of heat. It has been estimated that the 12 pumping station and liquefaction plant for a trans-Alaska gas line may exhaust approximately 36 million BTUs per second.

Facilities:

The Agricultural Experiment Station 40' x 90' existing greenhouse with attached head house will be used to produce test plants and for initiating the greenhouse work. One 30' x 40' section of the greenhouse will be slightly modified to simulate conditions that will be associated with a source of hot water.

The major plot work will be done at Fort Wainwright near the Power plant cooling pond. The U.S. Army and CRREL are concerned about the vapor pollution problems associated with the cooling pond and about the thermal waste. They have agreed to support a joint effort to the extent that they will provide engineering and most of the construction for the study site. The Agricultural Experiment Station wishes to cooperate by supplying the horticultural research effort.

CRREL has leveled the land adjacent to the site, added peat soil amendment to our specifications and are presently in the final stages of installing the distribution system and the piping to heat some test plots. There presently are 3 test plots 50' x 150' that will be heated with adjacent control plots. CRREL presently has plans to construct greenhouse facilities adjacent to these test plots to transfer the technology from the Agricultural Experiment Station greenhouse to an operational system.

Tasks:

To determine proper crop varieties and productive capacity of vegetables under the proposed system of near optimum soil temperature.

To determine the amount of season extension that can be achieved both in the greenhouse and out of doors using soil heating with and without plastic canopies.

To determine the proper fertility and irrigation practices necessary for this type of system.

To examine the possibility of growing commercial cut flowers such as roses, carnations and chrysanthemums by using a system that has heat provided in the soil and that would grow for 9 months and during the dark months of November, December and January would be held at a storage temperature of approximately 35°F. During the dark period the greenhouse would be modified with heat saving shields similar to those used in Europe so that heat loss could be reduced.

To determine if unusual disease and insect problems may develop as a result of the warmer environment.

Additional Project Objectives:

Concurrent with the horticultural objectives, data will be produced that will be useful for improving the collection and distribution system for waste energy in northern conditions.

Information will be gathered on thermal and vapor pollution abatement.

Personnel:

The Principle Investigator and leader for the Agricultural Experiment Station effort will be Dr. Donald H. Dinkel, Professor of Plant Physiology. The legislation is largely to provide research assistance to Dr. Dinkel.

The Principle Investigator and leader of the CRREL effort will be Dr. Terry McFadden.

Pertinent Questions and Answers on Subject of Waste Heat

By
D. J. Dunkel

Q. What is waste heat?

A. Waste heat is the term commonly used for energy that is rejected from various industrial sources. It usually results from the burning or other consumption of fossil fuels; however, it may also result from nuclear power plants or represent the unused heat from geothermal sources. The waste heat rejected from a process using fossil fuel usually exceeds the amount of the energy that is put to useful work such as the production of electricity. For example, most electrical power generation facilities that operate with fossil fuels have only a 30 per cent efficiency and the remainder is rejected as hot water or hot air.

Q. What is the extent of unused heat in Alaska?

A. The quantity is enormous at the present time and it will increase greatly as the pipelines, refinery and other power plants are placed into operation. It is estimated that each pumping station along the Trans-Alaska Pipeline could heat 2000 homes. The estimate for the North Pole Petroleum refinery is that 10,000 homes could be heated. Canadian sources estimate that each pumping station associated with their Mackenzie Valley Pipeline will produce enough clean waste heat to meet the requirements for 15 to 20 acres of greenhouse vegetable production. However, there has not been an inventory made of the present and future status of the waste heat that will be rejected and that could be used in the state.

Q. What are some proposed uses?

A. Agriculture, fisheries and aquaculture, forestry, processing and district heating in commercial and domestic areas. High temperature waste heat also may be useful in some cases for the generation of electricity where uses can be found for the remaining lower temperature heat so that vapor and thermal pollution is not a problem. For example, it would be technically possible to generate electricity from the high temperature waste from the North Pole Petroleum refinery. However, if this is done the reject energy would be in a form that could not be injected into the upper atmosphere and would create a vapor or ice fog problem during winter months. Agriculture and district heating could provide a use for this remaining low temperature reject energy.

Agriculture

The high temperature reject heat could be useful for forage and grain drying and may provide the necessary component that would make potato processing feasible in the state and therefore, expand potato production.

Heat energy consisting of hot air, hot water or steam and at temperatures ranging from 80°F to 800°F would be useful for greenhouse

-2-

production and vegetable and plant production in areas that would support horticulture crop production resulting from soil warming. The use of the heat in greenhouses and then during the summer months in the soil for crop production is necessary to all wise proposals that suggest a near total use for the energy. This crop use is probably necessary because it can utilize the low temperature energy and would utilize the heat as less is needed for other uses. It appears to be an important part of every systems approach to utilizing this resource because the near total use of the resource will make the collection and distribution more economical for each use.

Aquaculture, Forestry Processing and District Heating

The use of heat to improve production of fisheries through hatchery rearing and in fish production ponds is suggested. The heat requirement for forestry, processing industries and in district heating of homes and businesses is obvious if the heat can be collected and distributed. The more complete use that would result by greenhouse and soil heat use would provide a better economic picture for the above uses.

Q. Is our environment suitable for the types of intensive crop production that is suggested?

A. During the four summer months it is superior to most other areas of the nation. The northern latitudes are recognized to have the highest photosynthetic production rate in the world during these four summer months. If the season can be lengthened and/or the soil warmed, the productive capacity can be further increased, and this photosynthetic advantage further exploited.

Q. Why hasn't the greenhouse industry developed without the waste heat use?

A. It is one of Alaska's major agricultural industries at the present time, but it has been developed through the use of fossil fuels which are even higher in cost than they are in the rest of the nation.

Q. There are indications that hundreds of acres of greenhouse and soil heated vegetable production is possible. Could all of these products be marketed in Alaska?

A. No. Besides providing Alaskans with vegetables and ornamental plants, it would be necessary to market cut flowers such as roses, carnations, chrysanthemums and etc. on national and world markets. It is proposed that this could be done competitively during 5-6 months of the year because of Alaska's superior environment for greenhouse production and through the use of waste energy.

Q. Why do you feel that it is important to examine national and world markets for cutflowers?

A. Because it appears to be necessary at the present time in order to make more complete use of our unused resource. It also would add to the stability of our economy to have a renewable resource such as this contributing to the state's economy. It would also decrease the nation's consumption of fossil fuels now used for this purpose in the present greenhouse growing areas.

Q. What will be the temperature of the Waste Heat?

A. The temperature of the reject heat energy will vary with the type of industry and will range from about 80°F to above 800°F. It will be exhausted as hot air, hot water or steam.

It is expected that not all reject energy could be utilized at this time because of accessibility problems, the lack of adjacent growing areas and the lack of technology. A systems approach with agriculture as a major user appears to give the best potential.

Q. What is the urgency in the legislation now in process?

A. We must promote the use or it will not happen. The potential for use must be designed into the system in the beginning in order to develop the most economical recovery system. For example the oil pipeline pumping stations were not designed with reject heat use in mind, and, therefore, it will cost more to recover the heat.

Although the technology appears to be available at the present time to make economical use of the energy, it is necessary to demonstrate this and to improve this technology.

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COMMITTEE REPORT

HOUSE

April 20, 1977 Date

Mr. Speaker:

The Committee on RESOURCES has had CSBB 58 am

under consideration. A majority of the members of the Committee

- 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 that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____

_____ recommends: _____

_____ recommends: _____

Chairman
Chairman



Alaska State Legislature
House

HOUSE RESOURCES COMMITTEE

Alvin Osterback, Chairman

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

15 April 1977

Bob LeResche, Commissioner
Department of Natural Resources
Pouch M
Juneau, Alaska 99811

ATTENTION: Pat Conheady

Dear Commissioner,

The House Resources Committee will be reviewing CSSB 58 am on Wednesday April 20, 1977 at 1:15 p.m. in room 118 of the Capitol Building.

We have received the material from Senate Resources which was submitted to the committee. If you have any other information pertinent to this bill the House Resources Committee would appreciate receiving that, too. If you know of other interested groups, please contact them.

Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "Al Osterback".

Al Osterback, Chairman
House Resources Committee

AO:ts

1977 LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. 58 Extra
 Title An Act Relating to Hydrological Data
 Requested by Governor's Office Date 1/14/77

II. FISCAL DETAIL
 Agency Affected Natural Resources
 Program Category Affected NRMEC
 Budget Request Unit(s) Affected Geological & Geophysical Programs

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		39.7	82.0	84.0		
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT		.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		40.2	82.0	84.0		

FUNDING (Thousands of Dollars)

GENERAL FUND		40.2	82.0	84.0		
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		2	4	4		
PART TIME						
TEMPORARY						

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

The main fiscal impacts of the proposed legislation stem from personnel costs associated with developing the program, collecting data from well drillers and preparing data for storage in a computerized system. Utilization of Federal data storage systems will minimize costs associated with the State developing its own storage system. New personnel (one geological assistant and one geologist I) will collect data, prepare it for storage and interpret the data for utilization in the development of an overall water planning program. These positions plus current personnel will allow the Department of Natural Resources to process data from an estimated 6,000 wells per year.

IV. DATE 1/14/77 PREPARED BY Ross G. Schaff
 AGENCY Div. of Geological & Geophysical Surveys
 PHONE 279-1433
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Guy R. Martin

January 18, 1977

The Honorable John L. Rader
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

Under the authority of art. III, sec. 13 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 amending the powers and duties of the Division of Geological and Geophysical Surveys of the Department of Natural Resources by transferring with only a minor change some overlapping and long dormant powers and duties of the Department of Health and Social Services.

Presently AS 41.08 requires the state geologist to conduct geological and geophysical surveys to determine the locations and supplies of ground waters and to print and publish special and topical reports, and authorizes him to enter into cooperative agreements to perform surveys, studies, and investigations. On the other hand, AS 41.05.010 - 41.05.030 declares hydrologic data to be of public interest and grants to the Department of Health and Social Services the powers and duties of collection, recording, evaluation, distribution, and publication of data on water of the state and authorizes the adoption of regulations to achieve those objectives. The disassociation of the duties affected and of surface and ground water studies, investigations, data, and surveys is neither logical nor desirable. The Division of Geological and Geophysical Surveys is the most logical agency to accomplish the objectives and to render these beneficial services to the public in the most capable manner.

The only proposed change made in the transferred powers is the addition of the power to require all water well drillers to file basic water and aquifer data to the existing power to require the filing of water survey results. The reason for this change is that much water well drilling takes place which is not part of water surveys and in areas which have never been the subject of water surveys. Basic data from such drilling is necessary to construct a true and complete picture of the state's water resources.

The transfer and minor expansion of these powers and duties is therefore requested at this time by repealing AS 41.05.010 - 41.05.030 and amending AS 41.08.

Sincerely,

Way S. Hammond
Governor

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Jay S. Hammond, Governor
State of Alaska

RP 77-156

DATE : September 17, 1976

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

SUBJECT: Department of Environmental Conservation
Request to Receive and Expend \$52,000
Additional Federal Funds

The Department of Environmental Conservation requests authority to receive \$52,000 additional federal funds from the Environmental Protection Agency.

The Federal Safe Drinking Water Act establishes a major new program to assure that public water suppliers provide safe water to their customers. In Alaska a number of water supplies have been found to be either biologically or chemically unsafe. The recent discovery of arsenic in the water supplies of the Fairbanks and Kenai area together with the finding of biologically impure water in Cordova's emergency water supply and in those of various trailer parks, subdivisions etc. around the state attest to the need to inventory and monitor public water supplies. These funds will be utilized to establish the necessary field, laboratory and central office staff to implement this program. These funds are in addition to \$290,400 already received from the EPA for this program, which is included in the FY 77 budget.

Your approval is recommended in accordance with the provisions of SLA 1976, Chapter 279, Section 12.

Ronald D. Lehn for:
Ronald B. Lind, Director
Division of Budget & Management
Office of the Governor

Approved this 17 day of Sept., 1976
Jay S. Hammond
Jay S. Hammond, Governor
State of Alaska

Ed D. [Signature]
Legislative Budget & Audit Committee
Date: 9/23/76

John Scribner 3-29-77
Water Supply Grant to coordinate internal
Data Management
Annual Program Grant - EC needs to
develop regulations otherwise Feds will
take over program.

TO: [Jay S. Hammond, Governor
State of Alaska

RP 77-156 (G)

DATE October 5, 1976

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

Department of Environmental Conservation,
SUBJECT: Request to Establish Three Permanent
Full Time Positions and One Permanent
Part Time Position

The Department of Environmental Conservation request authority to establish the following permanent full time positions: Environmental Research Analyst II, Environmental Research Engineer III, Clerk Typist III, and Public Participation Specialist (Permanent Part Time).

The funding source for these positions are the Safe Drinking Water Supply Grant (RP 77-156), The positions will be deleted September 30, 1977 unless additional funding is received.

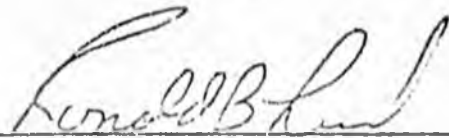
The Environmental Research Analyst II (RP 77-154 and 77-156) will manage information resulting from sanitary survey inspections, water system inventories, and village sanitation facility inventories. Also, this position will act as the interface between water supply managers and village safe water managers, and computer data handling storage facilities.

The Environmental Engineer III will coordinate implementation of HB 407, the Water and Wastewater Operator Certification and Training Program.

The Clerk Typist III will insure water quality management planning and implementation conducted by local units of government are coordinated and consistent with the statewide plan.

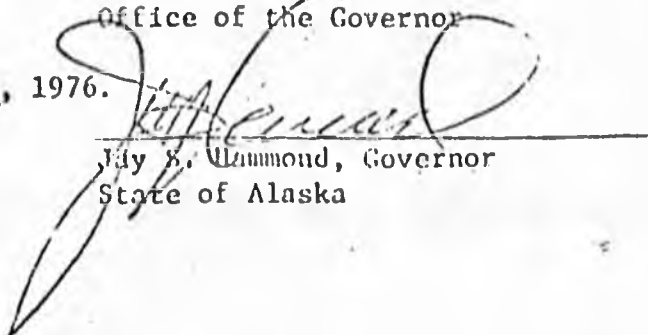
The Public Participation Specialist (Permanent Part Time) will conduct public participation programs. Current State policy and federal government regulations require emphasis on increasing public participation in program management.

Your approval is recommended in accordance with Executive Order 20 and AS 44.17.040.



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

Approved this 7 day of Oct., 1976.



Jay S. Hammond, Governor
State of Alaska

Resources



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Water Resources Division
218 E Street
Anchorage, Alaska 99501

February 4, 1977

Guy Martin, Commissioner
Department of Natural Resources
State of Alaska
Pouch M
Juneau, Alaska 99811

Dear Commissioner Martin:

We have received a copy of Senate Bill 58, which gives the state geologist new powers and duties relating to water resources in the state of Alaska. The bill adds to the responsibilities of the Geological and Geophysical Surveys by making it the principal agency in the state responsible for water resources data.

Centralizing the acquisition and filing of water data in a single state agency that is dedicated to basic, unbiased scientific information will be of great benefit to the state. The section of the Bill which requires the filing of basic water and aquifer data is an important and significant addition to existing requirements.

As you are aware, the U.S. Geological Survey collects and analyzes hydrologic data in the state of Alaska under both a federal program and a state cooperative program on a cost sharing basis. We have, at the present time, a very substantial program with the Geological and Geophysical Surveys of the Alaska Department of Natural Resources. Our federal responsibilities include not only the collection and analysis of hydrologic data but also the coordination of hydrologic data collection programs among all federal agencies.

RECEIVED
FEB 7 1977

Department of
Natural Resources

The provisions of the Senate Bill 58 would be of benefit not only to the state but also to the U.S. Geological Survey in its dual role as a cooperator with state agencies and as a federal agency having federal responsibilities for the collection and analysis of water data. The designation of a single state agency as the principal water agency in the state will be advantageous, both from the standpoint of cooperative programs and as a single point source for filing and retrieving water related data.

We have recently had discussions with the Water Resources Policy Committee Work Group of the Governor's Office and with members of the water planning group of the Section of Planning in the Alaska Department of Natural Resources. Through these discussions, we have described to the state the nature of the water resources program that we currently are conducting and the inadequacies of parts of the program. We have particularly emphasized the importance of a long-term data collection base as a part of the state's total water resources program. We believe that the passage of this bill would be in direct support of this concept and would result in significant long-term benefits to the state.

Sincerely yours,


Harry Hulsing
District Chief

cc: Ross Schaff
Dave Hanson
Subdistricts

Article 1. Hydrological Data.

<p>Section 10. Hydrological data declared to be of public interest</p> <p>20. Collection, recording, distribution and use of hydrological data</p>	<p>Section 30. Regulations by Department of Health and Social Services</p>
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Sec. 41.05.010. Hydrological data declared to be of public interest. Systematic collection, recording, evaluation, and distribution of data on the quantity, location and quality of waters of the state in the ground, on the surface of the ground, or along the coasts, are in the public interest and necessary to the orderly domestic and industrial development of the state. (§ 1 ch 155 SLA 1957)

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(1) collect, record, evaluate, and distribute data on the quantity, quality and location of underground, surface and coastal waters of the state;

(2) publish or have published data on the waters of the state;

(3) require the filing with it of the results and findings of surveys of water quality, quantity and location, including water well drilling logs, pumping tests, flow measurements, type of aquifer, tidal currents and physical characteristics, and volume determinations;

(4) accept and expend funds for the purposes of §§ 10-14 of this chapter and enter into agreements with individuals, public utility agencies, communities, private industry, state agencies and agencies of the federal government. (§ 2 ch 155 SLA 1957; am § 6 ch 104 SLA 1971)

Effect of amendment. — The 1971 amendment substituted "Department of Health and Social Services" for "Department of Health and Welfare" near the beginning of this section.

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<p>Section 40. Revolving fund</p> <p>50. Mineral Resource Fund Board</p> <p>60. Operation of the board</p> <p>70. Purchase and sale of minerals</p>	<p>Section 80. Stockpiling of minerals</p> <p>90. Purpose</p> <p>100. Definitions</p>
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Sec. 41.05.040. Revolving fund. The mineral resource revolving fund is created. The assets of the fund shall be used to purchase minerals. (§ 2 ch 116 SLA 1962)

Repealed

re-written as A.S. 41.08.010 in section one of the bill word for word

added on to A.S. 41.08.020 in section two of the bill slightly different language

re-written as A.S. 41.08.035 in Sec. 3, inserting Dept. of Nat. Resources for H&SS.

Resources



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Water Resources Division
218 E Street
Anchorage, Alaska 99501

February 4, 1977

Guy Martin, Commissioner
Department of Natural Resources
State of Alaska
Pouch M
Juneau, Alaska 99811

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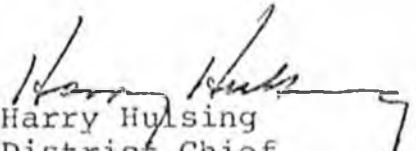
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Department of
Natural Resources

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- (4) accept and expend funds for the purposes of §§ 10-30 of this chapter and enter into agreements with individuals, public or private agencies, communities, private industry, state agencies and agencies of the federal government. (§ 2 ch 155 SLA 1957; am § 6 ch 104 SLA 1971)

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H&S.

SB

59

SHEE ATIKA, INCORPORATED

P.O. Box 578
Mt. Edgecumbe, Alaska 99835
Phone - (907) 747-3534

March 23, 1978

Senator Kay Poland
Chairman, Senate Resources Committee
Alaska State Senate
Pouch V
Juneau, Alaska 99801

Dear Senator Poland

The Board of Directors of Shee Atika, Inc. have directed me to convey their concerns to the Senate Resource Committee relating to the administration's proposed forest practices act.

We would very much like to see a forest practices act adopted this year. We are equally interested; however, in seeing that a practical and fair forest practices act is adopted. Several points were noted by our Directors during their attendance at the Senate Resource Committee work session, held March 8th, at which Mr. Jeff Haynes presented the administration's draft bill. Shee Atika, Inc. would like to express the following concerns relating to those points:

1. We need a forest practices act this year.
 - A. It appears that operations and activities on privately owned forest lands will be regulated through other authority, with less concern or emphasis on private forest management, if an act is not adopted this year.
 - B. Section 208 of the Federal Water Pollution Control Act essentially mandates the State to adopt an act, BUT we can adopt a practical act to satisfy the Section 208 requirements. Sec. 208 does not require us to adopt a "California" type act which is both difficult expensive to administer and unfair to the private land owner.
2. We feel that the administration's draft bill is generally acceptable with the following critical exceptions:
 - A. Forestry on private and state or municipal land should be administered from a level comparable to atleast the Division status within state government. Forest resources deserve attention and status equal to Commercial Fisheries, Sport Fisheries etc. if not equivalent to Fish and Game and Environmental Conservation.
 - B. The Forestry branch should be led by a professional forester. This is necessary to insure that administration of a forest practices act have continuity without being subject to a possible political reward system, to insure appreciation for forest management problems by the administrator, to insure communication between the forest land owner and the administrator and to insure that in inter division or inter department relationships modern technical forestry is represented and understood.

March 23, 1978

Senator Kay Poland
Chairman, Senate Resources Committee

Page 2

C. Alaska's forest practices act should incorporate a notification system for activities on private lands, not a permit system as in the administrative draft. We have no objection to the "prior approval permit" system on public lands. At the Resources committee meeting Mr. Haynes did not adequately discuss the differences between these two systems. The basic difference is that a permit system (as proposed in the administration's draft) requires the state's permission before a land owner can conduct activities on private lands; while, a notification system requires that a land owner inform the state prior to any activity on private land and that the land owner obey state law and regulation. Mr. Haynes reported that a notification system was nothing more than requiring a land owner to "mail a postcard" to the state when he or she was planning to conduct a forestry operation on his or her land. This is absolutely untrue. The administration probably has proposed a prior approval "permit" system because it wants the state to have a reasonable amount of influence on forest practices on private lands. That objective is reasonable and very acceptable for us as a land owner. That same objective can be accomplished; however, by tailoring a notification system in the proposed forest practices act. The notification system works very well in Oregon and it will work well in Alaska. We don't need to burden the private land owners and the state with the inherent problems of a California type prior approval "permit" system to accomplish the objective of insuring that privately owned forest resources are properly managed. We would suggest that the "permit" system in the administration's draft be replaced by a "notification" system which required 30 days prior notification to an operator or owner including filing of operation plans which identify what activity (s) is/are planned, what equipment will be used, where roads will be located, where streams are located, how the area be reforested etc. The plans should include location of the affected area on a USGS 1" mile topographic map with road & bridge locations, activity boundaries, streams, campsites, land fills, log storage areas, fuel storage areas, rock pits, water source, sewage disposal system, and landings identified and located. This is the same information that would be required by the administration's draft. We suggest that in lieu of a "permit" system the act should authorize the state to require a pre-operation meeting with the operator or land owner. This would give the state an opportunity to explain any concerns and advise the land owner/operator of the probable consequence of an activity. The need for a pre-operation meeting should be left to the discretion of the reviewing officer. We would advocate and endorse very stiff penalties (as in the administration's bill) to insure compliance with state law and regulation under a true "notification" system. We would not be adverse to posting a reasonable bond prior to any operation on our lands. If the state considers adopting the performance bond concept; however, it would be desirable to include some means of exempting small landowners and operators and guaranteeing that the bond amount would be no larger than that required to both encourage compliance and cover the expense of correcting a possible adverse situation created by an illegal activity.

March 23, 1978

Senator Kay Poland
Chairman, Senate Resources Committee

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A true notification system (as used in Oregon) is far less expensive to administer than a permit system which requires state consent as suggested by the administration. Considering volume harvested California's permit system is 6.5 times as expensive for that state's taxpayers when compared to Oregon's notification system. Considering the number of operation notices filed California's permit system is 27.3 times as expensive as a notification act. It is logical to conclude that these costs would increase by a blanket 25% cost of business factor and 25% allowance for increased transportation expense in Alaska. Transportation represents only 7% of Oregon and California's forest practices connected budget while it would probably approach 33% of the forest practices budget in Alaska. The transportation allowance would tend to be much higher under a "permit" system as a "permit" system has an inherent characteristic which encourages state enforcement personnel to make several visits to each operation prior, during and following the activity. Fixed administrative expenses will also be much higher in Alaska due to the relatively fewer number of operations here and smaller annual yield when compared with Oregon and California.

D. We agree with Senator Meland's concern regarding the administration's provision 41,17.040 b (6) that "allowance be made for scenic and aesthetic quality in or adjacent to areas of substantial importance to the tourism industry." This provision will undoubtedly foster many law suits as people disagree on such items as:

1. What constitutes "allowance"?
2. What is "scenic and aesthetic quality"?
3. What constitutes "substantial importance"?

Mr. Haynes indicated that this section intended to authorize the state to use an incentive program to compensate land owners for the economic impact of state restrictions under this section. If this is the intent, we suggest that the act should mention the state's authority to compensate a land owner for voluntarily curtailing any activity related to "scenic quality" which the state finds objectionable. We further suggest that the implication that a land owner can be prevented from managing his resources (if the state feels the activity would conflict with "scenic value") be stricken.

We would like to express the following views on other points discussed in the committee session March 8.

1. We endorse that portion of the administrations bill which sets mandatory standards for reforestation and conversion to non-forest uses. These are reasonable standards which we plan to meet and surpass.

March 23, 1978

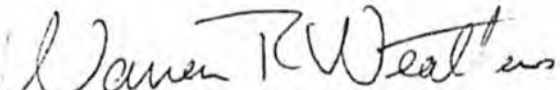
Senator Kay Poland
Chairman, Senate Resources Committee

Page 4

2. We concur with Senator Sumner's concern about who has the burden (landowner or state ?) under Section 41.17.040 b(1) of the administration's bill which states "timber harvesting is limited to areas where data and information indicate an absence of reforestation problems which would preclude that area from producing a sustained yield of merchantable timber". This problem could easily be corrected, and the objective retained, by modifying the passage to read "timber harvesting may be limited in areas where data and information indicate that it would produce unsolvable reforestation problems which would preclude that area from producing a sustained yield of merchantable timber."

Thank you for your consideration. We were pleased to note the committee's expression of concern for the rights of the private landowner at the March 8 meeting.

Sincerely



Warren R. Weathers
Executive Director Shee Atika, Inc.

WRW/nmw

An Alaska Forest Resources and Practices Act has been in the works for four years.

This legislation is urgently needed to provide policy and program direction with respect to development and conservation of forest resources on state and certain private land.

Other states have waited too long to pass forest practices legislation, acting only after controversy became intolerable and attitudes were irreconcilable. By enacting ^{SS} CSSB 59 now, before logging in Alaska reaches its greatest intensity, we can avoid that mistake, develop forest management measures through the combined expertise of all interested parties, and permit Alaska to enjoy a national reputation for leadership in the administration of forest resources.

The process by which this bill was developed demonstrates that consensus among forest users is possible if the proper mechanism is employed. Originally introduced by the Administration, the legislation was the subject of hearings in two previous legislative sessions. After last year's hearing in Senate Resources, there was still substantial disagreement; consequently, a working group composed of members of the Administration and all affected user groups was established by the Resources Committee and requested to come up with a consensus bill. The response was a Sponsor Substitute, further revised by Senate Resources and subsequently Senate Finance as Committee Substitutes.

Undoubtedly, no one is ecstatic with the final product. It is the result of hundreds of hours of negotiation involving the Legislature, the Administration, native corporations, the forest products industry, the Forest Service, conservation groups, commercial fishermen's representatives, and professional foresters associations. However, it is a compromise which all have indicated they can live with, and which is probably the best result possible given the very controversial nature of this subject. Such legislation is inevitable in the long run, and to delay it to future sessions would only result in massive duplication of the work already done with no significant guarantee of a better bill. Moreover, in the interim, there would be no adequate vehicle to resolve the user conflicts which are certain to occur.

CSSSSB 59 would establish a Division of Forest, Land and Water Management in the Department of Natural Resources, with specified responsibilities over forest affairs. It would be headed by a State Forester selected by the commissioner from nominees submitted by a Board of Forestry; the Board would also advise and comment on proposed regulations and related matters. The State Forester would have a wide range of authorities and duties, including management of state forests, public education and assistance, and development of regulations embodying desirable forest practices on state and designated private land.

② Special provision is made to incorporate the State Forester into the process of developing nonpoint source water pollution control measures so that an acceptable state program is formulated and we are not ultimately pre-empted by the Environmental Protection Agency in this very sensitive area.

Incidental and small scale commercial operations and harvesting primarily for noncommercial or personal use are exempted from the bill to protect homesteaders and other small landowners from unwarranted government regulation.

The State Forester would be directed by a set of policy standards, with one set for public land and another for private land to reflect the difference in state interest in such lands and to protect the prerogatives of private landowners.

Promulgated regulations governing forest practices would be applied to public and private land, supervised through a notification process, and enforced through an administrative penalties provision with special allowances to insure that the government's enforcement discretion is not abused.

The State Forester would be required to develop a plan to implement the policies and provisions of the bill and to report to the Legislature at two year intervals on the operations of the Division and to show that the policies and provisions are being carried out.

In summary, this bill would accomplish a state purpose of the first magnitude without unjustified government interference or duplication of existing government entities, and I urge that the Senate take favorable action.

③

Major Changes in Finance Committee Substitute:

1. Division:

- required to be established;
- retitled Forest, Land and Water Management (responsibilities from Resources Committee Substitute retained)
- Director selected from list submitted by Board of Forestry

2. Exemption for small landowners modified to focus more on the manner in which the timber is being used rather than the type of land from which it is harvested. In practice, this is really a form change as it was not intended to alter the coverage of the exemption.

3. Standards Applicable to Private Land; reinsertion of standard for reforestation, substantially modified from original Sponsor Substitute version.

4. Review of Operations: changed from limited prior approval to modification system.

Rules Committee Substitute contained three corrections of clerical errors made in typing Finance Committee Substitute.

April 6, 1978

The Honorable John L. Rader
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

Under 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 substitute bill for SB 59 (forest resources and practices), introduced by me during the 1977 legislative session. This sponsor substitute is the result of a considerable amount of further study and numerous meetings involving persons and organizations concerned with forest resources and practices. The following statement of the reasons for this legislation and the section-by-section analysis go into some detail in order to provide evidence of legislative intent.

I. REASONS FOR THE LEGISLATION

The purpose of the legislation is to establish a program for the administration of forest resources in Alaska so that the state may realize, over the long term, the wide variety of products, benefits, and services obtainable from forestland.

It is especially important that this legislation be enacted before use of forest resources in Alaska reaches its greatest intensity. States which have delayed passage of appropriate forest practices Acts until an absolute necessity arose have often experienced a climate of conflict which complicated legislative deliberations and reduced the quality of the legislative product. In addition, some options for approaches to administration and for realization of objectives were already foreclosed. Enactment of an Alaska Forest Resources and Practices Act at this time would permit consideration of potential measures and programs in an atmosphere conducive to

solutions mutually agreeable to all parties. Most important, it will allow conflicts to be resolved in advance, precluding potential disruption of operations in the field.

While a state forest resources program is necessary and desirable, it is not the intention of this legislation to create a massive new bureaucracy which would only result in waste of government funds and manpower. Rather, the approach used is to fill existing gaps in the statutes through enabling legislation which would provide for a thorough forest management program without duplicating or overlapping existing government programs of the Department of Natural Resources or other state agencies. Emphasis is placed on cooperation between these agencies to achieve generally desired objectives.

Development of this transmittal letter reflects my wish to limit the language of the Act to essential matters while providing the intent behind its provisions. I offer the Act and the letter as a package, with the statements of intent in the letter to govern application and interpretation of the Act. The appropriate committees of the legislature are strongly urged to adopt this transmittal letter as the committee report on the bill.

II. SECTION-BY-SECTION ANALYSIS

Section 10. Declaration of Intent.

Section 10 contains a brief statement of the findings of the legislature and the purpose of the legislation. Paragraph (1) recognizes the range and variety of forest resources; that forest products include not only timber but other products obtained from the land and water (including marine areas) influenced by forest ecosystems; that multiple products, benefits, and services are obtained from forest resources; and that forest resources and values often escape quantification.

Paragraph (2) reflects my desire that the various businesses and other activities (whether or not commercial) which are dependent upon forest resources receive the support of the state for their continuation in the government's forest resources program. The term "economic enterprises" is intended to be comprehensive, including not only existing businesses but those industries which may be developed as new forest resources become accessible or economically viable, and recognizing that forest resources present opportunities for small businesses as well as large corporations.

"Activities and pursuits" includes those which are not necessarily revenue-generating, and would encompass subsistence use.

Paragraph (3) declares that the programs and measures provided for in the Act are not only desirable but a basic duty of the state and implement the directives contained in several of the sections of Article VIII, Alaska Constitution. It is especially critical that timber supplies and other renewable resources be maintained and available in perpetuity to protect the longevity and insure the stability of the forest products industry, to insure that enterprises dependent on forest resources continue to make a substantial contribution to the Alaskan economy, to prevent impairment of the capability of the land and water to produce renewable resources, and to make certain that forest land generates the services and benefits, whether commercial or not, which Alaskans have come to expect from it.

Paragraph (4) contains two important concepts. First, much contemporary legislation has relied excessively on regulatory measures to achieve desired goals when this approach may in fact be both onerous and inefficient. Therefore, this Act would direct that regulations, services, and incentives be employed in the combination which is most likely to accomplish the purposes of the Act.

Second, the state has not to date developed a high-profile forestry program emphasizing the expertise of professional foresters, which is inherently necessary if forest resource administration in Alaska is to be successful. As a result, paragraph (4) stresses the importance of forest resource professionals as an essential element to complete the state's multidisciplinary capacity.

Paragraph (5) addresses the need for the state to carry out its responsibilities for control of nonpoint source pollution under the Federal Water Pollution Control Act under the leadership of the Department of Environmental Conservation, which is the lead agency under law for this program. The Environmental Protection Agency has left it to the states to devise their own approaches in this area, but has indicated that the federal government will assume control if a state does not develop an approved program. The Department of Environmental Conservation may legally delegate its authority with respect to this program to the Department of Natural Resources or otherwise use the forestry expertise of DNR with respect to development of the nonpoint source program, and the regulations developed under this chapter could be used in conjunction with this program.

Paragraph (6) recognizes that regulations adopted under the Alaska Coastal Management Act must address forestry matters; to avoid conflicting regulations, it is necessary that those adopted under this Act be used under the Coastal Management Act, superseding any forestry regulations previously adopted under the CZM Act. However, any prior efforts under CZM should be considered in adopting regulations under this Act.

Section 20. Administration.

This section designates the officials responsible for administration of the Act and establishes authority for carrying out desirable forest resources programs.

Subsection (a) reflects the request of numerous interest groups that a division responsible for forestry be created within state government in order to (1) provide recognition for forestry and forest products, as has already been done for many other natural resources, (2) bring the expertise of professional foresters to bear on forest management issues, and (3) establish a contact and focus point in the government for the forest products industry and other users of forest resources. This subsection expresses the governor's power to create a Division of Forest, Land and Water Management with the director to be known as the state forester. It is emphasized that the state forester must be a trained professional with the requisite education and fully experienced with the many issues and subjects inevitable in the administration of the Act.

Subsection (b) provides that the ultimate responsibility for implementing the Act is vested in the commissioner. However, the expertise of forest resource managers cannot be employed unless the forestry expertise housed in the division is fully used. Consequently, it is expected that the commissioner will delegate authority for daily administration of the Act to the state forester, reserving to himself only those matters requiring the attention of a cabinet officer. Moreover, the commissioner and the state government in general should make use of the state forester on other forestry matters even though they may technically be beyond the purview of the Act.

I recognize that it will take some time to develop completely the program envisioned by the legislation. However, by creating the division, naming a state forester, and listing the functions assigned to him, I expect that the program ultimately formulated will exceed the accepted minimums for administration of forest resources. Specifically, I intend

that the commissioner and the state forester employ foresight and innovation rather than being constrained by conventional attitudes so that Alaska's forest management effort enjoys a national reputation for leadership and competence.

Forest managers are expected to calculate timber harvests and rotation ages in a way which insures sustained yield and a steady supply; this has been difficult in the past on state land because the acreage available for timber use has not remained constant. Subsection (c) provides for the opportunity to establish a minimum fixed timber supply base from which to make sustained yield calculations. In addition, the state will ultimately determine that land which it wishes to retain in state ownership for multiple use purposes, some of which will be forested land. While subsection (c) does not mean that all of the state's retained land will be designated as state forests (as opposed to some other category), it does allow for the designation of that land with substantial timber and other resources for retention. Failure to designate state forest land as a state forest does not, of course, remove it from the provisions of this chapter.

The ultimate success of the state's forest management program will depend on the knowledge available to decisionmakers. Numerous subjects and issues invite research and experimentation, and subsection (d) sanctions the designation of special forest units for this purpose. I would anticipate the use of such forests for analysis of exotic stocks; development of genetically superior stocks; evaluation of the effects of land use activities and of methods to reduce adverse impacts; experimentation with advanced harvesting, extraction and transportation techniques and equipment; examination of programs for control of disease, fire, and insect infestation; cooperative projects with other agencies respecting compatible management of multiple resources; and any other activities enhancing or refining forest management efforts. Such forests must be limited to the minimal size necessary for conducting the research or experiment so that ill-considered major projects may not be continued under the guise of scientific investigation.

Reforestation and afforestation must be the highest priority among silvicultural programs, being most directly related to maintenance of perpetual supplies of timber. Within funding capacity, the commissioner is expected to make available planting stock to assist operators in meeting reforestation requirements of the Act, although this does not relieve their duty to observe those requirements. The term "nurseries and

greenhouses" is not intended to be restrictive; all facilities providing planting stock (including containerized greenhouses and other advanced versions) are consistent with this section. "Forest vegetation" was used instead of forest trees since there may be instances where ground cover or other plants will be beneficial in forest management. Subsection (e) also provides that the commissioner may charge for providing planting stock, with any proceeds to go to the general fund.

Subsection (f) authorizes a full range of professional management services and participation in federal assistance programs such as those conducted by the Forest Service under their state and private forestry division. Since there will be many new timber operators and owners in the state in the near future, education and management assistance efforts may provide expertise which would be otherwise unavailable, leading to more efficient operations and better forest practices. Such services must be closely coordinated with regulatory and review requirements, as is discussed later in this analysis.

As discussed earlier, the Department of Environmental Conservation may legally delegate authority to the Department of Natural Resources for development of regulations necessary to implement the forestry portion of the state program for control of nonpoint source pollution under the Federal Water Pollution Control Act, as amended, or to use any other arrangement to take advantage of the forestry expertise of DNR. Subsection (g) formalizes this authorization and directs DNR to seek a cooperative agreement on this subject. However, it also reemphasizes that DEC is the lead agency and that any regulations or cooperative agreements must be approved by the commissioner of environmental conservation before they become effective.

Since maximum contact with forest resource constituencies is critical if the government and the private sector are to understand each other's positions and interests, subsection (h) places a duty on the commissioner to consult with all appropriate parties in the administration of the Act. The commissioner is expected to consult continuously with other state agencies possessing natural resource management responsibilities and to draw fully upon their expertise; this is especially true where DNR has no expertise of its own in a particular subject area. The term "landowners" should be construed to include adjacent landowners with respect to operations which may affect them. Moreover, the commissioner is not limited to entities within the state; federal

agencies, and agencies and institutions of other states and of foreign countries should be contacted to provide the state forester with maximum access to information on new management techniques and other matters. The provision on cooperative agreements and contracts is intended to permit formalization of consultation, management, and other activities where desirable.

With respect to subsection (i), there were a number of requests for creation of an advisory committee or board to assist the state forester. However, establishment of a specific committee or board by statute automatically initiates a useless controversy over the makeup of the entity. Moreover, while a general advisory committee may be important, creation of special committees on particular issues of special importance may also be warranted from time to time. While the bill endorses the advisory committee approach where appropriate, it provides flexibility which is the key to a successful advisory committee system, and thus leaves it to the department to determine the particulars. The commissioner is, nevertheless, directed to establish at least one advisory committee, and it is expected that the commissioner will use the advisory committee system (1) to develop specific approaches to implementing the standards in sec. 40 through the advice of professionals and other interested persons, (2) to formulate the particulars of the exemptions under sec. 30(c), and (3) to carry out consultative duties under subsection (h).

Moreover, advisory committees created must be representative of the various constituencies dependent on or affected by management of forest resources so that a full range of public opinion is received. Advisory committees should meet regularly, and members should be appointed to specified terms long enough to permit them to become familiar with the issues and to make meaningful recommendations. The commissioner should appoint an advisory committee as soon as possible after the effective date of the Act to assist in the development of regulations. The provision on travel and expenses is intended to be used only where advisory committee activities are clearly necessary and of benefit to the state.

While there were several suggestions for a provision mandating the location of the state forester, I believe that access to trained forestry personnel by the public is more directly responsible for the success of a government forestry program. Therefore, subsection (j) speaks to distribution of the department's foresters rather than the location of the state forester.

The introduction to this analysis stressed the importance of avoiding duplication of existing authority in the enactment of forest practices legislation. Subsection (k) fulfills this objective by insuring that the statutory prerogatives of other agencies are retained and that this Act is not viewed as other than supplemental to the overall state regulatory framework for forest resources. The only exceptions are that (1) forestry regulations developed under this chapter shall be used as the forestry segment of the Coastal Management Act program and (2) if authorized by the commissioner of environmental conservation, regulations adopted under this chapter may serve as the forestry portion of the state program for control of nonpoint source pollution.

Subsection (l) is self-explanatory.

Section 30. Applicability.

This section specifies the applicability of the Act to particular land and activities.

Subsection (a) is self-explanatory. The limitation in SB 59 to commercial forest land was removed as it was considered to be illogical and extremely difficult to administer. Municipalities are not prevented from adopting ordinances which embody stricter standards and practices than those promulgated under this Act.

Subsection (b) reflects the fact that state standards adopted under the Federal Water Pollution Control Act may be made applicable to federal lands.

Subsection (c) covers exemptions. The intent of this provision is to limit the applicability of this Act to major commercial operations which genuinely affect the objectives of this chapter relating to the maintenance of a stable and healthy forest products industry and the perpetuation of supplies of renewable resources. Consequently, the commissioner is required to make exemptions by regulation to insure that small landowners who expect to be able to sell or otherwise use their timber will be permitted to do so. Since it is impossible to determine in all cases what is a "small landowner", the commissioner may determine the particulars through exemption regulations. However, any owner of the tracts described is entitled to an exemption unless his tract is being used as a part of a major commercial operation, as where a logging company purchases the timber rights to numerous contiguous tracts in order to conduct a large scale logging program. With respect to tracts larger than 160

acres which are not part of a homestead, farm, or residential or recreational property, the commissioner may exempt them if they are not capable of being managed as a sustained yield forest unit.

Section 40. Regulatory and Administrative Standards.

The best approach to forest practices legislation is to avoid placing specific practices measures in the statute; instead, practices should be developed through the regulatory process, with such regulations and other administrative actions governed by guiding standards contained in the Act. Section 40 contains such standards.

Subsection (a) contains standards applicable to all forest land, regardless of whether in public or private ownership.

Paragraph (1) recognizes the importance of determining the reforestation capacity of land before timber harvesting. The determination is to be made by the government. This standard is not intended to mandate a non-declining yield type of management, but it does reflect the paramount state interest in having all forest land (unless legitimately converted to another use) continue to produce merchantable timber over the long term.

Paragraph (2) dictates that important information relative to any decision should be collected and used, and that it should be current. In some cases, land managers have become lax in keeping abreast of recent developments in their field, and make decisions based more on their status as professionals rather than through true analysis of a situation. This standard is not intended to be an unwarranted obstacle to management activities or to focus the burden of developing data on the operator. It does, however, place a duty on the manager to account for his actions in a convincing way.

Paragraph (3) mandates recognition of the concepts of environmentally sensitive areas and best management practices in conjunction with nonpoint source measures if adopted under this chapter. A number of approaches could be utilized, depending on the objective to be achieved, including standards, quantitative limitations, and zones or management units.

Paragraph (4) identifies two important elements often missing in forest resource management; first, that forest practices requirements often impose real costs on the operator, and should be weighed in terms of the public benefits realized;

and second, that a format for the harvest of trees convenient for government managers may be unrealistic for operators in view of marketing conditions.

Paragraph (5) recognizes the fundamental public trust obligation of the state to insure that the capability of the land to produce renewable resources is not impaired. While a particular species of tree or wildlife may have little relative value now, the future may find it suddenly in great demand. If the land is incapable of producing it to the demand level, an important land management option is lost, to the detriment of the public welfare.

Paragraph (6) reflects that loss of scenic quality may have an impact beyond the boundaries of the land where the activity is taking place. While this standard permits consideration of scenic factors where economically feasible, it is not intended as a prohibition on land-use activities, especially on private land where private landowners are justified in using resources subject to their ownership. It is directed primarily at public land where scenic quality is one of the multiple uses and values deserving recognition in a public land management program. In situations where an area is an important source of tourism and recreation, for example, a landscape architect might be employed in the design of the layout.

Subsection (c) contains those additional standards appropriate for public land.

Paragraph (1) follows similar federal legislation by applying the principles of multiple use and sustained yield to public land. These concepts are so well accepted as desirable objectives that further explanation is unnecessary. Once again, the approach which allows satisfaction of present needs without foreclosing future options is the most desirable.

Paragraph (2) injects another common principle in forest management. Specifically, while multiple use necessarily involves combining compatible uses within a large land area, forest practices and allocations result in assigning priority uses to particular areas. This standard provides that any allocation system should be implemented through analysis of the capability of the land and the resources and values present.

Paragraph (3) does not require that all uses be given equal distribution in the implementation of a multiple-use system.

It does, however, require that the process begin without any preconceptions or prejudices on the part of land managers.

Paragraph (4) recognizes the need to accommodate the concerns and requirements of the many forest resource constituencies.

Section 50. Administrative Plan and Report.

Subsection (a) requires that a plan be developed by the department demonstrating compliance with the Act. Without such a planning process, it would be difficult for the department to direct all of its activities and programs toward meeting uniform goals. Moreover, there would be no guarantee that a long range blueprint (based on a rotation age or similar concept) for forest management would be formulated; this is necessary if undesirable consequences are to be addressed before they become impossible to deal with. It is expected that the plan will concern itself specifically with management issues of interest to the public, such as harvesting methodology, timber management philosophy, and a system for perpetuation of supplies of renewable resources. While the plan will necessarily be revised and augmented over time to reflect new information and management techniques, the first draft should accompany the first report to the legislature required by subsection (b).

Subsection (b) requires a report to the legislature demonstrating accountability with respect to subsection (a).

Subsection (c) directs the preparation of recommendations for financial incentives as part of the threefold approach to achieving the objectives of the Act (regulations, services, and incentives).

Section 60. Regulations.

This section vests authority for regulations governing forest practices. Regulations may be adopted, of course, to implement other portions of the Act as well.

Subsection (a) lists the subject areas for regulations. They are intended to cover appropriate silvicultural and related activities necessary for forest management without encroaching on functions traditionally performed by other agencies. It is expected that a set of at least interim regulations would be developed by early 1979.

There has been a number of requests for a one-stop permit process. The department should not be vested with authority

to actually approve permit applications on behalf of other agencies since that is a matter for their discretion. However, an operator should not have to visit each agency and division which requires a permit. Therefore, this section allows the operator to make all of his permit applications through one place and to be informed of the outcome by the department. Where applicable, the provisions of AS 46.3' should be used to coordinate multiple permit determinations.

Subsections (c) and (d) are self-explanatory.

Section 70. Review and Approval of Operations.

This section is intended to institute a review process which combines the best elements of the notification system and the prior-approval system without incorporating their disadvantages as well.

Subsection (a) is, of course, subject to any exemptions granted under sec. 30(c).

Subsection (b) stresses the importance of the professional management services approach. If there is early and consistent contact between operators and the department with respect to pending operations, the operator will gain maximum benefit from assistance programs, understand applicable regulations so as to avoid inadvertent violations, provide state officials with a full understanding of his interests and needs, and in general facilitate administration of the Act. With full cooperation between operators and the state, review under this section could be rendered largely a formality. Moreover, while the statutory requirements must be met, I recognize that operations may range from a one-time harvest occupying one season to an ongoing harvest program taking place continuously for years. The commissioner is expected to tailor this process to various proposed projects so that unnecessary bureaucratic obstacles are not erected.

The review process in subsections (c) through (i) imposes an ironclad time frame on the length of the government review. There are no exceptions. The notification description should consist of a logging and access plan so that the location of land-use activities is easily discerned. The extended period in subsection (d) is to be authorized only where the complexity of the subject matter makes it physically impossible for a 20-day review, such as for a proposed operation involving many thousands of acres to take place over a number of years. If state agencies possess the manpower to review the operation within 20 days, an extension

should not be authorized. Moreover, an extension should only be for the period necessary to complete the review, and not necessarily for the full additional 20 days. Above all, the commissioner must insure that extensions are not used as an excuse for bureaucratic delay. This extension is not to be employed as an excuse for bureaucratic delay.

Subsection (e)(4) recognizes that there may be instances where a particular phase of an operation requires closer examination; it is emphasized that additional materials required of the operator under this language must be carefully limited to only those matters requiring additional review, and not used as an excuse for the forest managers to force the operator to do their work for them. Once again, if the professional management services approach is fully used, the review process in this section should not become an issue.

With respect to public notice under subsection (h), notice should be given locally as well where there is no newspaper published in the area.

Subsection (i) stresses that site examinations may be used where such would benefit the review process.

Subsection (j) prohibits substantial deviation from approved plans. "Substantial deviation" means a departure significant enough to jeopardize attainment of the objectives of the Act. Close contact between the operator and the department should permit any problems to be resolved in advance of a crisis.

Subsection (k) reflects that there will be some instances where immediate action is necessary, as in the case of salvage of trees, fire hazards, or other situations where a genuine emergency is involved.

The authority for posting of security under subsection (m) is to be used only where necessary. Obtaining bonds and other security devices is often difficult, especially for small operators, and may prevent them from doing business at all. Where security is required, the amount should be geared to the actual danger being protected against, possibly through some type of sliding scale arrangement.

Subsection (n) is self-explanatory. This was not intended to apply to operations which have already been completed.
Section 80. Deployment of Broadcast Chemicals.

Regulation of forest practices must necessarily reflect the state of the art. All consequences cannot be known in advance of operating; with an appropriate margin of error built in, such operations can be conducted successfully even though there are many unknowns regarding particular impacts.

Broadcast chemicals are a special case, however, as they involve the introduction of a foreign substance into the ecosystem. The state, for example, very strictly controls the introduction of exotic wildlife into Alaska because biologists often have little idea as to how a new species will interreact with the existing species composition. Foreign substances pose similar dangers to the forest ecosystem. I believe that forest managers should have a reasonable idea of the effects of using a foreign substance before it is applied on a large scale. While this section leaves to the discretion of the commissioner of environmental conservation the methodology to be used in regulating broadcast chemicals, it may well be advisable to undertake testing of some substances under controlled conditions before permitting commercial application of the substance.

Section 90. Conversion of Forest Land to Other Uses.

The provision in this section is a requirement of due process. However, it is my intent that proposed conversions be closely monitored so that subterfuge is not employed to escape responsibilities for reforestation. Moreover, while continued use as productive forest land cannot be required, it may be permissible to specify minimum revegetation of land for water quality purposes.

Section 100. Inspections, Investigations, and Enforcement.

This section authorizes each agency with statutory responsibilities over forest land to enforce those responsibilities. However, it also directs affected agencies to coordinate their enforcement activities so that operators are not subjected to differing interpretations of the same law or other undesirable or unnecessary procedures; interagency enforcement teams could be used to avoid this problem. Enforcement agents should avoid entering upon private land unless there is good reason to be there.

Section 110. Prohibitions, Penalties, and Enforcement Procedures.

The enforcement procedures in this section are straightforward and need no detailed explanation. Several features of this section should be stressed, however.

First, there are no criminal penalties. An administrative (civil) penalty system is used instead. Fines and penalties imposed are judicially reviewable under sec. 120.

Second, the burden of proof is, of course, on the state. An order resulting from a proceeding may be tailored to the exact nature of the violation so that the punishment is not disproportionate to the violation. A number of factors must be considered in determining a fine so that it reflects the gravity of the violation; it is expected that some type of fine schedule will be developed by the department so that penalties for the same offense are uniform.

Third, any emergency orders are limited to actual emergencies and have a duration of 21 days; therefore, they cannot be used as an excuse for not holding a hearing except in the context of an emergency.

Fourth, the bill establishes a hearing system designed to insure that operators are given a fair opportunity to present their case, and it recognizes that any proceeding instituted against a respondent may visit considerable expense and inconvenience on him. Special provisions are inserted to provide assistance to a respondent and to permit him to select an informal, nonadversary hearing process.

Fifth, the bill provides for a hearing officer who is not a state employee and who is not in any way connected with the preparation of the state's case.

Section 120. Appeals and Judicial Review.

This section is self-explanatory.

Section 130. Civil Action.

This section is self-explanatory. However, in order to discourage frivolous or obstructionist suits, I would hope that judges adjudicating cases brought under this section having no serious merit would impose costs and fees on the plaintiff under Civil Rule 82.

Section 950. Definitions.

While the definitions are self-explanatory, special mention must be made of the definition in paragraph (13). The intent of this definition, as the term is used in the Act, is to insure that consequences recognizable on the basis of the present state of the art of forest resource management are

reflected in management decisions, and that decisions include the establishment of a margin of error where it is understood that the consequences of an action are unknown. It is expected that studies undertaken by the state forester (using experimental forests and/or commercial logging operations) will be used to continually increase the bank of knowledge relating to the impacts of logging and other land use activities, and that the results would be described in the report submitted under § 50.

Partially exempt service.

Section 2 of the bill amends the section of the State Personnel Act listing the positions in the exempt service. It adds the state forester, consistent with the new chapter in sec. 1 of the bill.

Effective Date.

The effective date of the Act is January 1, 1979. However, it is expected that the department will engage in preparatory activities immediately so that full implementation may begin on the effective date.

Sincerely,

Jay S. Hammond
Governor



GOLDBELT, INCORPORATED

130 SEWARD STREET, SUITE 302 • JUNEAU, ALASKA 99801 • (907) 586-6244

TESTIMONY OF JOSEPH G. WILSON
ON BEHALF OF GOLDBELT, INCORPORATED ON
PROPOSED SPONSOR SUBSTITUTE
SENATE BILL NO. 59
IN THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE - SECOND SESSION
A BILL RELATING TO FOREST RESOURCES AND PRACTICES

MADAME CHAIRMAN, MEMBERS OF THE COMMITTEE, MY NAME IS JOSEPH G. WILSON. I AM THE PRESIDENT AND CHAIRMAN OF THE BOARD OF DIRECTORS OF GOLDBELT, INCORPORATED, THE ALASKA NATIVE CLAIMS CORPORATION ORGANIZED BY THE JUNEAU NATIVES FOR THE PURPOSE OF SELECTING LAND PURSUANT TO SECTION 14 H (3) OF THE ALASKA NATIVE CLAIMS SETTLEMENT ACT OF 1971. GOLDBELT HAS 2,700 SHAREHOLDERS, EACH OF WHOM IS A DULY ENROLLED ALASKA NATIVE. GOLDBELT WILL OWN THE SURFACE ESTATE OF 23,040 ACRES OF LAND IN NORTHERN SOUTHEAST ALASKA THAT WILL HAVE SUBSTANTIAL TIMBER VALUE.

GOLDBELTS CONCERN WITH PROPOSED SPONSOR SUBSTITUTE SENATE BILL NO. 59 LIES IN ITS IMPACT ON OUR RIGHT AS PRIVATE LAND OWNERS TO MANAGE OUR FOREST LANDS.

GOLDBELT HAS REVIEWED SEALASKA'S AMENDMENTS TO THE PROPOSED SPONSOR SUBSTITUTE SENATE BILL 59, ALASKA FOREST PRACTICES ACT AND CONSIDER THESE TO BE THE MINIMUM REQUIREMENTS FOR THE PROTECTION OF PRIVATE PROPERTY INTERESTS.

THE AMENDMENTS FOCUS ON 1.) A BOARD OF FORESTRY IS ESTABLISHED WITH BROAD REPRESENTATION FROM INDUSTRY, PROPERTY OWNERS, AND OTHER INTEREST GROUPS. AN IMPORTANT CONSIDERATION OF THE BOARD IS THAT THEIR RESPONSIBILITY WILL BE TO DIRECTLY PARTICIPATE IN THE FORMULATION OF DRAFT REGULATIONS PERTAINING TO THE

MANAGEMENT AND USE OF FOREST RESOURCES. 2.) THE ORGANIZATION FOR A DIVISION OF FORESTRY LED BY A STATE FORESTER WITH SUFFICIENT FORESTRY EDUCATIONAL BACKGROUND. 3.) THE AMENDMENTS ADDRESS THE STANDARDS OF REGULATIONS WITH EMPHASIS ON THE ECONOMIC ENVIRONMENT OF THE INDUSTRY AND RECOGNITION THAT MAN IS AN ESSENTIAL FEATURE IN MANAGING THE FOREST AND RELATED RESOURCES.

GOLDBELT CONSIDERS THESE TO BE THE BASIC MINIMUM REQUIREMENTS FOR THE PROTECTION OF PRIVATE LAND OWNERSHIP INTERESTS. WITHOUT THESE AMENDMENTS, GOLDBELT, INCORPORATED WOULD BE OPPOSED TO THE PASSAGE OF THIS LEGISLATION DURING THIS SESSION.

MADAME CHAIRMAN, WE THANK YOU FOR THE OPPORTUNITY TO TESTIFY.

Testimony of Robert E. LePasche, Commissioner
Department of Natural Resources
on the
Sponsor Substitute for Senate Bill 59

Senate Resources Committee
April 10, 1973

Thank you for the opportunity to testify before the Committee on the Sponsor Substitute for Senate Bill 59, an Act relating to forest resources and practices.

As you know, a forest practices act has been in the works for more than three years. We consider it an extremely high priority. Only if we enact such legislation before logging reaches its greatest intensity are we in a position to (1) head off user groups conflicts before they occur, (2) establish forest practices and other ground rules before equipment is moved into the field, (3) provide the highest level of professional assistance to logging operators, and (4) fully realize the benefits of a healthy forest products industry while insuring perpetual supplies of renewable forest resources. Accommodating the many constituencies which depend upon forest resources will be difficult and complex, and we must start now. Most states have waited too long to adopt forest practices legislation, and have suffered for it. We should not repeat that mistake. By acting now, the establishment of a high profile professional forestry program will permit Alaska to occupy a position of national leadership in forest management.

During the hearings held by this Committee last year, it was evident that there was opposition to a number of provisions of the Administration Bill. Consequently, you asked that we work with affected interest groups in an attempt to come up with legislation which would respond to and reconcile the many points of view in

this controversial area.

In the interim period, we have tried to negotiate solutions to the problems with the bill with the Forest Service, state government entities, professional foresters, the forest products industry, native corporations, conservation groups, fishermen, and others. Of course, virtually everyone in Alaska has some stake in the management of Alaska's forests, and it was impossible to talk with all of them. Nevertheless, we did work continuously with those who evidenced a desire to participate in the revision of S.B. 59. Indeed, I cannot think of many pieces of legislation which have undergone the scrutiny, discussion, and reworking which has taken place on S.B. 59. At this point, the bill belongs as much to those participants as it does to us, and we believe the Sponsor Substitute is about as close as we can come to consensus legislation. It is certainly superior to the original S.B. 59, and we are indebted to those who have worked with us for the numerous improvements made and to this Committee for providing the forum to do so. We expect that the bill will receive considerable support from a number of different interest groups.

The Committee will note that we have submitted a rather lengthy transmittal letter along with the Sponsor Substitute. This letter contains the many statements of intent requested by persons and organizations who worked on the bill. The bill and the letter should be considered a package representing our efforts over the past year. As a result, we urge in the strongest terms that, if the bill is passed out favorably by this Committee, the transmittal letter be adopted as the Committee Report on the legislation.

The specifics of the legislation were reviewed with you at the working session of the Committee several weeks ago. Consequently, I will reserve going into that level of detail until responding to your questions when the testimony is completed. I would like to underscore, however, that the bill-

- (1) establishes a visible professional forestry program in the Department of Natural Resources;
- (2) adopts a threefold approach to forest management to include assistance by professional foresters and economic incentives as well as regulations;
- (3) mandates thorough consultation with public and private entities through advisory committees and other mechanisms;
- (4) exempts from regulation small landowners who may wish to sell their timber but are not really in the forest products business;
- (5) allows for coordination of forestry regulations under this Act, the Coastal Management Act, and the Federal Water Pollution Control Act to avoid duplication and insure that appropriate disciplines are involved;
- (6) establishes general policies for forest management, separated into those appropriate for public and for private land, and covering such matters as reforestation, providing for the needs of all constituencies, avoiding unwarranted economic burdens on operators, and insuring retention of the productive capacity of forest land with respect to renewable resources;
- (7) authorizes regulations but precludes duplication of the programs of other agencies;
- (8) limits government oversight of operations to a restricted and closely controlled review process;
- (9) requires a report to the legislature showing that DNR has complied with and carried out the legislation;
- (10) leaves development of specific standards to a regulatory process involving

all interest groups;

- (11) permits genuine conversion of forest land to other uses; and
- (12) employs an administrative penalty system rather than criminal sanctions, with special safeguards to avoid undue burdens on an operator charged with a violation.

In addition, two matters warrant special mention. First, there has been an obvious desire on the part of industry to obtain a high level forestry program, and therefore considerable discussion on the locus of a forestry division and the state forester. After a meeting in my office with representatives of various interest groups, we have redrafted certain parts of the bill to incorporate what we believe should be an acceptable compromise. Section 020 no longer requires that the Division of Forest, Land, and Water Management be in the Division of Lands, and Section 050(c) requires us to report to the Legislature in two years on the operations of the Division and, in consultation with interested parties, to develop recommendations regarding the qualifications of the state forester and the location of the Division as well as the legal authorities of the Department relating to forestry.

Second, several suggestions for changes were made by Committee members at the working session. As a result, we have (1) clarified and made more express the exemption for small landowners in §030, (2) added a definition of "silviculture" in §950, (3) deleted the provision in §110(a) that each day of a violation constitutes a separate offense, (4) added to the definition of "sustained yield" in §950 to clarify reforestation requirements, and (5) and added language to the transmittal letter to deter unwarranted intrusions on private land by state officials.

In concluding, I would stress again the importance of gaining passage of the Sponsor Substitute this year before many new operations get under way. If the bill is enacted, it is our intention to create the Division of Forest, Land, and Water Management immediately and to name an advisory committee with representation of all forest resources constituencies to work with us in the implementation of our forestry program.

At this point, I would ask that you hear from the persons who have indicated a desire to testify, since they will be able to speak to many of the issues which you are undoubtedly concerned about. Along with other members of the Administration, I will be available during the course of the hearings to answer questions on the bill and to provide any other assistance. Again, I appreciate the opportunity to testify, and I thank the Committee for the interest it has already shown in this bill.

* * * * *

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE

P. O. Box 1628, Juneau, Alaska 99811

1510

April 24, 1978

Honorable Kay Poland
Alaska State Senate
Pouch Y
Juneau, Alaska 99811



Dear Senator Poland:

I have been following with a great deal of both personal and professional interest, the development of State forest practices legislation. I have been impressed with your concern to assure that the legislation provides the environmental protection necessary, and at the same time protects the rights of private landowners. The issues involved in forest practices on private land are indeed more complex than on public land.

Section 41.17.060 on regulatory and administrative standards, is of particular interest to us. This section authorizes the implementation of specific regulatory forest practices on the ground, and through membership on the Board of Forestry, we look forward to participating in the development of those regulations.

The policy of the Forest Service nationally, has been to encourage and support sound State forest practices legislation. Our previous testimony before your Committee attests to this.

An additional consideration in Alaska is the requirement in the Alaska Native Claims Settlement Act that lands selected by the Native corporations be managed under certain specified practices. Sub-section K, Section 22, states that:

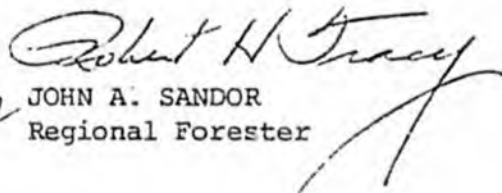
"Any patents to lands under this Act which are located within the boundaries of a National Forest shall contain such conditions as the Secretary deems necessary to assure that such lands are managed under the principle of sustained yield and under management practices for protection and enhancement of environmental quality no less stringent than such management practices on adjacent National Forest lands for a period of twelve years."

The job that now faces us is to develop standards and guidelines to meet the intent stated by Congress. We expect the State Forest Practices

Act now under development by your Committee will significantly aid in meeting Congressional requirements.

The work you and your Committee have done in bringing the various interests together on Statewide forest practices issues is of great value. I might suggest a meeting with ourselves, you and some of the other interests, as a way toward developing a practical approach in complying with the forest practices provision of ANCSA. I would welcome your counsel on this.

Sincerely,


for JOHN A. SANDOR
Regional Forester

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE

P. O. Box 1628, Juneau, Alaska

April 10, 1978

TESTIMONY FOR THE SENATE RESOURCE COMMITTEE
SENATE BILL NO. 59, SPONSOR SUBSTITUTE



MADAM CHAIRMAN AND MEMBERS OF THE COMMITTEE:

MY NAME IS MARVIN C. MEIER, U. S. FOREST SERVICE, AND I AM TESTIFYING TODAY FOR REGIONAL FORESTER, JOHN. A. SANDOR.

WE ARE PLEASED TO HAVE THIS OPPORTUNITY TO SHARE OUR THOUGHTS ON THE PROPOSED FOREST PRACTICES ACT, SPONSOR SUBSTITUTE FOR SENATE BILL No. 59. WE HAVE A KEEN INTEREST IN THE DEVELOPMENT OF A STRONG STATE FORESTRY PROGRAM BECAUSE WE FIRMLY BELIEVE THAT ALASKANS WILL PROFIT IN MANY WAYS FROM THE DEVELOPMENT OF SUCH A PROGRAM. THE BILL UNDER CONSIDERATION WILL BE HELPFUL IN ACHIEVING THIS OBJECTIVE. IT IS THE RESULT OF A COOPERATIVE EFFORT OF LEGISLATIVE, EXECUTIVE, AND PROFESSIONAL FORESTRY EXPERTISE.

MADAM CHAIRMAN, YOUR PERSONAL LEADERSHIP AND THE EFFORTS OF THIS COMMITTEE HAVE BEEN EFFECTIVE IN IMPROVING THE PROPOSED FOREST PRACTICES ACT THAT HAS EVOLVED THESE PAST THREE YEARS. IT HAS BEEN A PLEASURE FOR THE FOREST SERVICE TO WORK WITH THE STATE, YOUR COMMITTEE, AND OTHERS IN THIS EFFORT.

ALTHOUGH WE WILL NOT DISCUSS THE BILL IN GREAT DETAIL, THERE ARE SOME POINTS ON WHICH WE DO WISH TO COMMENT. FIRST, THE BILL WILL STRENGTHEN THE STATE FORESTRY AGENCY AND THE ROLE OF THE

STATE FORESTER. IN THIS GREAT STATE WITH THE VAST ACREAGE OF FORESTS AND RELATED RENEWABLE RESOURCES, THE APPLICATION OF SOUND FOREST PRACTICES MUST BE ASSURED. THE MANAGEMENT OF THE STATE'S FOREST RESOURCES IS EXTREMELY IMPORTANT FOR TIMBER, FISHERIES AND WILDLIFE, RECREATION, WATER, AND OTHER USES. THE FULL VALUE OF FOREST RESOURCE MANAGEMENT WILL BE REALIZED ONLY IF THE STATE CONTINUES TO HAVE COMPETENT, PROFESSIONAL PERSONNEL IN THE POLICY MAKING POSITIONS DIRECTING THE PROTECTION AND MANAGEMENT OF THESE RESOURCES. THE EXPERIENCE IN MOST WESTERN STATES CLEARLY ILLUSTRATES THIS.

THE BILL PROVIDES FOR THE DEVELOPMENT OF INCENTIVES AS A WAY OF ACHIEVING GOOD FOREST MANAGEMENT. SEVERAL OF THE LOWER 48 STATES HAVE ESTABLISHED, OR ARE WORKING TOWARD THE ESTABLISHMENT OF, INCENTIVE PROGRAMS. THEIR EXPERIENCE WILL BE HELPFUL TO ALASKA. THE INCENTIVES NEED TO BE THOUGHT OF IN BROAD TERMS AS INCENTIVES TO ALL FOREST RESOURCES AND OVERALL FOREST LAND MANAGEMENT, NOT JUST TIMBER MANAGEMENT. THE SECTION ON INCENTIVES AND COOPERATIVE FOREST MANAGEMENT WILL ENCOURAGE AND ASSIST PRIVATE FOREST LANDOWNERS TO USE THEIR LAND AND RESOURCES TO THEIR OWN BENEFIT, AND IN WAYS IN WHICH SOCIETY AS A WHOLE DOES NOT SUFFER.

THE BILL'S SECTION ON REGULATORY PROCEDURES WILL ALSO HELP PROTECT ALASKA'S RESOURCES. THIS PART OF THE PROGRAM IS IMPORTANT TO ASSURE THAT FOREST-RELATED RESOURCES ARE WISELY MANAGED FOR COMMODITY AS WELL AS ENVIRONMENTAL GOALS.

THE BILL PROVIDES FOR THE STATE'S CONTINUED PARTICIPATION AND INVOLVEMENT IN THE FEDERAL COOPERATIVE FORESTRY PROGRAMS. THESE PROGRAMS HAVE PROVEN THEMSELVES VALUABLE TO MOST OTHER STATES. THIS WILL WILL HELP ASSURE THE CONTINUATION AND EXPANSION OF ALASKA'S PARTICIPATION IN THESE PROGRAMS.) IN FISCAL YEAR 1978, THE FOREST SERVICE WILL PROVIDE OVER \$700,000 FOR COOPERATIVE PROGRAM FUNDING, WHICH IS A 40 PERCENT INCREASE OVER FISCAL YEAR 1977. WE CANNOT PROMISE THIS KIND OF INCREASE EACH YEAR, HOWEVER, THE U. S. DEPARTMENT OF AGRICULTURE DOES RECOGNIZE THE IMPORTANCE OF A STRONG COOPERATIVE FORESTRY PROGRAM HERE AND NOW. THE FOREST SERVICE IS COMMITTED TO SUPPORTING AND AND CONTINUING SUCH A PROGRAM.

THE BILL AUTHORIZES DESIGNATION OF STATE FORESTS FOR RETENTION AS MULTIPLE-USE LANDS AND AUTHORIZES THE ESTABLISHMENT OF STATE TREE NURSERIES. SUCH AUTHORITIES ARE SOUND, AND AGAIN ARE PROVEN IN THE EXPERIENCE OF OTHER STATES. THERE ARE FOREST REGENERATION NEEDS NOW, AND THESE NEEDS ARE LIKELY TO INCREASE AS MORE TIMBER IS HARVESTED. TO THE EXTENT THAT PRIVATE NURSERIES ARE NOT ABLE TO PROVIDE THE STOCK THAT IS NEEDED AT AN AFFORDABLE PRICE, WE ADVOCATE STATE SUPPORTED NURSERIES. THEY WOULD RESULT IN BETTER LAND UTILIZATION, THEREBY REDUCING THE AMOUNT OF LAND IMPACTED BY A GIVEN TIMBER HARVEST LEVEL. ALSO, A STATE SUPPORTED NURSERY COULD LEAD TO DEVELOPMENT OF IMPROVED PLANTING STOCK.

AGAIN, IT HAS BEEN A PLEASURE WORKING WITH VARIOUS STATE PERSONNEL AND WITH YOUR COMMITTEE IN THE DEVELOPMENT OF THIS PROPOSED LEGISLATION. THE ENACTMENT AND IMPLEMENTATION OF THE PROPOSED BILL SHOULD HELP ASSURE THE SOUND MANAGEMENT OF ALASKA'S FORESTS AND RELATED RENEWABLE RESOURCES.

COOK INLET CHAPTER
JUNEAU CHAPTER
KETCHIKAN CHAPTER
YUKON RIVER CHAPTER
SITKA CHAPTER
STIKINE CHAPTER

SOCIETY OF AMERICAN FORESTERS

Alaska Section

April 10, 1978



TESTIMONY FOR THE SENATE RESOURCES COMMITTEE
SENATE BILL NO. 59, SPONSOR SUBSTITUTE

MADAM CHAIRMAN AND MEMBERS OF THE COMMITTEE;

MY NAME IS BOB JANES AND I AM APPEARING TODAY FOR THE ALASKA SECTION OF THE SOCIETY OF AMERICAN FORESTERS.

WE WELCOME THIS OPPORTUNITY TO GIVE TESTIMONY IN FAVOR OF THE CURRENT SPONSOR SUBSTITUTE FOR SENATE BILL No. 59. THE ALASKA SECTION REPRESENTS OVER 200 PROFESSIONAL FORESTERS THROUGHOUT THE STATE OF ALASKA, AND IS PART OF A NATIONAL ORGANIZATION OF MORE THAN 20,000 SUCH MEMBERS. DURING THE PAST THREE YEARS, WE HAVE BEEN ACTIVE IN HELPING TO FORMULATE LEGISLATION FOR A SOUND STATE FOREST PRACTICES ACT IN ALASKA. A YEAR AGO, WE MADE AN IN-DEPTH ANALYSIS OF SENATE BILL No. 59, BY TESTING IT AGAINST OUR SOCIETY OF AMERICAN FORESTERS RECOMMENDED NATIONAL CRITERIA FOR A COMPETENT STATE FOREST PRACTICES ACT. WE ARE HAPPY TO SEE THAT SUGGESTIONS AS A RESULT OF THAT EFFORT HAVE BEEN INCORPORATED INTO THE SPONSOR SUBSTITUTE BEFORE YOU TODAY.

ONE OF OUR PRIMARY CONCERNS A YEAR AGO, WAS THE NEED FOR THE STATE FORESTER TO PLAY A MORE PROMINENT AND AUTHORITATIVE ROLE IN ADMINISTERING THE ACT IN A SOUND AND PROFESSIONAL MANNER. SINCE THE DIRECTOR OF THE DIVISION OF FOREST, LAND, AND WATER

MANAGEMENT WILL BE THE STATE FORESTER, AND SINCE THIS PERSON MUST HAVE PROFESSIONAL NATURAL RESOURCES LAND MANAGEMENT CREDENTIALS, IT APPEARS THE ORGANIZATIONAL STRUCTURE NOW PROVIDES FOR OVERCOMING THAT PARTICULAR PROBLEM. WITH PROPER DELEGATED AUTHORITY EXTENDED BY THE COMMISSIONER, THE STATE FORESTER SHOULD BE ABLE TO OPERATE IN A LEADERSHIP ROLE IN THE MANNER WE ENVISION IS NECESSARY. WE MUST EMPHASIZE, HOWEVER, THE IMPORTANCE OF DELEGATING SIGNIFICANT AUTHORITIES TO THE STATE FORESTER. OTHERWISE, A PROGRESSIVE STATE FORESTRY AWARENESS IN ALASKA COULD AGAIN BACKSLIDE, AND OBSTRUCT SOUND PROTECTION, MANAGEMENT AND UTILIZATION OF THE ABUNDANCE OF NATURAL RESOURCES THIS GREAT STATE HAS.

ANOTHER OF OUR MAJOR CONCERNS IN THE PAST WAS THE EFFECT THIS LEGISLATION WOULD HAVE ON PRIVATE LANDOWNERS. CRITERIA #7 OF OUR NATIONAL GUIDELINES STATES "A FOREST PRACTICES ACT SHOULD ALLOW A FOREST LANDOWNER LATITUDE IN APPLYING PROFESSIONAL FORESTRY EXPERTISE AND FOREST MANAGEMENT PRINCIPLES. ADMINISTRATIVE REQUIREMENTS FOR FOREST LANDOWNERS AND OPERATORS SHOULD NOT BE UNDULY BURDENED." IN PREVIOUS INPUT, WE EXPRESSED THOUGHTS ABOUT THE APPARENT INAPPROPRIATE INVASION OF RIGHTS AGAINST PRIVATE LANDOWNERS BECAUSE OF UNDULY RESTRICTIVE REGULATORY PRACTICES. FOR EXAMPLE, THERE WAS A PROVISION IN PREVIOUS PROPOSED LEGISLATION THAT READ "TIMBER HARVESTING IS NOT PERMITTED IN AN AREA UNLESS RELEVANT DATA AND INFORMATION INDICATE THAT THERE WILL BE NO REFORESTATION PROBLEMS LEADING TO THE INABILITY OF THAT AREA TO PRODUCE A SUSTAINED YIELD OF MERCHANTABLE TIMBER." WE COMMENTED THAT WHILE THIS MAY BE APPROPRIATE FOR STATE OR MUNICIPAL FOREST LANDS, IT

WAS NOT APPROPRIATE AS A BASIS FOR DEPRIVING A PRIVATE LANDOWNER OF ECONOMIC VALUES THAT EXISTED ON HIS OWN LAND. THE CORRESPONDING REGULATORY STANDARD IN THE CURRENT SPONSOR SUBSTITUTE, SEC. 41.17.040 (B) (1), NOW READS "TIMBER HARVESTING IS LIMITED TO AREAS WHERE DATA AND INFORMATION DEMONSTRATE THAT NATURAL OR ARTIFICIAL REFORESTATION TECHNIQUES WILL RESULT IN THE PRODUCTION OF A SUSTAINED YIELD OF MERCHANTABLE TIMBER FROM THAT AREA." DURING THE OPERATOR NOTIFICATION PROCESS WITH THE COMMISSIONER, THIS REQUIRED DETERMINATION SHOULD BE EASILY RESOLVED. ANOTHER OVERLY RESTRICTIVE PROVISION IN THE SAME SECTION OF THE PREVIOUSLY PROPOSED LEGISLATION READ, "SCENIC AND AESTHETIC QUALITY SHALL BE MAINTAINED IN OR ADJACENT TO AREAS OF SIGNIFICANT IMPORTANCE TO THE TOURISM AND RECREATION INDUSTRY." THE CORRESPONDING REGULATORY STANDARD NOW READS "WHERE ECONOMICALLY PRACTICABLE, ALLOWANCE MAY BE MADE FOR SCENIC AND AESTHETIC QUALITY IN OR ADJACENT TO AREAS OF SUBSTANTIAL IMPORTANCE TO THE TOURISM AND RECREATION INDUSTRY." IN ESSENCE, THESE TYPES OF UNDULY RESTRICTIVE MEASURES HAVE BEEN ELIMINATED AND WE BELIEVE PRIVATE LANDOWNERS ARE NOW GIVEN FAIR CONSIDERATION IN THE SPONSOR SUBSTITUTE BILL. IN ADDITION, SECTION 41.17.070 HAS BEEN SUBSTANTIALLY IMPROVED REGARDING REVIEW AND APPROVAL OF OPERATIONS EVERY EFFORT WILL BE MADE TO LIMIT THE REVIEW AND APPROVAL PERIOD TO A MAXIMUM OF 20 DAYS. WITH THESE EXAMPLES, IT IS DEMONSTRATED THAT UNDULY BURDENSOME REQUIREMENTS HAVE BEEN STREAMLINED OVER THE PREVIOUS BILL.

PROPOSED LEGISLATION FOR AN ALASKA FOREST PRACTICES ACT STARTED IN THE SECOND SESSION OF THE NINTH LEGISLATURE. IT CONTINUED IN THE FIRST SESSION OF THE TENTH LEGISLATURE, AND IS NOW IN ITS THIRD YEAR. TO HELP ASSURE SOUND PROFESSIONAL MANAGEMENT OF ALASKA'S

FOREST LAND RESOURCES AT THE EARLIEST POSSIBLE TIME, WE URGE
YOUR COMMITTEE TO AGGRESSIVELY STRIVE FOR ADOPTION OF THIS SPONSOR
SUBSTITUTE FOR SENATE BILL No. 59, DURING THIS SECOND SESSION OF
THE TENTH LEGISLATURE.

THANK YOU FOR LISTENING TO US TODAY.

A handwritten signature in cursive script, appearing to read "R.C. Kinner". The signature is written in dark ink and is slanted upwards to the right.

SB

128

April 28, 1977

The following is a list of the changes from SB 128 to CSSB 128 by John Farleigh, Administrative Assistant.

1. Page 2, line 24, changes 10 to 15. This is to conform with SB 1 which is now law. (Ch. 8, SLA 1977)
2. Page 3, line 4, Add a new section 6 and re-number accordingly. This section comes from SB 147 (the Fish and Game Omnibus Act that has passed the Resources Committee) and is designed to define "registered under the laws of the State" so that the Department of Fish and Game can begin regulating fishing vessels within the 200 mile limit.
3. Page 6, line 16, changes \$500 to \$750. This raise in the ceiling allows all non-resident fees to be 3 times that of residents.
4. Page 6, line 29. This technical amendment came from the Attorney General's office to correct a "proof reading oversight".



Alaska State Legislature

JUNEAU ALASKA

March 18, 1977

MEMORANDUM

To: The Honorable John Sackett
Chairman
Senate Finance Committee

From: John Farleigh
Administrative Assistant
Senate Resources Committee

Re: Amendment to CS SB 128

Pursuant to the 200 mile limit legislation enacted last year by Congress, the Alaska Department of Fish and Game is allowed to regulate fishing vessels "registered under the laws of the state." Section 6 was added by the Resources Committee to define "registered under the laws of the state" so that the Department of Fish and Game can begin regulating fishing vessels beyond the three-mile limit. However, due to an oversight, the committee substitute did not include an immediate effective date for this section. Therefore, I have drafted an amendment and attached it for your consideration which would allow the department to regulate fishing beyond the three-mile limit beginning this year.

A M E N D M E N T

OFFERED IN THE SENATE:

By: Finance Committee

To: CS for SENATE BILL No. 128

HOUSE BILL No. _____

PAGE: 8

LINE: 21

Delete: "This Act takes effect January 1, 1978."

Insert: "Section 6 of this Act takes effect immediately
in accordance with AS 01.10.070 (c)."

Add a new section to read:

"*Sec. 20. Sections 1 - 5 and 7 - 18 take
effect January 1, 1978."

FISCAL BILL

I. REQUEST

Bill/Resolution No. _____
 Title An act relating to commercial fishing licensing
 Requested by Office of the Governor Date January 27, 1977

II. FISCAL DETAIL

Agency Affected Office of the Governor, Depts. of Revenue and Fish and Game
 Program Category Affected HRREC
 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		6.1	(.8)	(1.6)		
200 TRAVEL		1.6	.8	.8		
300 CONTRACTUAL		(21.7)	(27.5)	(28.3)		
400 COMMODITIES		(2.8)	(2.9)	(3.1)		
500 EQUIPMENT		2.5	-0-	-0-		
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		(14.3)	(30.4)	(32.2)		

FUNDING (Thousands of Dollars)

GENERAL FUND		(14.3)	(30.4)	(32.2)		
FEDERAL FUNDS						
OTHER (specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY		1/6 mos.	0	0		

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

This new program will save the State \$76.9 over the next three fiscal years. These savings will result from 1) the reduction in duplication of effort by State agencies, and 2) the elimination of gear and vessel licensing functions of commercial vendors.

(see attachment for schedule of savings)

IV. DATE January 27, 1977 PREPARED BY Joyanne Bloom
 AGENCY Office of the Governor
 Original: Legislative Finance PHONE _____
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>
1. Increased Administrative Costs of Fisheries Entry Commission	40.7	26.4	26.6
2. Reduction in Administrative Costs of Dept. of Fish and Game	(10.7)	(11.3)	(12.0)
3. Reduction in Administrative Costs of Dept. of Revenue (includes savings on commissions paid to commercial vendors)	<u>(44.3)</u>	<u>(45.5)</u>	<u>(46.8)</u>
TOTAL Gross Savings	(55.0)	(56.8)	(58.8)
TOTAL Net Savings	(14.3)	(30.4)	(32.2)

February 4, 1977

The Honorable John L. Rader
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

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 related to commercial fishing licensing. The bill would eliminate the currently required gear license and commercial fishing license for holders of entry permits and thus simplify the paper-work of license applications for all concerned, especially the fishermen. The number of pieces of paper necessary to fish would be decreased from 4 to 2. One of these two, the vessel license, would be freely transferable between fishermen using the same vessel as it would be issued "anonymously" to a vessel, not to a person. The function of issuing vessel licenses would be transferred from the Department of Revenue to the Commercial Fisheries Entry Commission.

The bill would authorize the Entry Commission to establish permit fees to reflect the inclusion of fees formerly required for gear and commercial license. Finally, the bill amends statutes relating to the Commercial Fishing Loan Program and the Fisherman's Fund to reflect all these licensing changes.

I urge special consideration of this bill as it implements a part of recommendation number 3 (revised) of the Management and Efficiency Review study.

Sincerely,

Jay S. Hammond
Governor

A REPORT ON
SENATE BILL NO. 128

by The Commercial Fisheries Entry Commission

with the concurrence of:
The Department of Fish and Game
The Department of Revenue
The Department of Public Safety

February 22, 1977

SENATE BILL NO. 128

"An Act relating to commercial fishing licensing and providing for an effective date."

Introduction

The Governor's bill entitled "An Act relating to commercial fishing licensing and providing for an effective date" presents the legislature with a new program of commercial fisheries licensing. The departments of Fish and Game and Revenue and the Commercial Fisheries Entry Commission designed this program to ease the paperwork for the fisherman, to save time and money for the State and to increase the accuracy and availability of the licensing data base.

Program Description

The new licensing program eliminates the gear and commercial licenses, separates the vessel license from an assigned operator and creates a crewmember license similar to the commercial license. A renewed entry permit will be the only requirement for a gear operator in order to participate in a fishery. A vessel used in commercial fishing must be licensed and no indication of who will operate the boat will be needed. People who participate in the fishery as crewmembers will have to obtain a crewmember license.

A resident, non-resident fee system for permits will be initiated in the proposed licensing program. This will compensate for revenue previously received for gear and commercial licenses based on residency. The 3 to 1 non-resident fee ratio used for gear licenses will be adopted for the permit fee schedule.

In the present system, vessel licenses are issued to operators. This has caused considerable inconvenience to the fishermen since Revenue and/or Fish and Game forms must be completed each time a fisherman changes vessels or takes on additional operators. The Department of Fish and Game also finds this paperwork time consuming and unnecessary. Without the operator connected to the vessel, there will no longer be a residency distinction and the proposed license program will charge one fee for the vessel license.

The Commercial Fisheries Entry Commission will continue to issue entry permits and will incorporate vessel licensing in its renewal system making licensing for gear operators one simple function. Each year forms will be sent to every permit holder with his renewal information pre-printed by computer. The recipient simply makes any necessary corrections, signs the form and returns it to the Commission with the appropriate fees. The permit holder and the vessel will then be licensed for the coming year. This new procedure for licensing requires far less time and effort for the fisherman than the present licensing system in which he has to obtain three Fish and Game licenses from the Department of Revenue and an entry permit from the Commercial Fisheries Entry Commission.