

555 SRES

SB 181 - SB 220

002

INCENTIVE
WILDCAT WELL

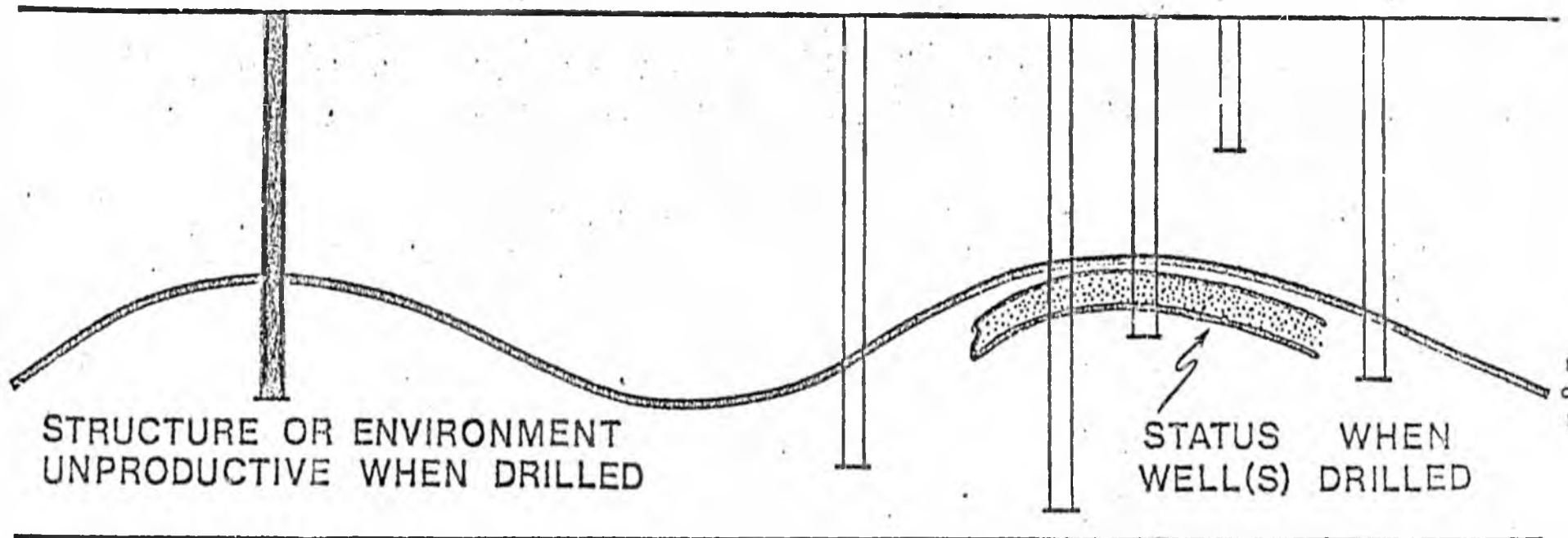
NON-QUALIFYING WELLS

N.F.W.

N.P.W.

D.P.T. DEV. S.P.T.

O'POST



In part after A.A.P.G.
J.R. Pow

INCENTIVE WILDCAT WELL

AUGUST 1, 1972 TO DECEMBER 31, 1973

FIGURE 3

The Exploratory Drilling Incentive System, within the Natural Resource Revenue Plan, was designed to stimulate the discovery of crude oil reserves and shift exploratory activity back to the province by providing substantial rewards to the wildcat entrepreneur.

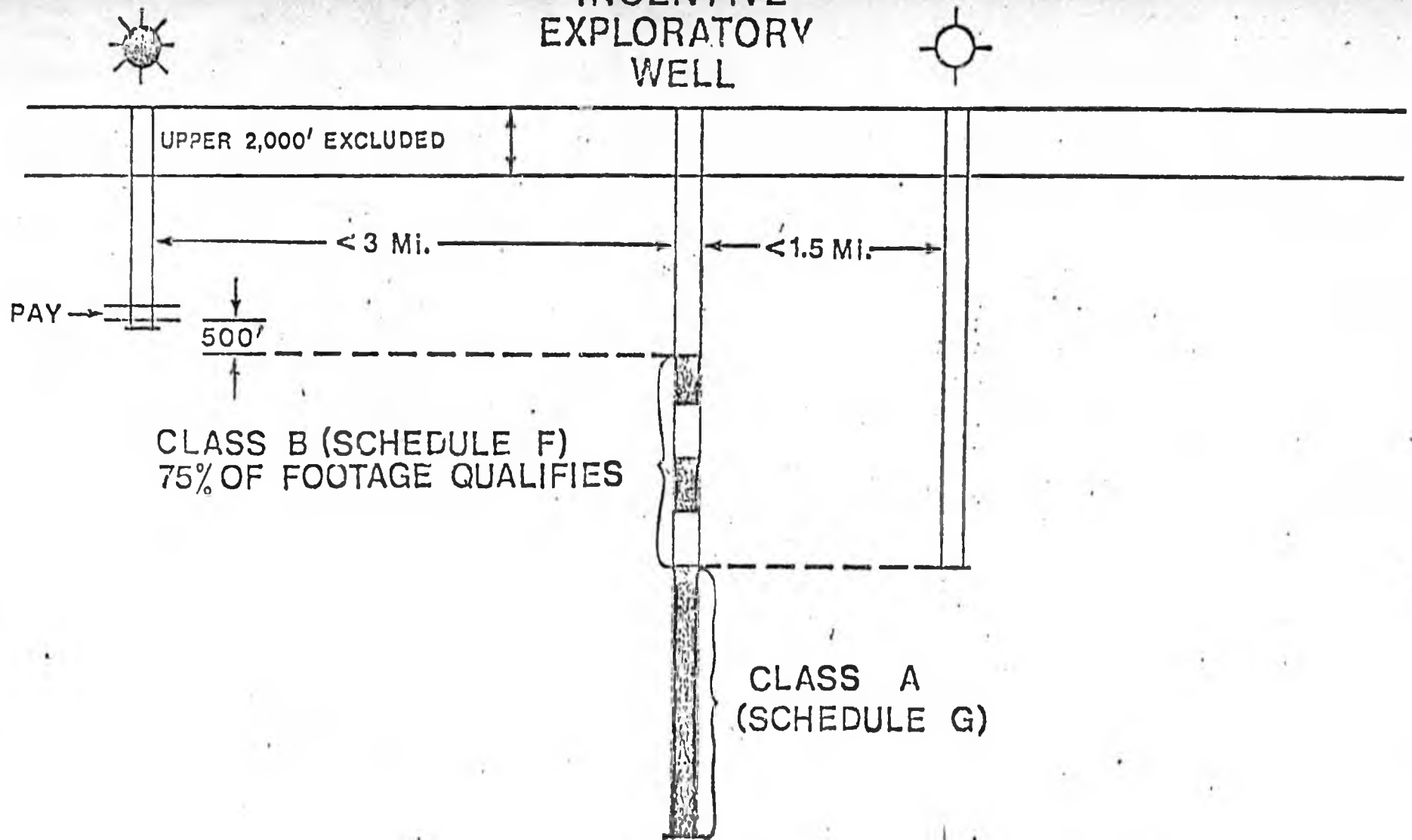
The objective of the Exploratory Drilling Incentive System was to encourage high risk exploratory drilling and increase the drilling activity in remote locations at a time when this type of drilling was declining in the province. The tendency in Alberta was to explore in known and reasonably accessible regions rather than stepping out in the search for new fields.

The Exploratory Drilling Incentive System has had several amendments since its original inception.

FIGURE 3

From August 1, 1972 to December 31, 1973, the program related to wells that were classified by the Energy Resources Conservation Board as "New Field Wildcats" under the "Lahee" classification system. A formula was derived which enabled the establishment of a credit equalling approximately 30% of the cost

INCENTIVE
EXPLORATORY
WELL



— 8 —

JRP

TWO CLASSES OF QUALIFYING FOOTAGE
(EXCLUDING UPPER 2,000 FEET)

FIGURE 4



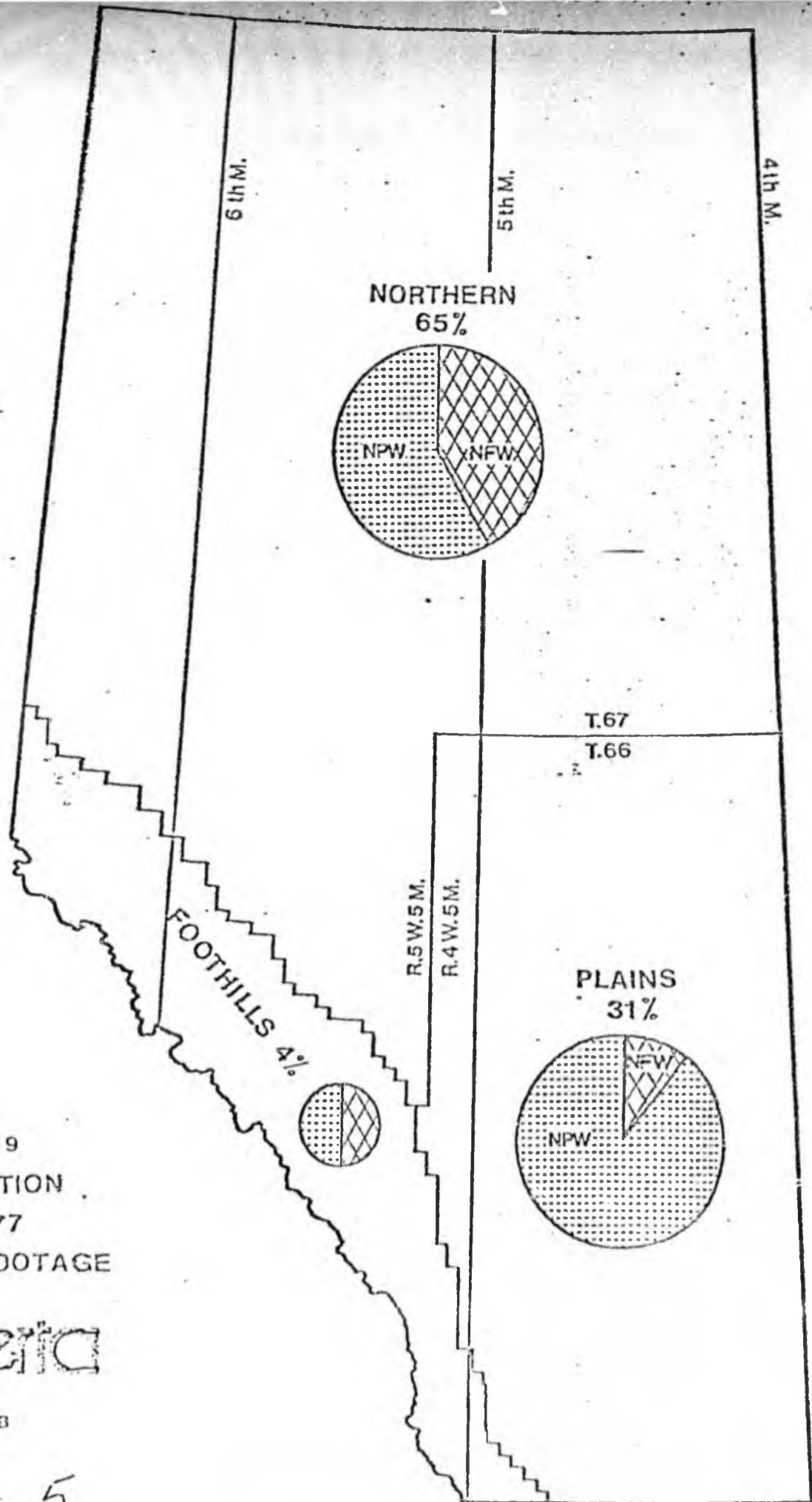
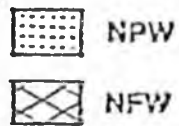


FIGURE 9
DISTRIBUTION
OF 1977
WILDCAT FOOTAGE

Alberta

SOURCE: ERCB

Fig 5

of the well. The total footage of a new field wildcat qualified for incentive credit. A five-year crude oil royalty "holiday" was granted.

During this 17 month period, \$16 million in drilling credits were earned by industry.

FIGURE 4

From January 1, 1974 to December 31, 1974 the program was expanded to include, along with the new field wildcats, about one-quarter of the more remote new pool wildcats and deeper pool footage. Figure 4 shows the principles that were adopted on January 1, 1974. The footage shown in white is known as Class "A" footage and it earned as credits, approximately 40% of the total recognized cost of the well. The Class "B" footage is applicable where a dry hole is within one and one half miles of the well. Class "B" footage earned about 30% support.

FIGURE 5

During this period, drilling costs were increased and a cost distinction was made for wells located in the Foothills, Northern and Plains regions.

These areas, as modified on February 26, 1975, are shown on Figure 5.

Added features included a two-year natural gas royalty "holiday" and authorization for credits to be used to defray bonus payments tendered for Crown oil and gas mineral rights. The credits could continue to be used to offset payments due for royalty, rental or freehold mineral tax.

On January 15, 1974, the Alberta Petroleum Marketing Commission was created. Prior to its creation incentive credits established could be used by the holder to satisfy oil Crown royalty payments. This was discontinued on January 15, 1974 by the Commission.

During this 12 month period, the credits amounted to roughly \$20 million and involved almost 600 wells.

From January 1, 1975 to December 31, 1977, the Government increased the benefits of the Exploratory Drilling Incentive System by expanding recognized well costs and by increasing the credit support for Class "A" and "B" footage to approximately 50% and 37½% respectively.

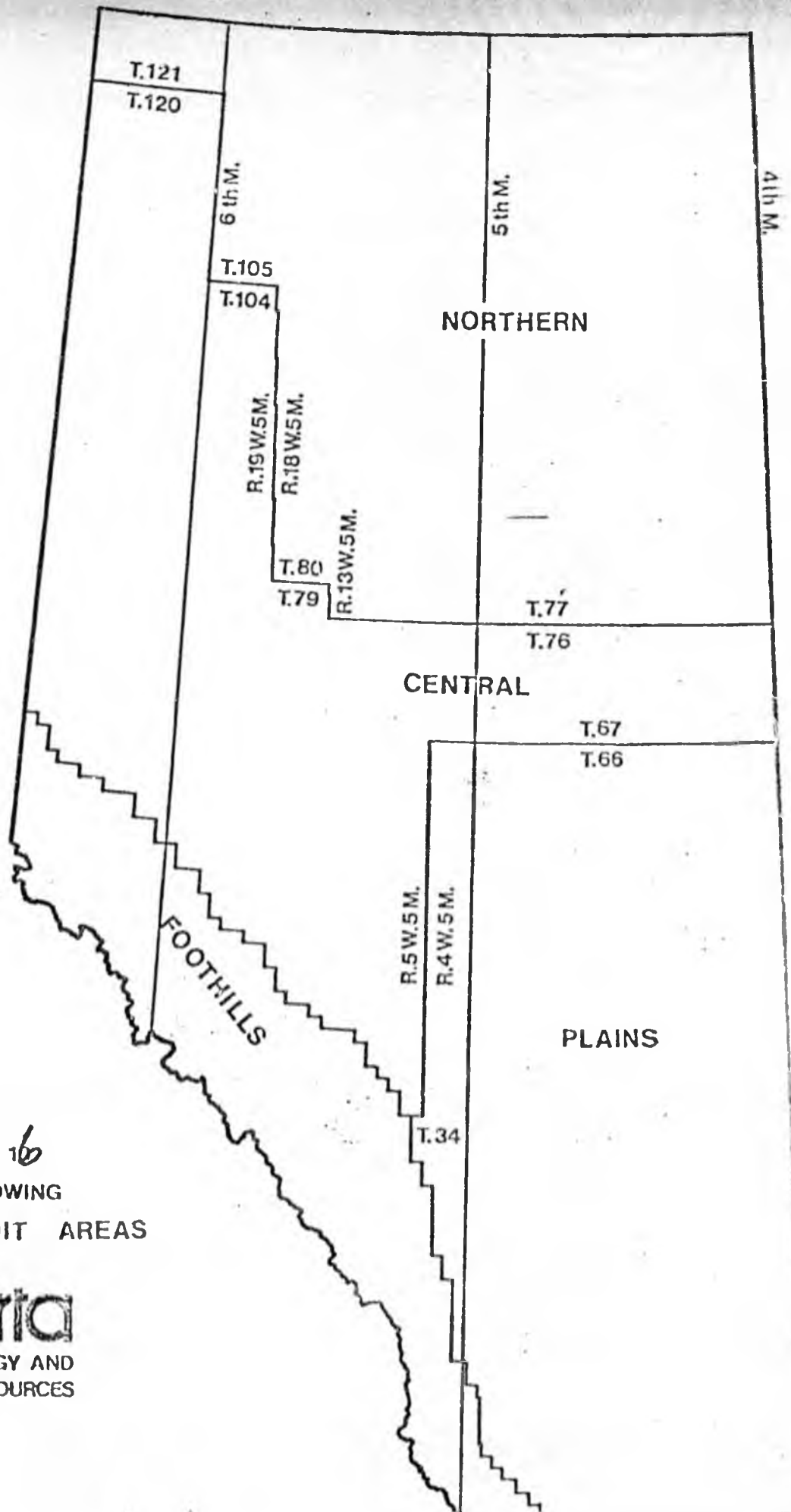
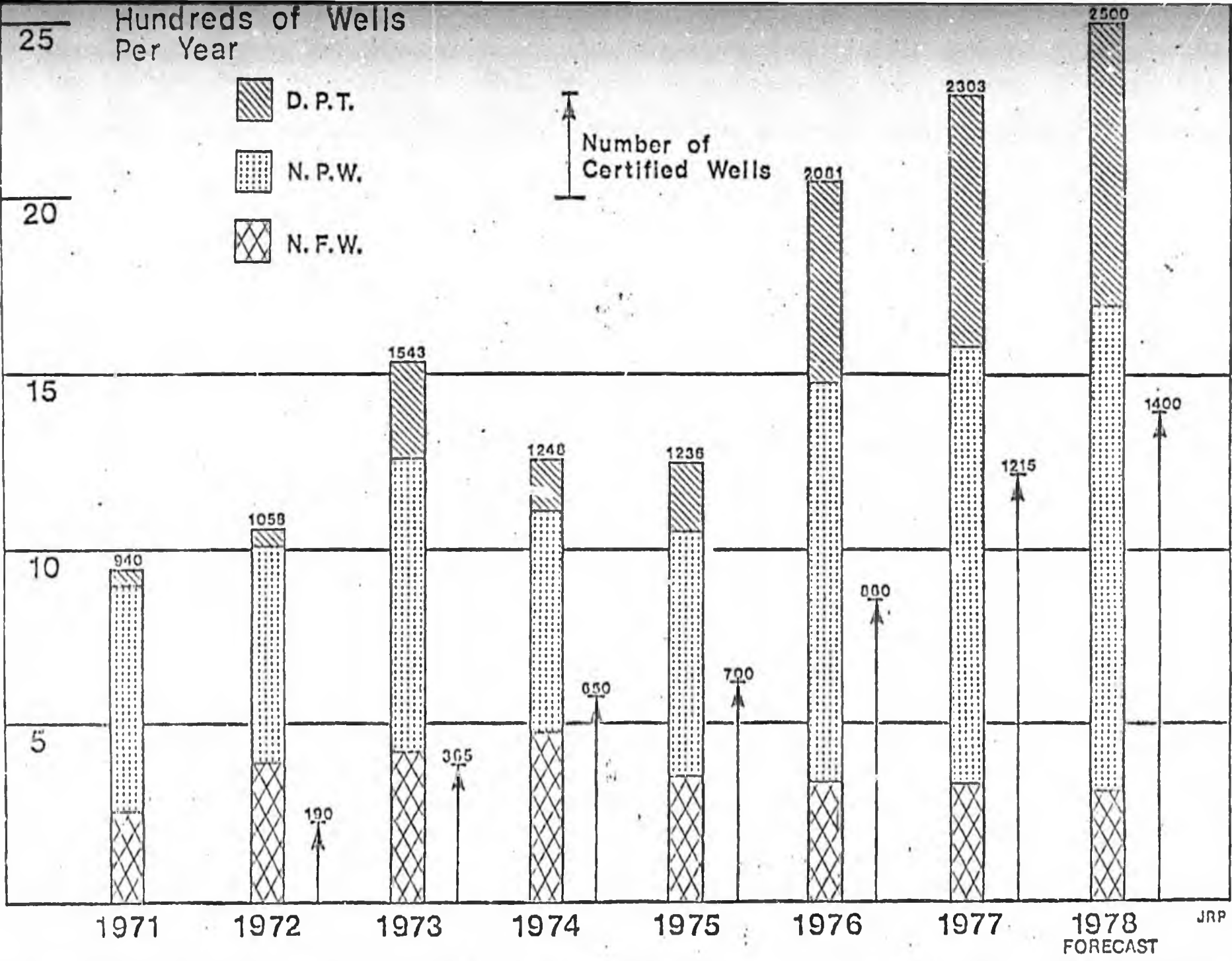


FIGURE 16
MAP SHOWING
DRILLING CREDIT AREAS





EXPLORATORY AND CERTIFIED WELLS, ALBERTA

Source: ERCA

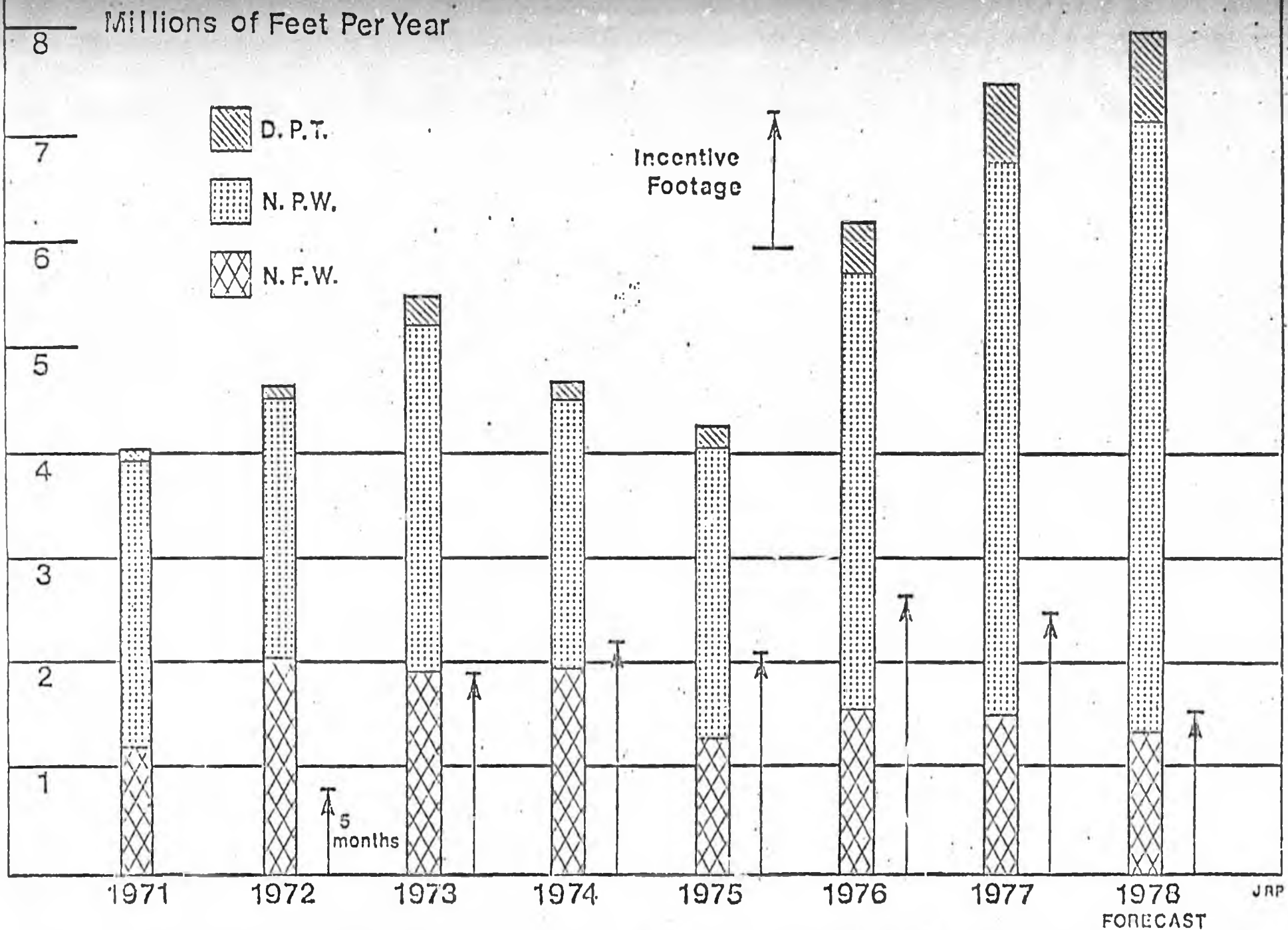
FIGURE 6

Commencing January 1, 1978 the drilling credit areas have been redefined. The Plains and Foothills Areas are unchanged, but the former Northern Area was divided into a Central and Northern Area. The boundary between the two new areas was defined on the basis on well costs, topographic and access considerations. The amendments also include the upper 2,000 feet of sediments from receiving any incentive credit and increase the credits for qualifying wells deeper than 3,500 feet.

For wells greater than 5,000 feet in depth, the incentive is increased by 25% to 45% depending on the location of the well.

FIGURE 7

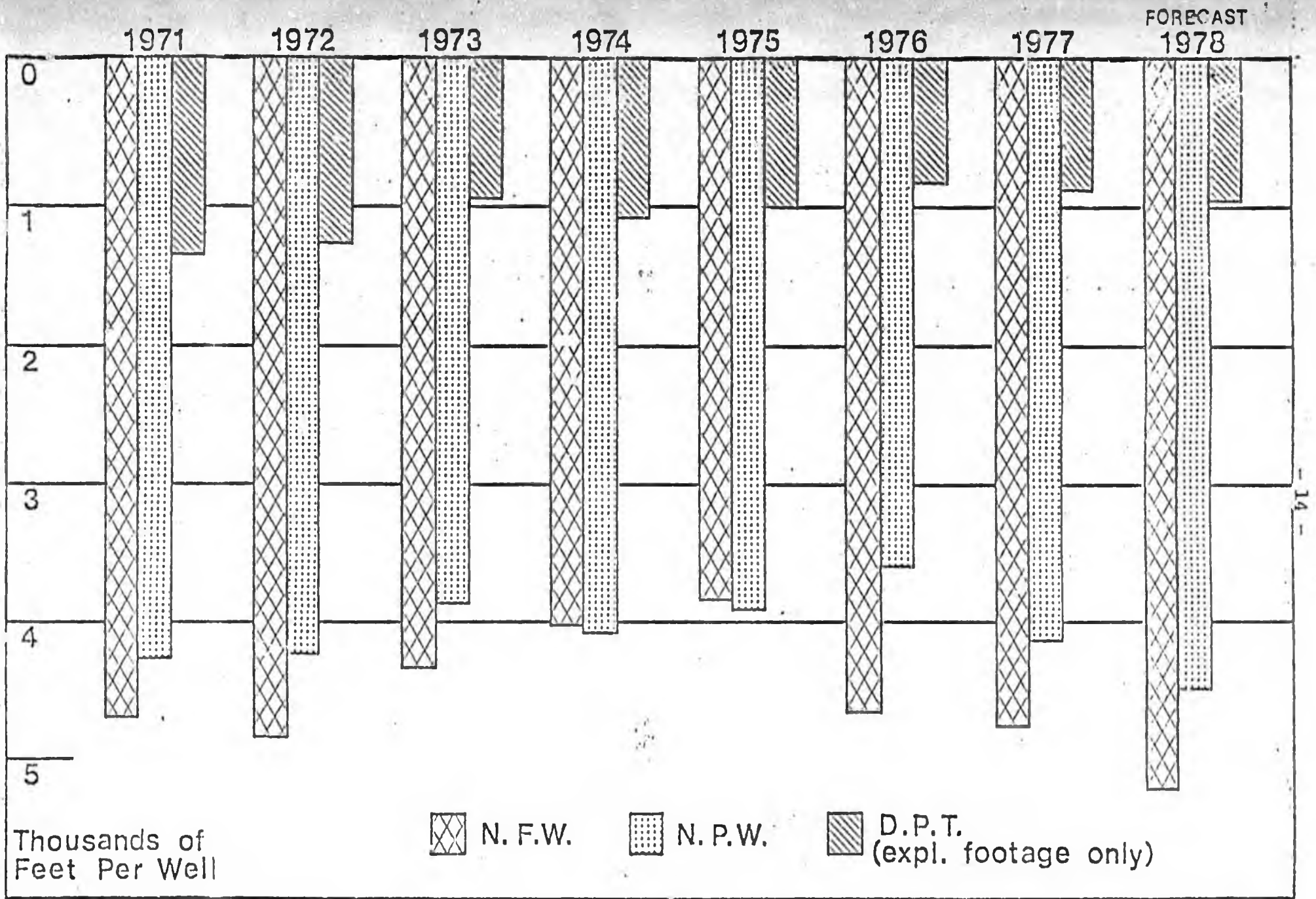
There has been a considerable increase in the number of exploratory wells drilled in Alberta since inception of the incentive program in 1972. There were 1,058 exploratory wells drilled in 1972 compared with 2,303 drilled in 1977. The number of wells qualifying for incentive foota e in 1972 was 190 compared to 1,215 in 1977. An increase is expected in 1978. The number of new pool



EXPLORATORY AND INCENTIVE FOOTAGE

Source: B&O, FICD

FIGURE 7



AVERAGE WELL DEPTH

JRP

Source: ERGII

FIGURE 1

wildcats and deeper pool tests have increased since the program began, but the number of new field wildcats have declined.

FIGURE 8

The amount of exploratory footage drilled in 1977 exceeded all previous years. Footage for new field wildcats remained similar to 1976 at 1½ million feet, new pool wildcats increased to 5¼ million from 4¼ million feet in 1976, and deeper pool tests increased to ¾ million feet from ½ million feet.

The amount of footage certified under the program has increased since inception, equally divided between New Pool Wildcats and New Field Wildcats. In 1977 a total of 2½ million feet were certified to receive incentive footage. This figure shows an increase of 32% from the first full year the program was in operation.

Normally, 100% of the new field wildcat footage, 20% of the new pool wildcat footage, and 80% of the deeper pool test footage qualified for incentive benefits.

FIGURE 9

The average well depths per year has shown a gradual decrease from the period 1971 to 1976, but a slight upswing occurred in 1977. New field wildcats

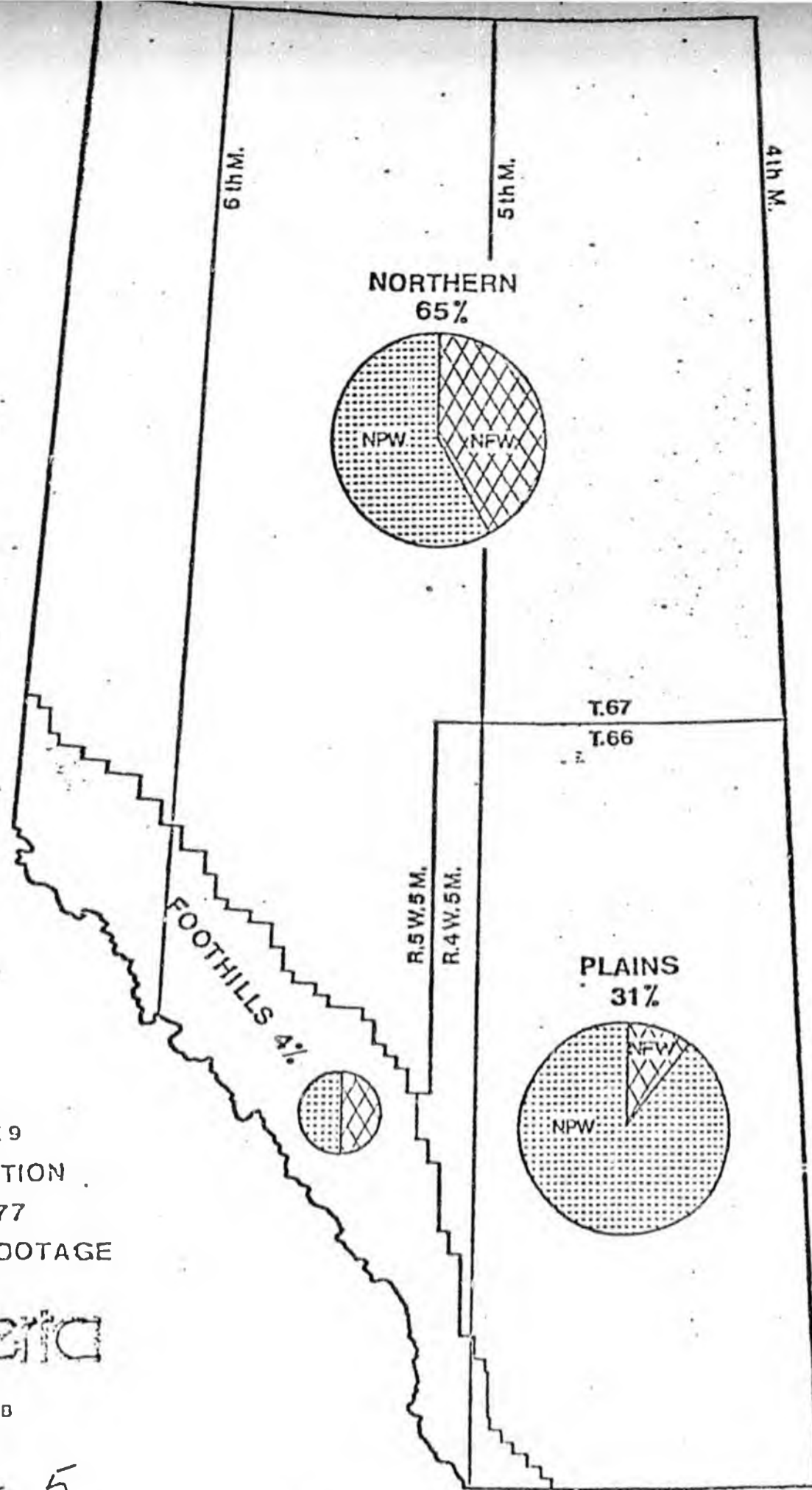
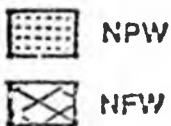


FIGURE 9
DISTRIBUTION
OF 1977
WILDCAT FOOTAGE

Alberta

SOURCE: ERCB

Fig 5

averaged 4,800 feet in 1977, new pool wildcats averaged 4,100 feet, and deeper pool tests averaged 1,000 feet.

FIGURE 5

The majority of the exploratory footage drilled in 1977 was in the Northern Areas. The total footage drilled here was 65% of the total exploratory footage. Of this 65%, new pool wildcats constituted 65% and new field wildcats 36%.

Exploratory drilling in the Plains Area accounted for 31% of the total, with new pool wildcats forming 90% of the figure, and new field wildcats about 10%. Drilling footage in the Foothills Area constituted 4% of the total. Of this 4%, half were classed as new pool wildcats and half as new field wildcats. Deeper pool tests formed less than 10% of the total exploratory footage for the province in 1977.

These figures indicate a shift of emphasis since 1976 from the Plains Area to the more remote Northern Area. In both areas, the total footage of new field wildcats has taken a considerable drop from the 1976 figures. New field wildcat footage in the Foothills Area has increased.

Geophysical Incentive Program

On January 1, 1975, the Alberta Government implemented the Geophysical Incentive Program to stimulate the level of seismic exploratory activity in Alberta. The program was scheduled to terminate on March 31, 1978. This program has been extended to March 31, 1980 through a recent amendment to the Regulations. The Government recognizes the positive effects improved geophysical techniques have on drilling success rates and feels geophysical work must be encouraged to search for the less obvious hydrocarbon accumulations.

The Geophysical Incentive Program is administered by the Department of Energy and Natural Resources.

Geophysical activities, primarily in the form of reflection surveys, provide the initial technical basis on which many exploration "plays" for new oil and gas deposits are planned. Such surveys have performed a key role in finding many of the prolific reef accumulations of hydrocarbons in the Alberta plains. Geophysical data is essential to interpreting the complex rock structures of the foothills which are expected to contain major new deposits of hydrocarbons.

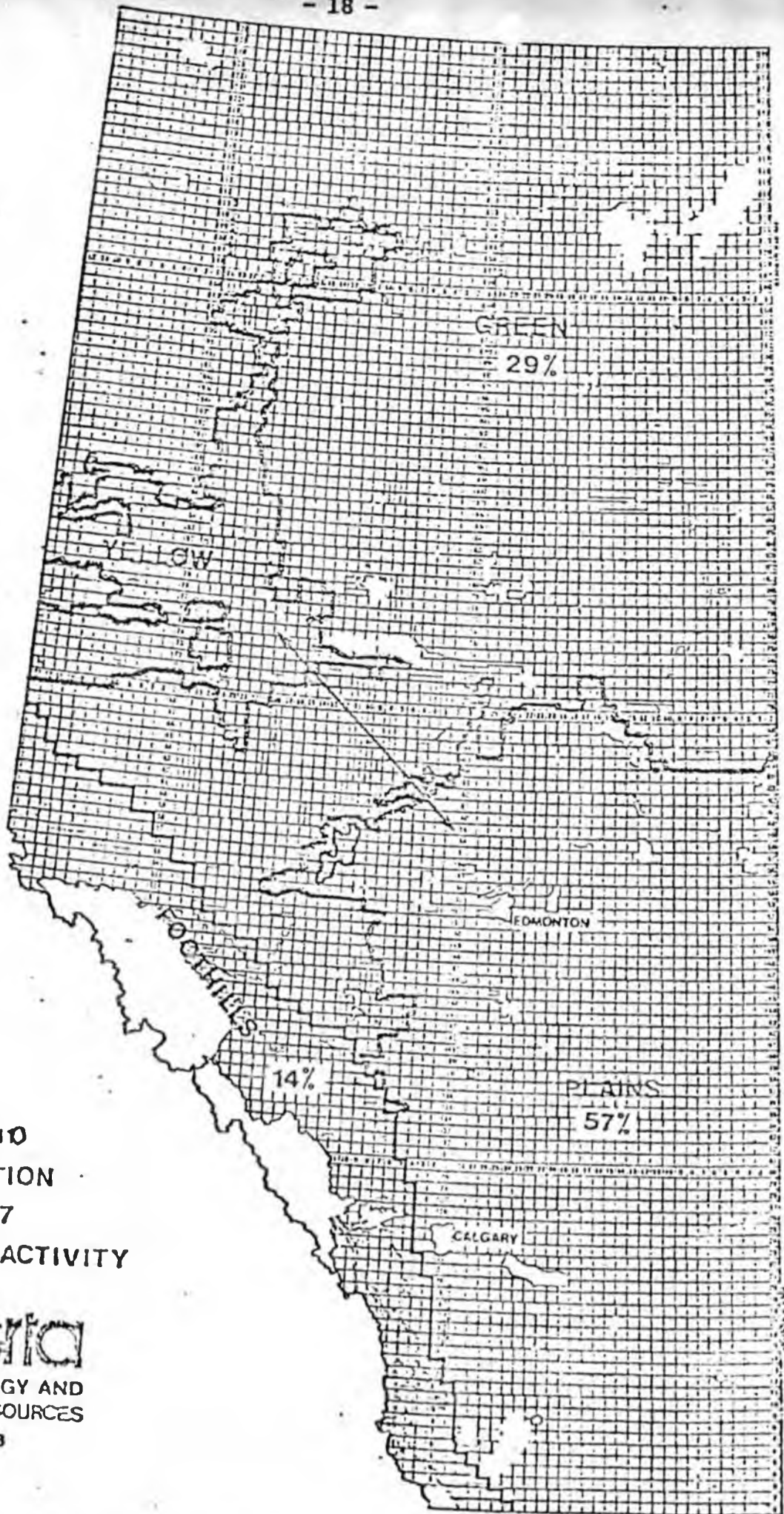


FIGURE 10
DISTRIBUTION
OF 1977
GEOPHYSICAL ACTIVITY

Alberta
ENERGY AND
NATURAL RESOURCES
JUNE, 1978

The main features of the Geophysical Incentive Program are:

(a) The incentive will apply to seismic surveys certified after

January 1, 1975.

Before 1980

(b) Incentive credits are established in the name of the licensee

however, these credits may be allocated to partners sharing

in the cost of the seismic program.

FIGURE 10

The incentive credits are determined from a formula based on the number of miles of subsurface coverage and the area in which the survey is conducted. Surveys carried out in difficult terrain in the Foothills and Green Areas receive a larger incentive credit than surveys carried out in the Plains region.

The determination of credit for a certified geophysical incentive program was calculated on the number of miles of minimum (400%) subsurface coverage by the following equation:

$$\text{Credit (dollars)} = 500 K M$$

Where K is the incentive factor for different geographic areas in Alberta where the program was conducted M is the number of miles of minimum subsurface

coverage.

The incentive credits may be applied in the same manner as the exploratory drilling incentive credits. A licensee may apply for the monetary equivalent of the credit where he is not the owner of a mineral agreement or a freehold mineral right.

Any geophysical information and data obtained pursuant to a geophysical incentive program must be made available by the licensee to any person for a period of not less than five years

(a) three years after the date the program was certified.

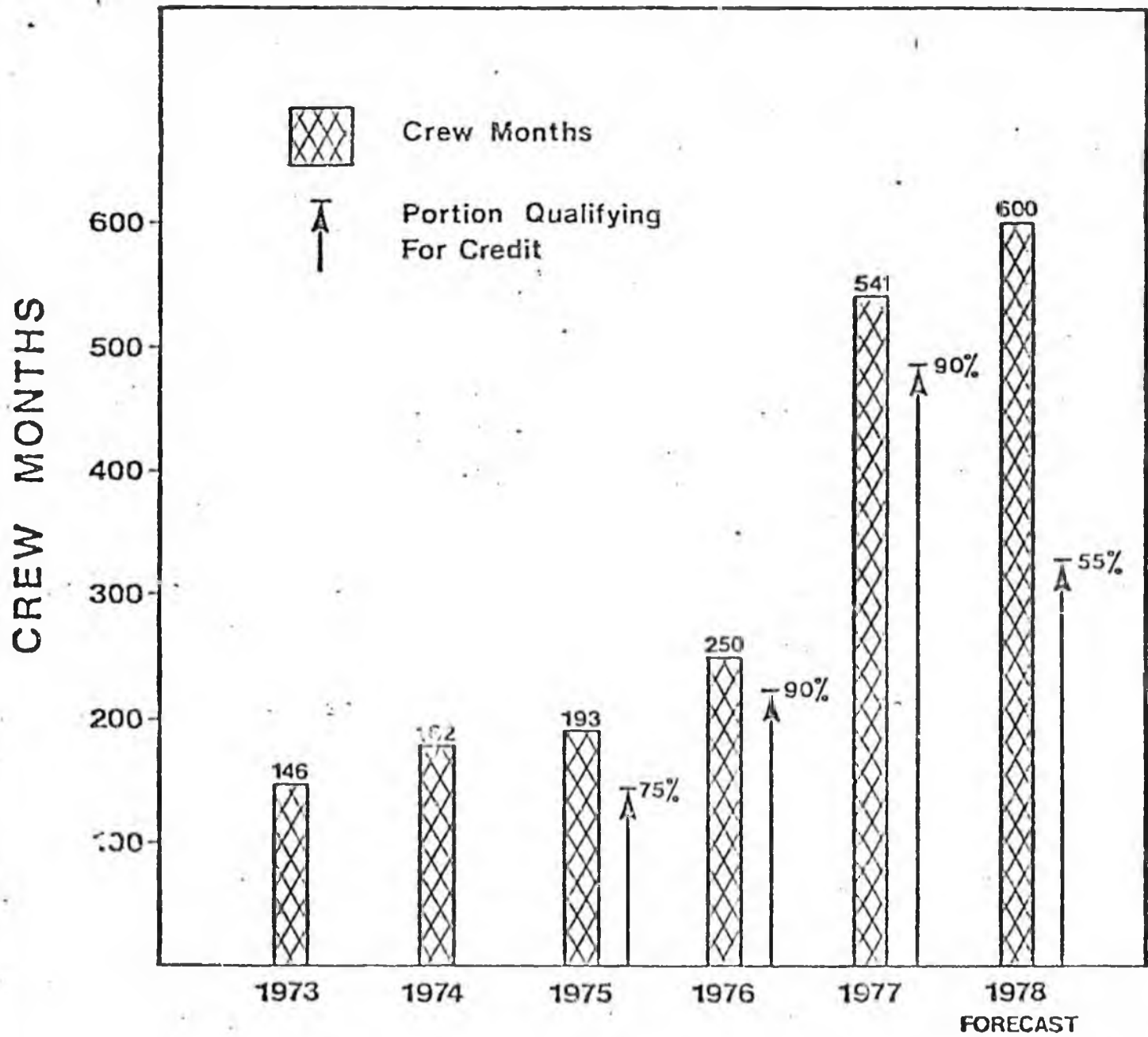
(b) at a cost to that person of 60% of the credit determined for each mile of minimum subsurface coverage.

Amendments to the Geophysical Incentive Program effective April 1, 1978, reducing credit by 50% will result in a phase down of the program,

Credit (dollars) = 250 K M

The minimum subsurface requirements have been increased requiring 600% in the white and yellow area and 1200% in Foothills and Northern Areas.

The total number of miles of subsurface coverage in 1977 that qualified for incentive credit was 28,000 miles. This figure reflects an increase of



SEISMIC ACTIVITY & PORTION QUALIFYING FOR INCENTIVE CREDIT

FIGURE 12

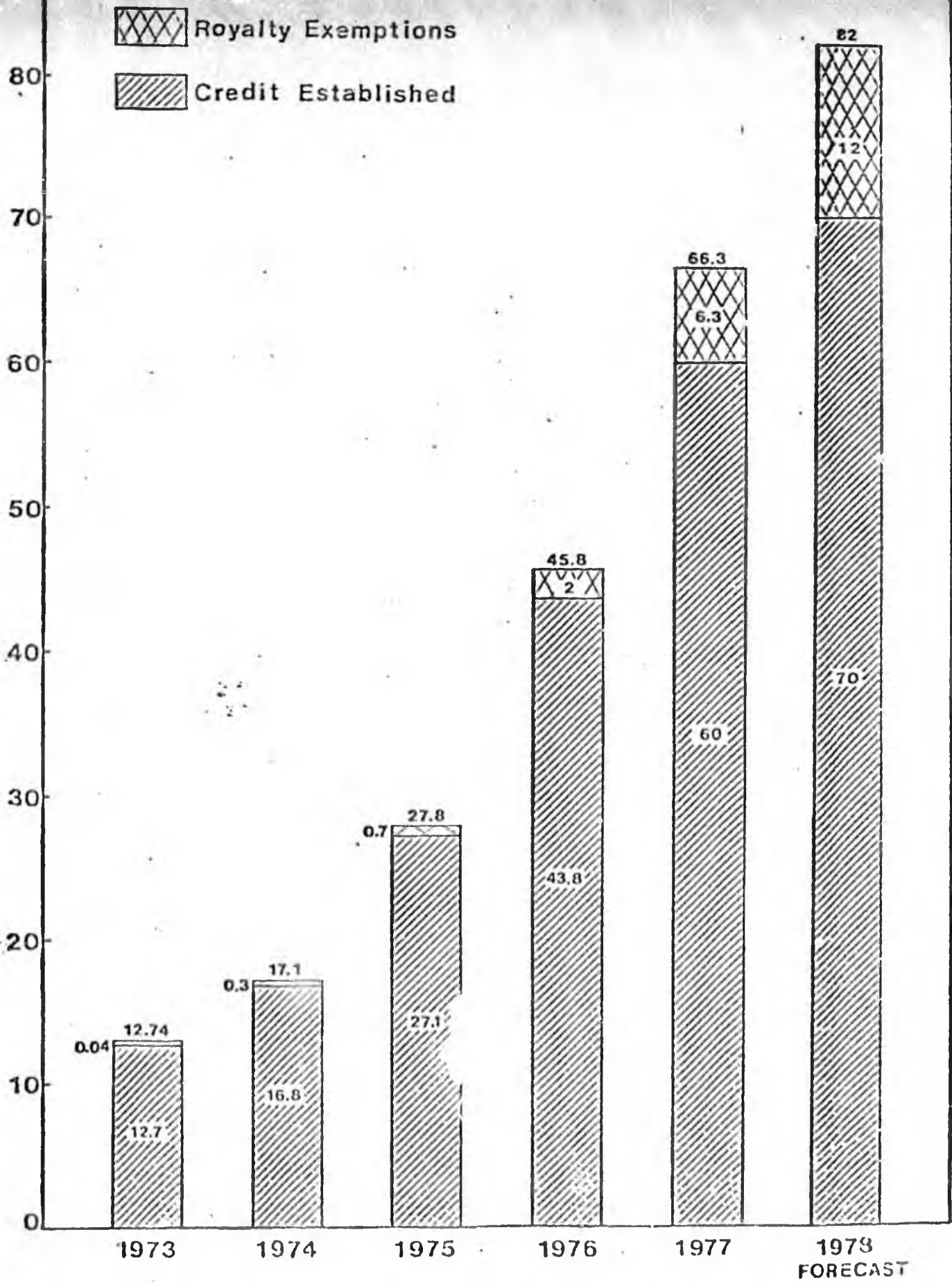
82% over the 1976 figure of 15,400 miles. Of this total, 16,105 miles was in the Yellow-Plains Area, 7,994 miles was in the Green Area and 3,921 miles was in the Foothills Area. These figures show an increase in activity in the Yellow-Plains Area, a decrease in the Foothills Area and unchanged activity in the Green Area.

FIGURE 12

This figure shows the crew activity from 1973 to 1978. In 1977 there were 541 crew months of activity, compared with 193 crew months in 1975 the first year the incentive program was in operation. The forecast is that the number of crew months will continue to increase.

In 1976 and 1977, 90% of the programs conducted in the province were certified under the Geophysical Incentive Program Regulations compared with 75% in 1975. The amendments effective April 1, 1978 are expected to reduce the number of programs submitted to the Department for credit. It is estimated that 55% of the programs shot in Alberta will receive incentive credits.

MILLIONS OF DOLLARS



INCENTIVE COSTS ASSOCIATED WITH DRILLING ACTIVITY

FIGURE 13

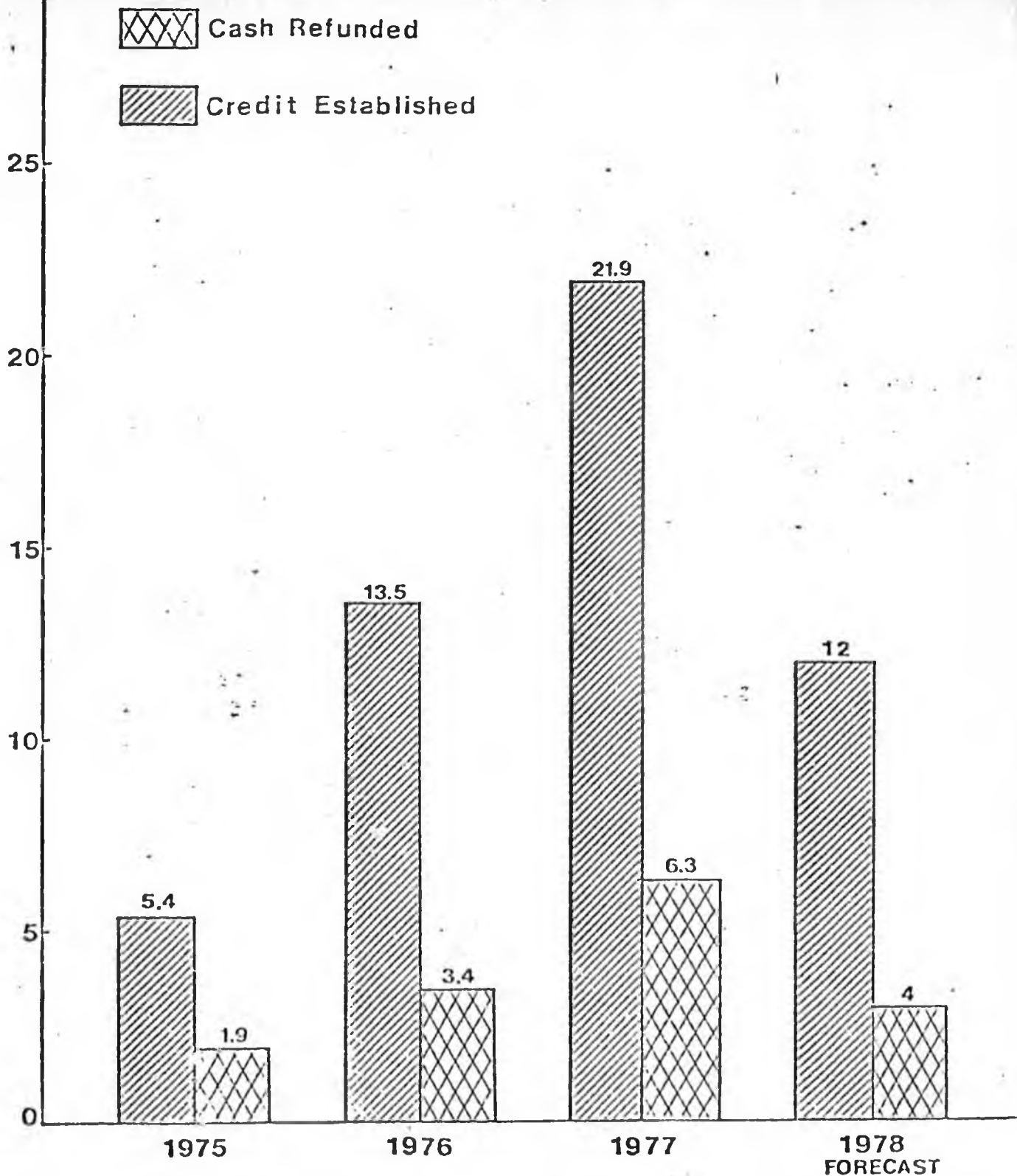
FIGURE 1

The Exploratory Drilling Incentive System and the Geophysical Incentive Program were initially devised to reduce the burden placed on industry when the Natural Resource Revenue Plan was initiated. The incentive programs were meant to reduce the increased royalties owed on Crown oil and gas mineral rights by financing a portion of the exploration costs. These incentive costs have escalated considerably in the years since the inception of the programs from a few million dollars to tens of millions of dollars per year.

The total costs to the Alberta Government for credit, royalty exemptions, cash refunds and administration of the programs amounted to over \$90 million in 1977.

The cost for the Exploratory Drilling Incentive System in 1977 was 66.3 million dollars. This figure shows an increase over the 1973 costs of 12.7 million dollars. The credit established in 1978 is forecast to be \$82 million. During the same period royalty exemptions have increased from \$0.04 million to \$6.3 million. It is forecast that royalty exemptions will reach \$12 million in 1978.

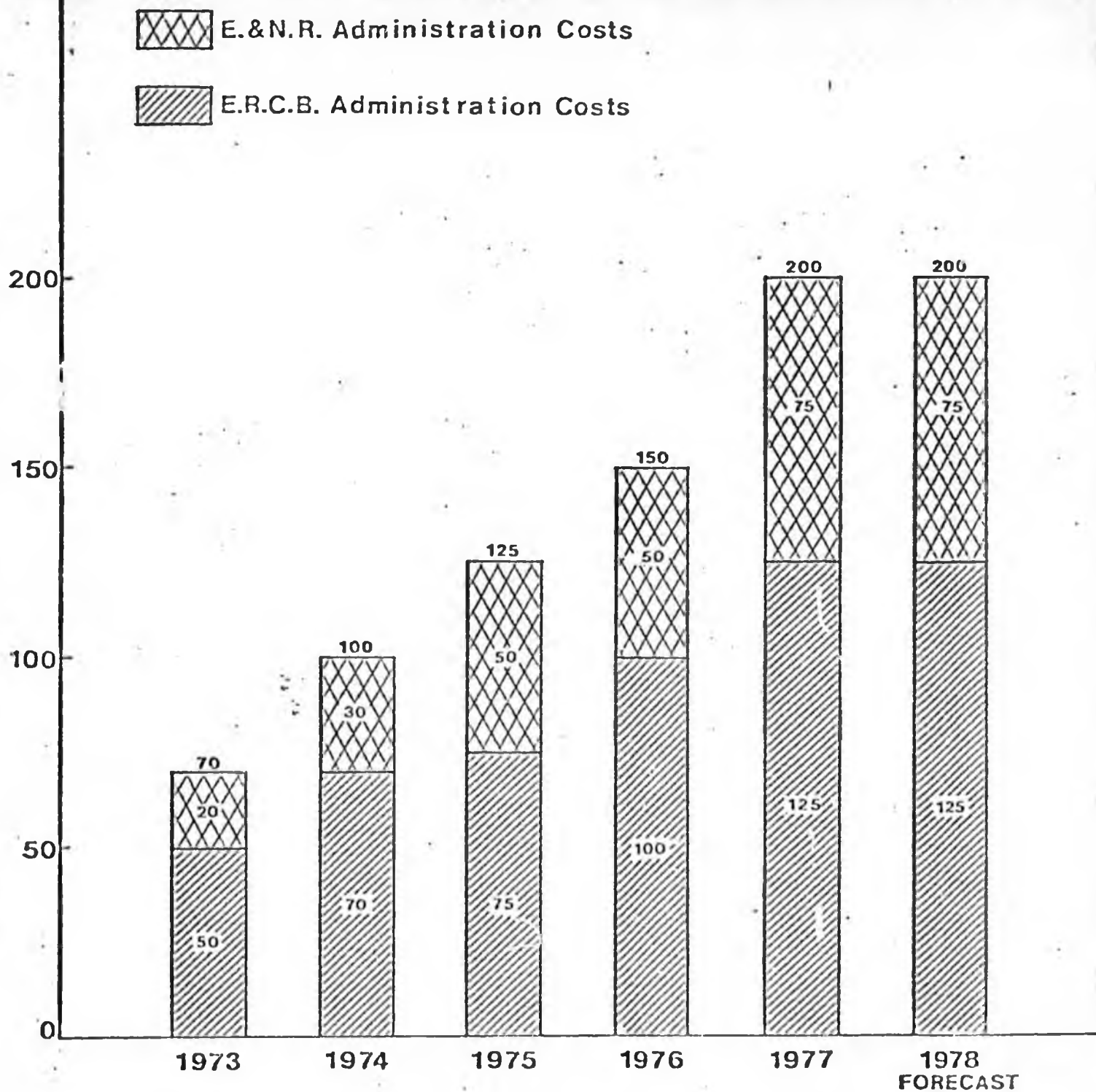
MILLIONS OF DOLLARS



INCENTIVE COST ASSOCIATED WITH SEISMIC ACTIVITY AND CASH REFUNDED

FIGURE 14

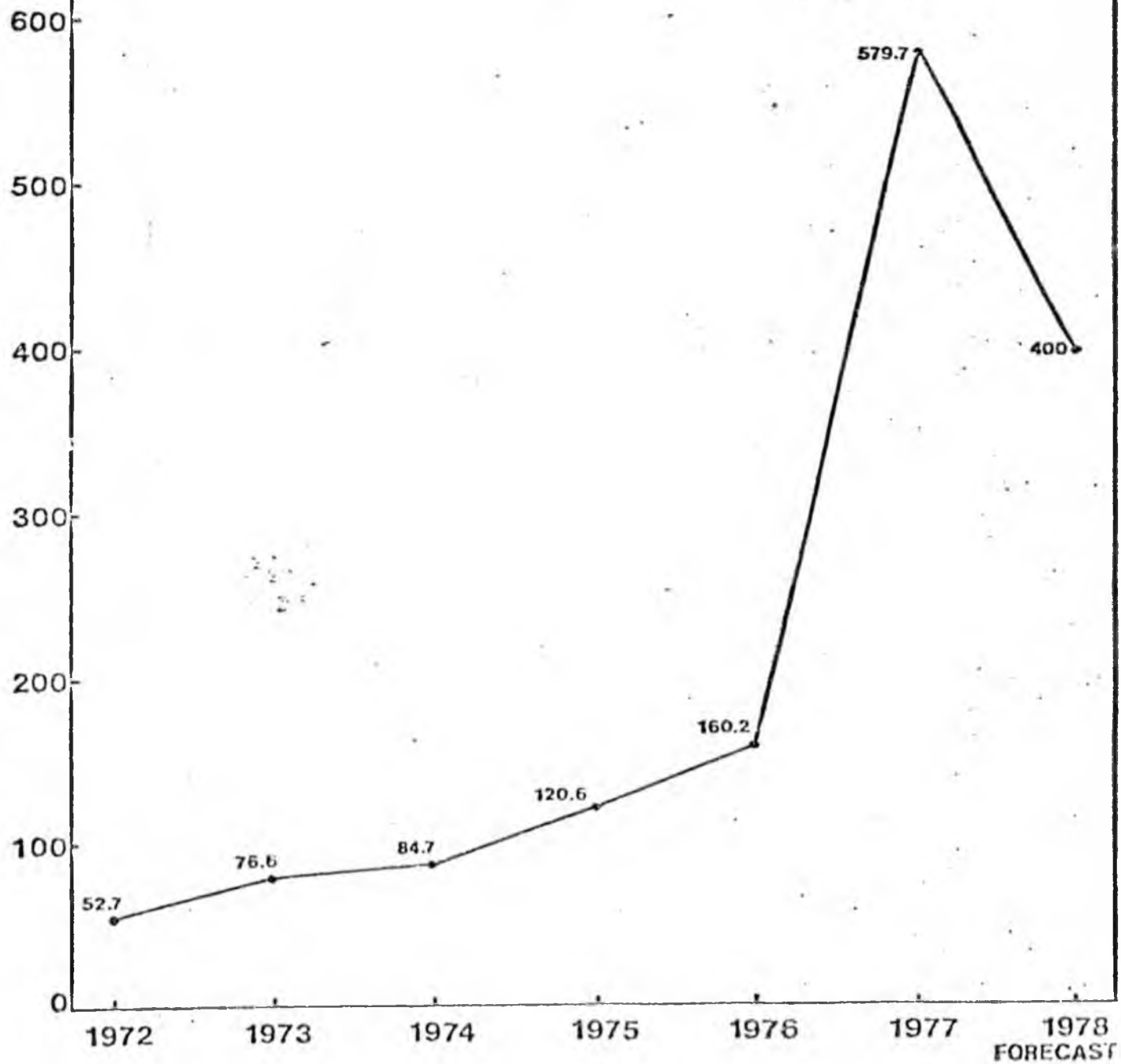
THOUSANDS OF DOLLARS



GOVERNMENT ADMINISTRATION COSTS ASSOCIATED WITH THE DRILLING AND GEOPHYSICAL INCENTIVE PROGRAMS

FIGURE 15

SALES (MILLIONS OF DOLLARS)



SALES OF CROWN OIL AND GAS MINERAL RIGHTS

FIGURE 16

Energy & Natural
Resources, June 1978

FIGURE 14

\$21.9 million was established as credit in 1977 for the Geophysical Incentive Program. This is an increase of more than 300% over the credit established in the first year the of the program. It is estimated that \$12 million will be established as credit in 1978.

The cash refunded has increased from \$1.9 million in 1975 to \$6.3 million in 1977. We believed that in 1978 cash refunds will total \$4 million.

FIGURE 15

In 1973, total administration costs were \$70,000 roughly \$50,000 for the ERCB and \$20,000 for the Department. In 1977, these figures had risen to about \$200,000 - \$125,000 for the ERCB and \$75,000 for the Department. It is expected that these figures will remain constant in 1978.

FIGURE 16

The revenue generated through sales of Crown oil and gas mineral rights has tripled from 1972 to 1976. During 1977 sales increased from \$160 million to \$579.7 million. The forecast for 1978 is 400 million.

We recognize three factors which may exist when exploration is supported by an incentive program.

- (a) The activity may have occurred even if it had not been supported by an incentive program.
- (b) The exploration activity was advanced to take advantage of the programs before their scheduled termination dates.
- (c) The activity may not be performed in the foreseeable future without incentive support.

The second and third considerations appear in the present situation to be applicable. The programs have been directly responsible for the discovery of large additional reserves and have encouraged high risk deep drilling in the foothills region.

Although the definite effects of the programs on exploration activity cannot be quantitatively assessed, the general trend has shown a considerable increase in exploration activity since inception of the programs.

THE PRECEDING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

Wednesday, May 25, 1977, statement by Alaska Department of Fish and Game concerning:

Orca Inlet-Controller Bay
Critical Habitat Nomination
(Senate Bill No. 181)

The Alaska Department of Fish and Game strongly supports this bill. This area is probably the major shore bird/waterfowl migration/staging area in Alaska and possibly in North America. It encompasses tidelands and adjacent lowlands south and east of Cordova and of Hawkins Island, and also in the Copper River Delta and Controller Bay areas east and west of Katala.

Importance: During the spring migration period in excess of 20-million shore-birds (plovers, sandpipers, snipe, etc.) and an additional one-million waterfowl (ducks plus geese) utilize the food and water resources on these tidelands while waiting for the northern breeding grounds to open. This tremendous number of birds includes over 180 individual species. This resting period is extremely important to the migrating birds in permitting them to regain some of the fat reserves expended during the northward flight.

During the fall migration, depending on environmental factors, 10-20 million shore-birds, about one-million ducks and geese, and thousands of Sandhill cranes stop again at these tidelands, resting and feeding while preparing for the migration to their wintering grounds. These are located principally within the Pacific flyway, but also extend

throughout the United States, Mexico, South America, Australia, New Zealand, and the Hawaiian Islands.

In addition to this extensive use by migrating birds, some 50-100,000 shore-birds and waterfowl, hundreds of thousands of sea-birds, hundreds of bald eagles, and many other birds utilize the area throughout this spring-fall period. In total, 219 species have been recorded in the region: 72 occur in the tens of thousands, 10 in the millions.

National Significance: This habitat is one of the most important shore-bird migration/staging areas in North America. It also provides the nesting, molting, and feeding habitat for the largest known concentration of Trumpeter Swans in North America, nearly the entire world's population of Dusky Canada Geese, and large numbers of bald eagles.

Rationale for this Critical Habitat Designation: The preceding discussion outlines well the extensive use of this region as a breeding, resting, and staging area by countless numbers of various species of waterbirds and shorebirds. Many of these (e.g. the ducks and geese, et al.) provide exceptional recreational opportunity for both consumptive (hunters) and non-consumptive (bird watchers) users. More importantly, however, it is a key area for the migration of a major portion of Alaska's waterbird populations by providing a valuable rest stop for the "energy refueling" necessary to sustain long migrational flights. The major responsibility of the Alaska Department of Fish and Game is to manage and sustain Alaska's fish and wildlife resources for the enjoyment and use of all Alaskans, and in fact of all Americans. A "critical habitat" designation for this area will demonstrate the State's concern for such resources and will help control unrestrictive use that could be detrimental to these vast bird populations. The designation is not prohibitive of other uses, but does direct attention and consideration to all resources and does help provide for rational "development" planning by the State.

Public Support: The designation of this area as a "critical habitat" has received strong support from the Alaska Waterfowl Association, the Alaska Conservation Society, conservationists generally, and numerous members of the public at large, especially waterfowl hunters and bird watchers. A public hearing was held by the Alaska Department of Fish and Game in Cordova on February 26, 1976, and there was general strong support. Recommendations from that meeting resulted in the deletion of certain areas proposed and the addition of others.

Possible Problems: The Department of Natural Resources has indicated that there is low hydrocarbon potential in the Orca Inlet portion of the area, but better potential elsewhere in the area for both oil and gas. That kind of development could be detrimental, but need not if properly planned. There is nothing in the current statutes that prohibits mining or oil and gas development or other development from occurring within designated "critical habitats".

Permitting Requirements: As indicated on the following page, Alaska Statute 16.20.260 requires that any person or organization contemplating "use" or "construction work" on a "critical habitat" obtain the written approval of the Commissioner of the Alaska Department of Fish and Game.

Statute Authority: Pertinent language of the Alaska Statutes, Title 16, Article 5, are restated here for your information.

Article 5. Fish and Game Critical Habitat Areas

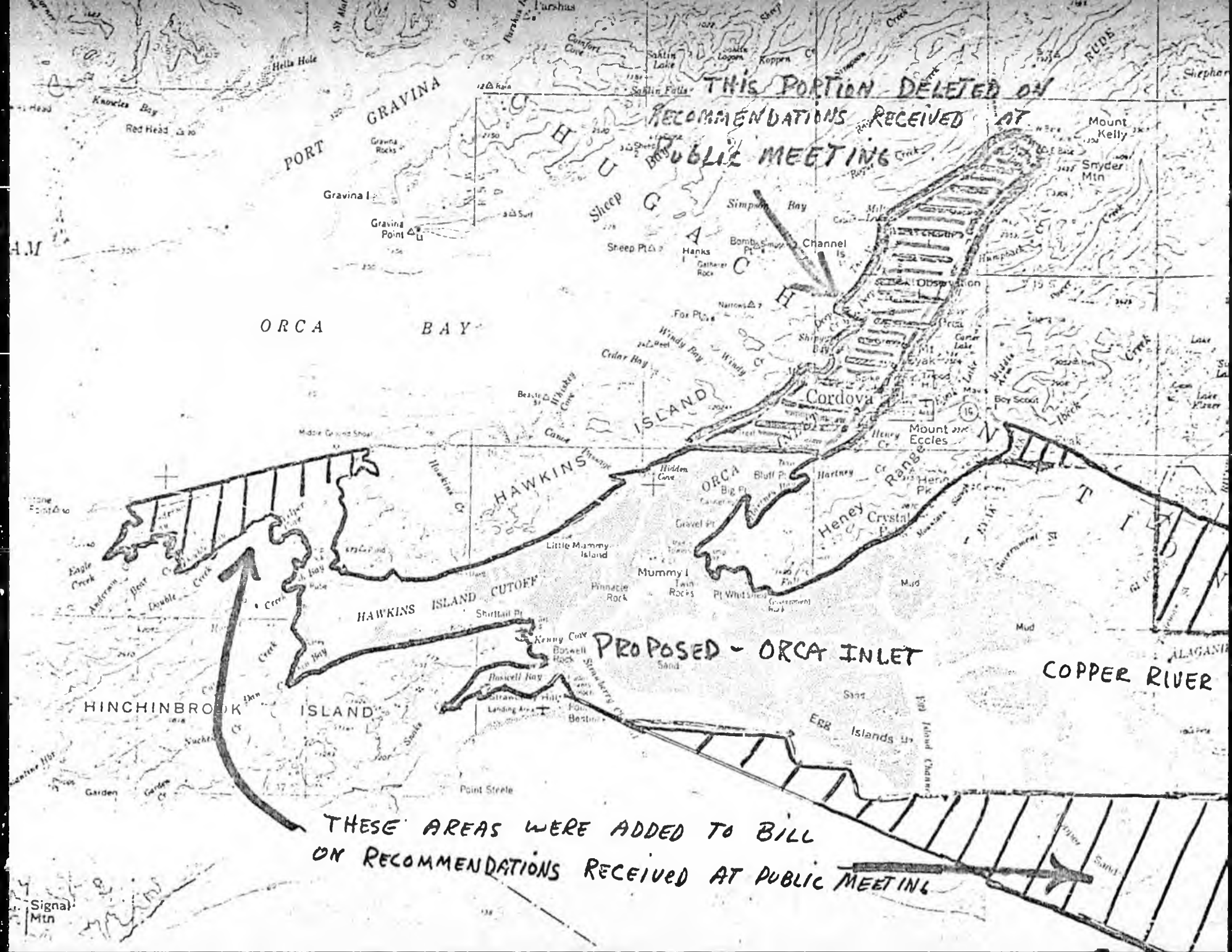
Sec. 16.20.220. Purpose. The purpose of §§ 220-270 of this chapter is to protect and preserve habitat areas especially crucial to the perpetuation of fish and wildlife, and to restrict all other uses not compatible with that primary purpose.

Sec. 16.20.240. Regulations. The board shall promulgate regulations it considers advisable for conservation and protection purposes governing the taking of fish and game in state fish and game critical habitat areas.

Sec. 16.20.250. Multiple land use. Before the use, lease or other disposal of land under private ownership or state jurisdiction and control, within state fish and game critical habitat areas created under this chapter, the period or responsible state department or agency shall notify the commissioner of fish and game. The commissioner shall acknowledge receipt of notice by return mail.

Sec. 16.20.260. Submission of plans and specifications. When the board so determines, it shall instruct the commissioner, in the letter of acknowledgement, to require the person or governmental agency to submit full plans for the anticipated use, full plans and specifications of proposed construction work, complete plans and specifications for the proper protection of fish and game, and the approximate date when the construction or work is to commence, and shall require the person or governmental agency to obtain the written approval of the commissioner as to the sufficiency of the plans or specifications before construction is commenced.

Sec. 16.20.270. Additional critical habitat areas. The commissioner shall submit a list of additional critical habitat areas to the legislature annually.



THIS PORTION DELETED ON
RECOMMENDATIONS RECEIVED AT
PUBLIC MEETING

PROPOSED - ORCA INLET

THESE AREAS WERE ADDED TO BILL
ON RECOMMENDATIONS RECEIVED AT PUBLIC MEETING

ORCA BAY

HAWKINS ISLAND

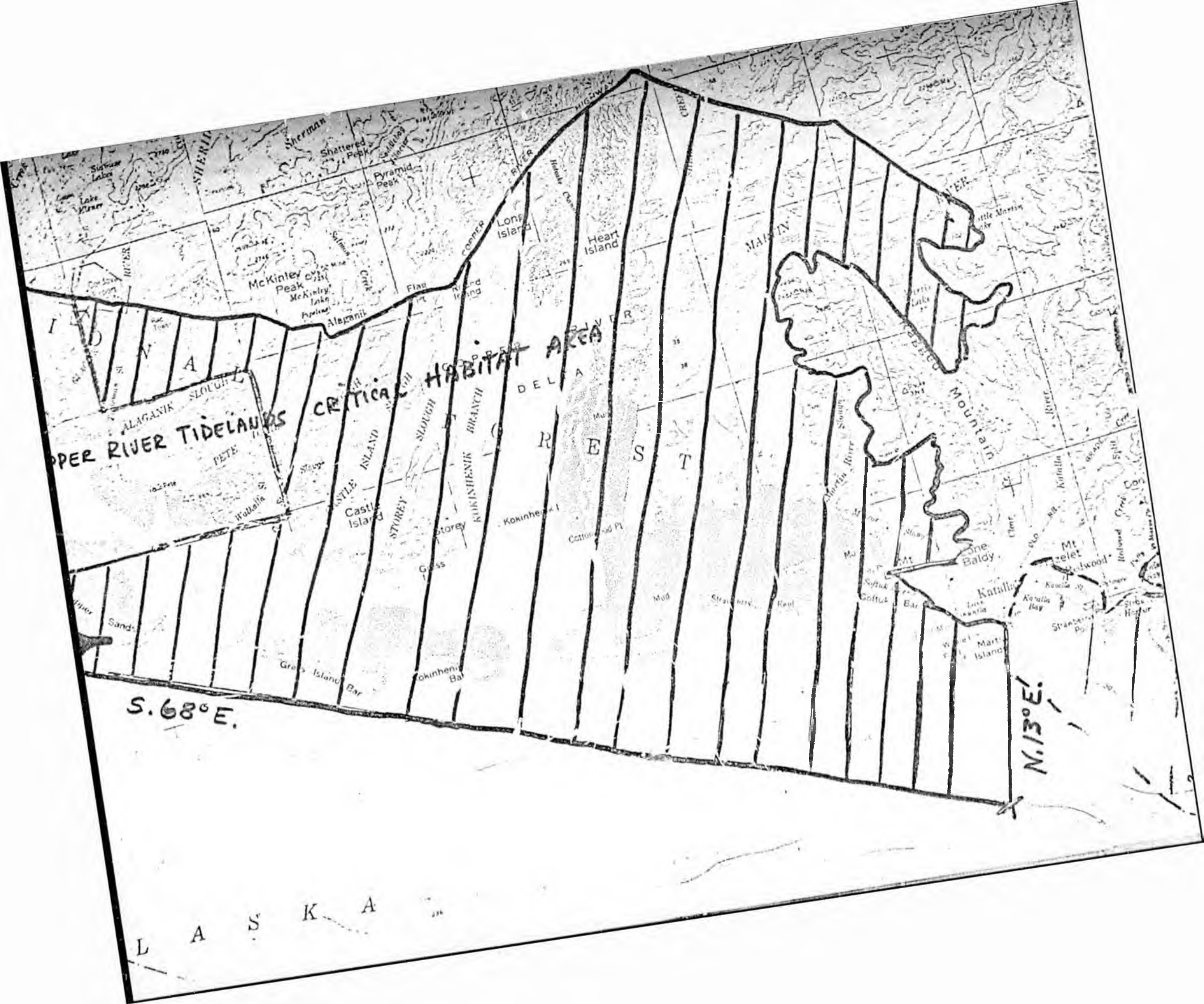
HAWKINS ISLAND CUTOFF

HINCHINBROOK ISLAND

COPPER RIVER

A.M

Signal Mtn



UPPER RIVER TIDELANDS

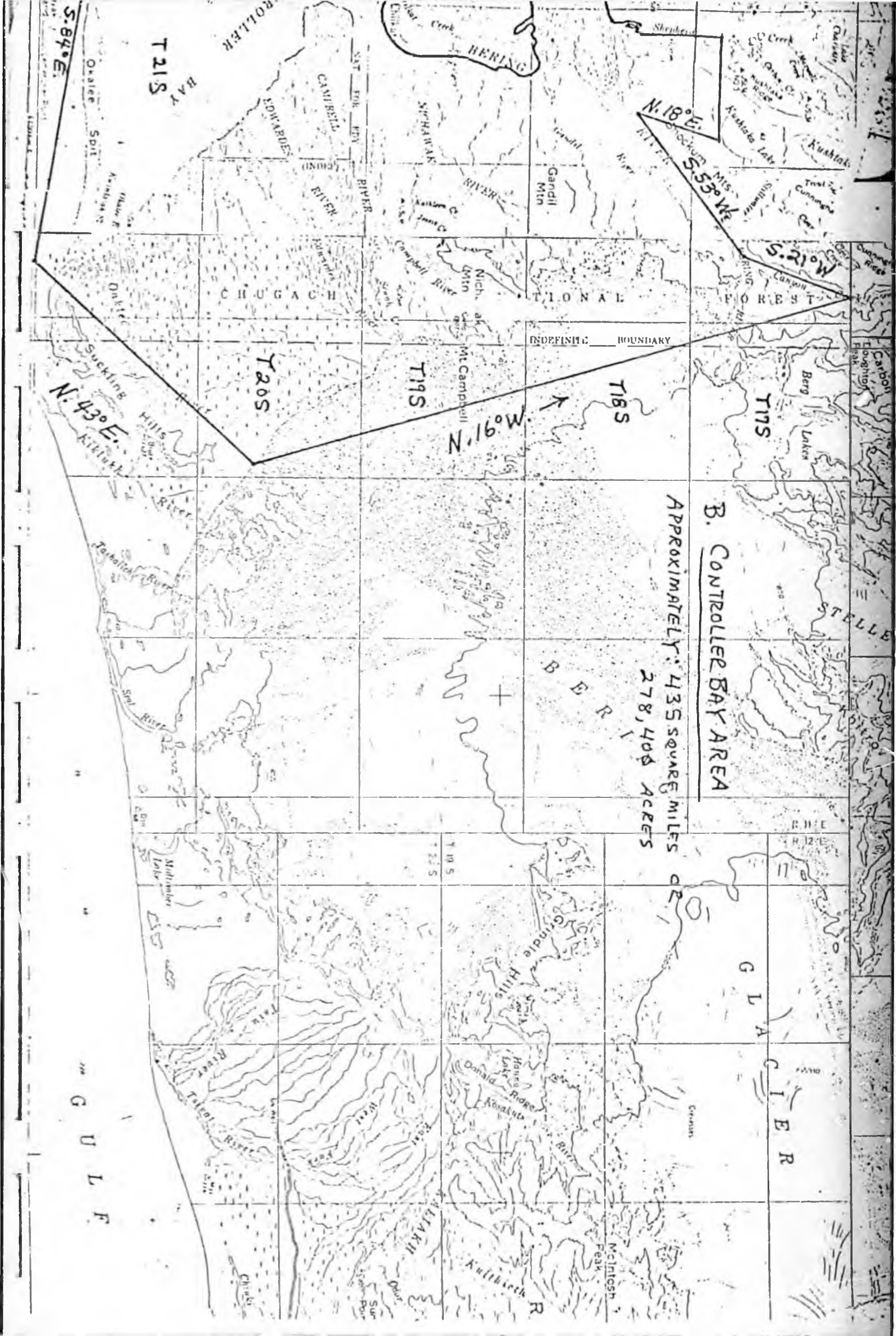
CRITICAL HABITAT AREA

DELA REST

S. 68° E.

N. 13° E.

L A S K A



B. CONTROLLED BAY AREA

APPROXIMATELY 435 SQUARE MILES OR
278,400 ACRES

T 21 S
BAY

CHUGACH

NATIONAL FOREST

INDEFINITE BOUNDARY

T 20 S

T 19 S

T 18 S

T 17 S

N. 43° E.
KILLUAK

N. 16° W.

N. 18° E.
S. 53° W.

S. 21° W.

G U L F

G L A C I E R

BERING

B E R I N G

R

OKAISEE SPIT

ASUKING RIVER

CHUGACH RIVER

SUCKLING RIVER

TALIST RIVER

TALEST RIVER

CHUGACH RIVER

CHUGACH RIVER

CHUGACH RIVER

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S. 84° E.

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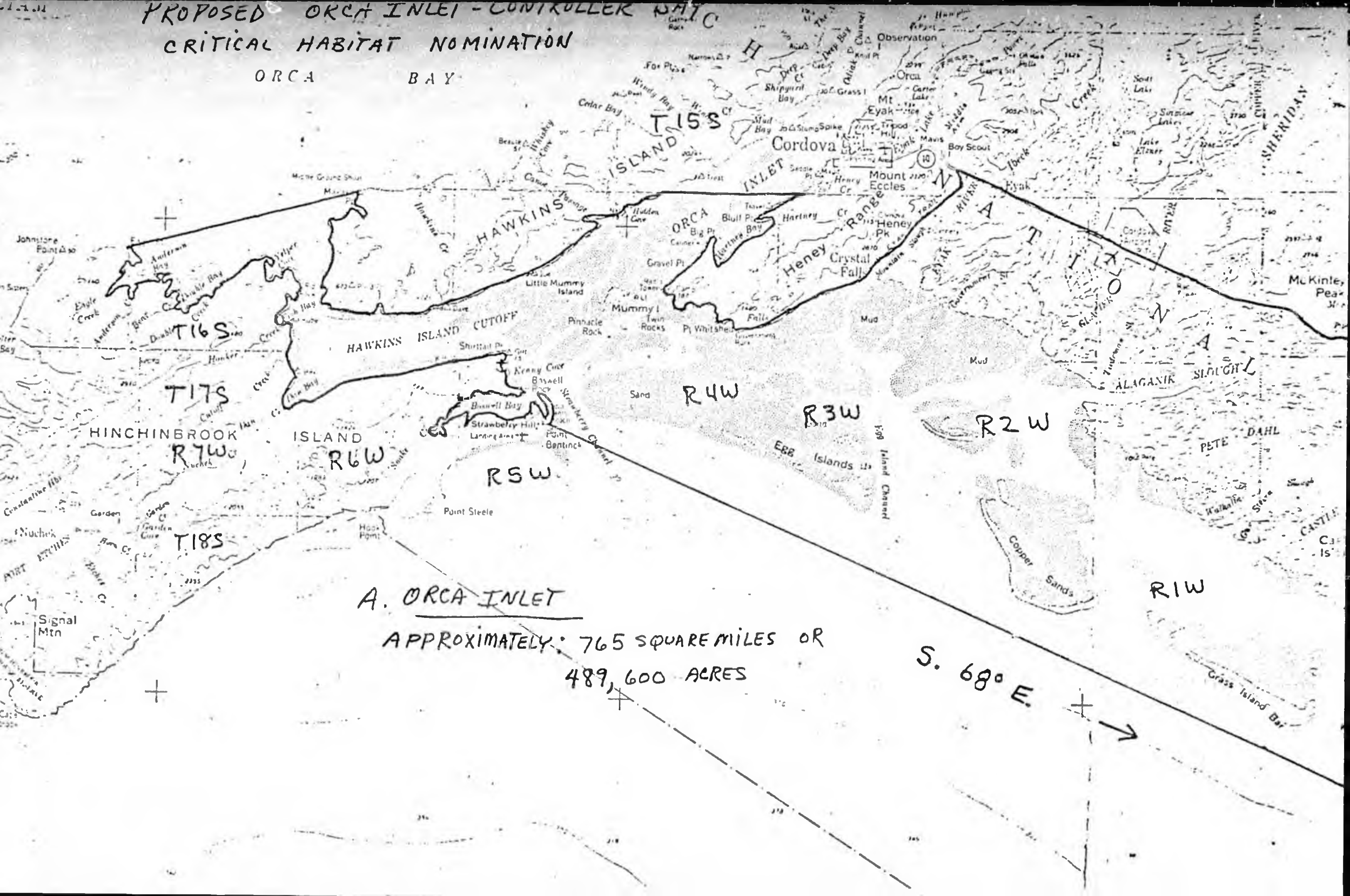
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PROPOSED ORCA INLET - CONTROLLER SHIP
CRITICAL HABITAT NOMINATION

ORCA BAY



A. ORCA INLET

APPROXIMATELY: 765 SQUARE MILES OR
489,600 ACRES

S. 68° E. →

SB

1966

COMMITTEE REPORT

SENATE

March 1, 1977

4/11/77 Date

Mr. President:

The Committee on Resources has had SB 196
(regulation of shellfish pots)
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 SB 196 and that
CS for SB 196 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:

[Handwritten Signature] _____
[Handwritten Signature] _____
[Handwritten Signature] _____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____
_____ recommends: _____
_____ recommends: _____

[Handwritten Signature]
Chairman

AMENDMENT

OFFERED IN THE HOUSE:

BY: Terry Gardiner

To: _____ HOUSE BILL No. HB 444

SENATE BILL No. _____

PAGE: _____

LINE: _____

Page 1, Line 10

Insert "(a)" before the word "Reports"

Page 1, Line 29

Add a subsection "(b)" as follows:

(b) Information under ^{Sec 4} ~~this section~~ may be released to qualified applicants defined in section (a) for valid statistical or other information-gathering purposes if

(1) any information which would identify the person to whom the record pertains is deleted; and

(2) disclosure is made in a manner which would not compromise or defeat the purposes of any statutory provision designed to maintain the confidentiality of certain information.

TO: R.D. Stevenson
Special Assistant
Department of Revenue

DATE : March 9, 1977

FROM: R. H. Pilcher, Manager
Juneau Field Office
Department of Revenue

SUBJECT: SB 196 Regulation of Shellfish Pots

Passage of SB 196 will require positive identification of shellfish pots (and buoys) by means of individually numbered registration tags designating year of issuance which are to be issued with each license and permanently affixed to each pot.

It is believed the tag would have to be of a composition that would withstand rough handling and exposure to the elements, including long periods of submersion in salt water. The information required on the tag, individually numbered designating year of issuance, will necessitate a tag at least 3/4 inch by 2 1/2 inches in size, if not larger. A reliable manufacturer estimates that such a tag could be produced in .032 gauge stainless steel with stamped in eight digit numbers and with drilled holes at each end, for approximately \$.20 cents each.

In 1976, 989 shellfish pot licenses were sold. Pot limits run from 40 to 900 pots that can be legally fished, but the average in 1976 was approximately 200 pots per license. Therefore, approximately 200,000 tags would have to be produced at a cost of approximately \$40,000.00. Shipping, postage and other handling charges would amount to approximately \$20,000.00. Therefore, it is believed that registration tags could be issued for a fee of \$1.00 per tag.

SB 196 requires registration tags and buoys to conform to regulations, other specifications and requirements considered appropriate by the Board of Fisheries, and be issued under procedures considered appropriate by the Department of Revenue. If these regulations, specifications, requirements and procedures result in a tag different from that proposed above, the fee per tag may have to be adjusted.

There is no effective date on the bill. An effective date of January 1, 1978 is required to allow time to design, order, manufacture and ship the tags.

ANALYSIS OF MAJOR CHANGES BETWEEN SB 196 AND CSSB 196
BY JOHN FARLEIGH, ADMINISTRATIVE ASSISTANT, SENATE RESOURCES

SB 196

CSSB 196

- | | |
|--|--|
| (a) Requires tags for <u>all</u> shellfish pots. | (a) Requires tags only for king crab pots in areas with pot limits. |
| (b) Tags are issued by Dept. of Revenue with each shellfish pot license. | (b) Tags are issued by Dept. of Fish & Game at the time the fisherman notifies the Dept. of his intent to fish in an area with a pot limit. (He must notify the Dept. by August 1) |
| (c) Requires the tags to be attached directly to the pot (the pot would have to be pulled to be checked for the proper tag). | (c) Requires the tags to be attached to the pot <u>and/or</u> buoy at the Board of Fisheries' discretion. |
| (d) Allows the Dept. of Revenue to set the fees in an appropriate manner. | (d) Requires the Dept. of Fish & Game to charge the fisherman for the cost of the tags including reasonable administrative costs. |
| (e) Requires <u>all</u> shellfish pots to be connected to a "sea lion" buoy. | (e) Requires only king crab pots to be connected to a "sea lion" buoy (license revocation clause does not apply to this requirement). |

In addition to these changes CSSB 196 also includes:

- (f) A provision to make tags nontransferable unless the gear license is transferred under emergency provisions. (A.S. 16.05.670)
- (g) A prohibition against unauthorized sale, reproduction, exchange, or use of tags.
- (h) A definition of "registration tags" that allows the Board of Fisheries to require any device or method determined to be appropriate.
- (i) A requirement that the court, in addition to any other penalty imposed by law, revoke the shellfish pot license of a person convicted of fraud or misuse of registration tags for a period of one to five years.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 196
Title An Act relating to the Regulation of Shellfish Pots
Requested by Poland Date 3/1/77

II. FISCAL DETAIL

Agency Affected Department of Revenue
Program Category Affected Natural Resources Management & Environmental Conservation
Budget Request Unit(s) Affected Fish & Game Licensing

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		90.8	90.8	90.8	90.8	90.8
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND		60.8	60.8	60.8	60.8	60.8
FEDERAL FUNDS						
OTHER (Specify)						
Program Receipts		30.0	30.0	30.0	30.0	30.0

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

SEE ATTACHED MEMORANDUM

300 CONTRACTUAL

200,000 Shellfish Registration Tags	\$ 40,000
Postage, shipping & handling	20,000
2,000 Four-part forms for control of issuance	750
15% Vendor fees	30,000

IV. DATE 3/9/77 PREPARED BY R. H. Pilcher
AGENCY Department of Revenue
PHONE 586-1870
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

MEMORANDUM

TO: R.D. Stevenson
Special Assistant
Department of Revenue

DATE : March 9, 1977

FROM: R. H. Pilcher, Manager
Juneau Field Office
Department of Revenue

SUBJECT: SB 196 Regulation of Shellfish Pots

Passage of SB 196 will require positive identification of shellfish pots (and buoys) by means of individually numbered registration tags designating year of issuance which are to be issued with each license and permanently affixed to each pot.

It is believed the tag would have to be of a composition that would withstand rough handling and exposure to the elements, including long periods of submersion in salt water. The information required on the tag, Individually numbered designating year of issuance, will necessitate a tag at least 3/4 inch by 2 1/2 inches in size, if not larger. A reliable manufacturer estimates that such a tag could be produced in .032 gauge stainless steel with stamped in eight digit numbers and with drilled holes at each end, for approximately \$.20 ecnts each.

In 1976, 989 shellfish pot licenses were sold. Pot limits run from 40 to 900 pots that can be legally fished, but the average in 1976 was approximately 200 pots per license. Therefore, approximately 200,000 tags would have to be produced at a cost of approximately \$40,000.00. Shipping, postage and other handling charges would amount to approximately \$20,000.00. Therefore, it is believed that registration tags could be issued for a fee of \$1.00 per tag.

SB 196 requires registration tags and buoys to conform to regulations, other specifications and requirements considered appropriate by the Board of Fisheries, and be issued under procedures considered appropriate by the Department of Revenue. If these regulations, specifications, requirements and procedures result in a tag different from that proposed above, the fee per tag may have to be adjusted.

There is no effective date on the bill. An effective date of January 1, 1978 is required to allow time to design, order, manufacture and ship the tags.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for SENATE BILL 196
 Title Regulation of Shellfish Pots & Buoys Used In Taking King Crab
 Requested by POLAND Date 4/13/77

II. FISCAL DETAIL

Agency Affected Department of Fish and Game
 Program Category Affected NRMEC
 Budget Request Unit(s) Affected Commercial Fisheries

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	0	12.7	12.7	12.7	12.7	12.7
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	7.3	7.3	7.3	7.3	7.3
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	20.0	20.0	20.0	20.0	20.0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	20.0	20.0	20.0	20.0	20.0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER (Specify)	0	0	0	0	0	0

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME	0	0	0	0	0	0
TEMPORARY	0	12.7	12.7	12.7	12.7	12.7

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

See attached.

GENERAL FUNDS TO BE OFFSET BY PROGRAM RECEIPTS.

IV. DATE 4/19/77

PREPARED BY Robin Glauthier
 AGENCY Commercial Fisheries
 PHONE 465-4210

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



Alaska State Legislature
House

HOUSE RESOURCES COMMITTEE

Alvin Osterback, Chairman

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

M E M O R A N D U M

19 April 1977

RE: HB 444 Confidentiality of Fishery Reports

TO: House Resources Committee Members

Please note the attached Committee Substitute. Perhaps this will clear up some of the problems that the Committee had with the bill.

DRAFT RESOLUTION

The Board recognizes the socio-economic advantages of pot limits in certain areas and urges the Protection Division to enforce it to the best of its abilities.

Furthermore, Mr. Harder's proposal may be applicable on some king crab fisheries of the state while in other major production areas new refinements may be necessary to implement it on a reasonable cost-benefit ~~ratio~~ *basis*.

The Alaska Board of Fisheries urges the legislature to explore the possibilities of funding a comprehensive program that would incorporate a realistic and enforceable approach to this pot limit problem.

Here it is Ray
Dee

Sec. 16.05.815. CONFIDENTIAL NATURE OF CERTAIN RECORDS.

(a) Reports required by regulations of the department concerning the landing of fish, shellfish, or fishery products, and annual statistical reports of buyers and processors required by regulations of the department, insofar as they are in the form of individual records, are confidential. They may be released to the Department of Revenue, the Division of Fish and Wildlife Protection, and the Commercial Fisheries Entry Commission to assist them in carrying out their statutory responsibilities. However, the commissioner may not release a report if he determines that to do so would abuse the intent of this section, and he may limit or condition any release to insure that proper confidentiality is maintained. Confidential reports held by the department, or received from the department by the agencies or organizations mentioned in this section, may not be communicated or distributed in the form of individual records to any other agency, organization, or individual unless required by a court order.

(b) Reports under section (a) may be released to the North Pacific Fisheries Management Council, the University of Alaska, and the Department of Commerce & Economic Development for valid statistical or other information-gathering purposes if

- (1) any information which would identify the person to whom the record pertains is deleted; and
- (2) disclosure is made in a manner which would not compromise or defeat the purposes of any statutory provision designed to maintain the confidentiality of certain information.

TO: R.D. Stevenson
Special Assistant
Department of Revenue

DATE : March 9, 1977

FROM: R. H. Pilcher, Manager
Juneau Field Office
Department of Revenue

SUBJECT: SB 196 Regulation of Shellfish Pots

Passage of SB 196 will require positive identification of shellfish pots (and buoys) by means of individually numbered registration tags designating year of issuance which are to be issued with each license and permanently affixed to each pot.

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In 1976, 989 shellfish pot licenses were sold. Pot limits run from 40 to 900 pots that can be legally fished, but the average in 1976 was approximately 200 pots per license. Therefore, approximately 200,000 tags would have to be produced at a cost of approximately \$40,000.00. Shipping, postage and other handling charges would amount to approximately \$20,000.00. Therefore, it is believed that registration tags could be issued for a fee of \$1.00 per tag.

SB 196 requires registration tags and buoys to conform to regulations, other specifications and requirements considered appropriate by the Board of Fisheries, and be issued under procedures considered appropriate by the Department of Revenue. If these regulations, specifications, requirements and procedures result in a tag different from that proposed above, the fee per tag may have to be adjusted.

There is no effective date on the bill. An effective date of January 1, 1978 is required to allow time to design, order, manufacture and ship the tags.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 196
Title An Act relating to the Regulation of Shellfish Pots
Requested by Poland Date 3/1/77

II. FISCAL DETAIL

Agency Affected Department of Revenue
Program Category Affected Natural Resources Management & Environmental Conservation
Budget Request Unit(s) Affected Fish & Game Licensing

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		90.8	90.8	90.8	90.8	90.8
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND		60.8	60.8	60.8	60.8	60.8
FEDERAL FUNDS						
OTHER (Specify)						
Program Receipts		30.0	30.0	30.0	30.0	30.0

POSITIONS

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

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

SEE ATTACHED MEMORANDUM

300 CONTRACTUAL

200,000 Shellfish Registration Tags	\$ 40,000
Postage, shipping & handling	20,000
2,000 Four-part forms for control of issuance	750
15% Vendor fees	30,000

IV. DATE 3/9/77 PREPARED BY R. H. Pilcher
AGENCY Department of Revenue
PHONE 586-1870
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

DRAFT RESOLUTION

The Board recognizes the socio-economic advantages of pot limits in certain areas and urges the Protection Division to enforce it to the best of its abilities.

Furthermore, Mr. Harder's proposal may be applicable on some king crab fisheries of the state while in other major production areas new refinements may be necessary to implement it on a reasonable cost-benefit-ratio. *basis*

The Alaska Board of Fisheries urges the legislature to explore the possibilities of funding a comprehensive program that would incorporate a realistic and enforceable approach to this pot limit problem.

My name is Ole Harder, I'm a crab fisherman from Kodiak. I started fishing in Kodiak in 1948, and except for a few years I've fished there ever since. I'd like to express myself on the King Crab pot limit to the Resources Committee and the House and Senate. I'd like to start out with a little background on the pot limit. We started with 30 pots in Kodiak, then went to 60 pots, and then to 75. Kodiak fishermen signed a petition to bring it back to 60 a number of years ago, and everyone signed it with the exception of a few boats. Somehow the petition was lost at the Board meeting in Seward. Since that time we have had a 75 pot limit, and up until three or four years ago we hadn't had major problems. Somewhere, and somehow the chiseling has gotten worse. I would say that guys are fishing as high as 250 pots in Kodiak now, while fishermen who abide by the limit and fish 75 pots could be penalized for \$100,000 or better in gross stock because he is living within the law. Now we have to find an answer to this problem. One of the things we can do is throw the pot limit out. If we do that let's see how that might affect Kodiak. We have a population of around ten or eleven thousand people that are totally dependent on fishing. Without fishing there would be nothing, except a little logging. I can predict what might happen without the pot limit. I understand we have a quota of around 12 or 13 million pounds of 7 inch crab this season. If a hundred boats fished with 200 pots, 50 with 150, and 50 with 75 pots. If my arithmetic is right, it would come to around 31,250 pots. If in three days we came up with a thousand pounds per pot (which, by the way, is a very reasonable catch at around 120 crab per pot in three days) we would then be talking around 31,000,000 pounds. While these figures are high, believe

you me, in not too many years you might see to throw the pot limit out. What this will do to the local economy I'm sure I don't have to tell you. Even if I cut my figures in half, or even in thirds, it would be disastrous. For instance if the Bering Sea and Dutch Harbor opens on September 15, and we open on September 1, we might be seeing the beginning of the end to the local fishermen and particularly the smaller boats. We also have to consider the resource. If fishing is better than the Department of Fish and Game anticipated, we could very well catch more than the allowable harvest which would, of course, be disastrous for the future. The pot limit is not any different in my opinion than the size of the seine or gill net in this state. If we get away with the size of the seines and gill nets and so forth, we will also see a drastic change in the gearing of the boats. Most everybody who wants to stay in business will have to buy a bigger boat in order to compete with the bigger seines and bigger gill nets and so on. Now I've heard the argument quite frequently as a matter of fact, that the National Marine Fisheries Service wants to do away with it. Well, I talked to Mr. Chingham who is on the Council and he reassured me that if the Council would implement whatever the State does and it will stick. And furthermore, I think that the new administration in Washington, D.C. is committed to put people to work, not take work away from them, which would be the case if the pot limit were thrown out. The Department of Fish and Game or the enforcement people so far have not been able to come up with a workable solution to the pot limit. My suggestion is that the State has a tape made up and put on every pot the fishermen fish. It can be a four

inch tape by the Fish and Game Department and they can be numbered from 1 to 75. They can even have reflector tape stuck on the tape that will work for radar. The reflector could also work for lights, and the tape could even be infrared. All we have to do is apply it around the center of the buoy (I think a 60 inch buoy is the biggest size to my knowledge anyone uses) and every year we can change the color code. In other words, once you use the color one year that color is out - the next year you use a different color. I also suggest that you have ten extra tags. If a fisherman loses a pot, for instance pot number 16, you then put pot number 76 on after notifying the Department of Fish and Game. A total of ten extra pots should be sufficient to cover what might be lost in one year. There might be various questions about the enforcement of this policy. The fishermen I have talked to so far all seem to think that there is a workable solution, and they will in turn testify. I feel that if I am on the grounds and I see a pot without the State tag on the pot bouys, I will consider it a lost pot and treat it as such. I also suggest that we put a permanent plastic tag with the Fish and Game number on it fastened below the pivot buoy. Thank you very much.

My name is Kenneth Moore from Homer, Alaska. I have fished lower Cook Inlet area. I've fished for 11 years, the past 7 I've fished in the king crab area. In lower Cook Inlet and Kachemak Bay, we have a problem with people fishing too many pots. It's an unenforceable problem, as near as we can see there is very little attempt has been made to enforce it, however, it is a very difficult thing to enforce. The tape that Ole just brought up is probably the only possible means that I have heard that might work to enforce it. I feel very strongly that it would work, and I think it should be considered along with considering in

however, there is also enforcement would have to take place, and I think that if enforcement would look into it, they will probably find that it could be enforced in this manner. Thank you very much.

My name is Hank Gain, I am a commercial fishermen from Seldovia. I have been fishing Kachemak Bay since 1953. We feel that removing the pot limit at this time would be disaster to the communities bordering on Kachemak Bay. As it is we have a law on the books, and to my knowledge has never been even attempted to be enforced. We have asked the department previously while the protection agency was with the department to enforce this law and they said it was unenforceable. Since the State Police have taken over the protection, we hear the same thing. We think we do have a workable plan now that can be enforced, and with the enforcement of this law, it will stop a lot of the influx of the gear coming into the Bay, which is over the pot limit. Some of the boats fishing as high as 150 pots are causing an economic hardship on the fishermen and the residents of Seldovia. Therefore, we recommend that they adopt the proposal that was submitted previously on this tape to put, in effect, taping of the bouys which we highly endorse. This tape can be made or bought in its form now that cannot be peeled off the bouy that you will destruct, whereas other tapes can possibly be removed. But this tape can be applied to these bouys and cannot be used over again. We firmly and highly endorse this method of identifying pots and with this, we feel certain that the pot limit can be enforced and preserve the fishers of the small areas and preserve the economy of the towns surrounding Kachemak and Kamishak Bay.

Members of the House and Senate Committees, I'm Bill Bledso, a fisherman from Homer, and I fish king and tanner crab in the lower Cook Inlet. I think it's a real good idea to get some kind of enforcement going on this pot limit thing. The law has been on the books for quite a long time and the many comments we get when we bring it up to people who are supposed to be enforcing it, is that they don't have any way to do it, because at the present time they have to go out and pull every pot that a fisherman has to be sure that the pot itself is fishing king crab before they can even start to make a case. In addition, there are quite a number of pots in Cook Inlet that are fishing, and people are using them are completely unmarked with even Fish and Game numbers of the boats, there are a couple of bouys tied on. If we could set up some system where the pots could be accounted for, and this tape idea that Ole presented earlier might be a real good idea. Might make the whole system a lot more enforceable and help us out a lot and help out the resource as far as conserving the crab and making the season last a little bit longer and spreading it out so the processors could handle the crab. I think it would also be necessary to enact some kind of a rule or regulation or a law that stated that any pot that had this particular tape on it was a king crab pot, and that would not make it necessary for the enforcement people to have to pull the pot and determine that it was a king crab pot. There are going to have enough trouble locating all 75 pots or more of person's string anyway to be sure that they have more than 75 pots there. So I think it would be a real good idea, all in all, to somehow enforce this provision. I talked to a fisherman the other day and he said that he didn't know of anybody fishing in Cook Inlet who had only 75 pots. So that might give you some idea of the magnitude of this problem. So I would urge you to adopt this proposal and how to get us some help there on enforcing this regulation.

Thank you.

Ruel Homberg from Sand Point. I've fished here since 1954. My organization has a proposal to the Fish and Game to abolish the pot limit for our area. However, we've considered this a long time before we finally did put the proposal in. I wasn't one of the original members, that submitted that proposal this year, however, after talking to various people about the , someway to enforce the pot limit, I would feel that may be we should consider or take another look that the pot limit before we go to far. However, I don't know what the Board's action is going to be, but I would say if the Board did abolish the pot limit for our area now, possibly when they did come up with some way of enforceing the pot limit, I could see where this could really be a great help to us because as we are looking at some other things with the tanner crab, for instance, wanting a area registration or a an exclusive area registration were we could work a pot limit into that to be in effect and would probably eliminate need for area registration then. I have been trying to get ahold of some of the people from other organizations to find out what their feeling was on what we have talked about here but I haven't been able to , so what I'm saying here, I just have to speak for myself right now. I don't have much more to say other than that after talking with Ole here, I think maybe what he has is probably about the only way that there may be some way to enforce this.

Thank you.

SB

197

COMMITTEE REPORT

SENATE

3/23/77

4/4/77

Date

Mr. President:

The Committee on RESOURCES has had SB 197
sale of subsistence-caught fish eggs
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:

John Buttrick _____

Colletta Do Pass _____

John [unclear] Do Pass _____

Thurley [unclear] _____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

John [unclear] recommends: DO NOT PASS

Thurley [unclear] recommends: NO REC

_____ recommends: _____

[Signature]
Chairman

AMENDMENT

OFFERED IN THE SENATE:

By: Senate Resources Committee

To: _____ SENATE BILL No. 197

HOUSE BILL No. _____

PAGE: 1

LINE: 10

Delete: 1979

Insert: 1978

SB

1999

COMMITTEE REPORT

SENATE

**Finance

3/1/77

4/4/77 Date

Mr. President:

The Committee on Resources has had SB 100 oil & gas leasehold interests in Yachessan Bay 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: do not pass

_____ recommends: Do not Pass

_____ recommends: _____

_____ Chairman

Cordova District Fisheries Union

Headquarters: Box 939, Cordova, Alaska



March 25, 1977

Senator Kay Poland, Chairman
Senate Resources Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Poland:

We urge you oppose SB #199. We feel the long range benefits derived from buying back the Kackemak Bay leases will far outweigh the short term benefits.

Sincerely,

Bob Blake

Bob Blake
Chairman

bb/mh

SB

220

COMMITTEE REPORT

SENATE

3/7/77

**Finance
**Community & Regional
Affairs (3/8/77)

4/6/77

Date

Mr. President:

The Committee on RESOURCES has had SB 220
management of coastal resources of the state
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:

<u>William</u>	<u>No Pass</u>	_____
<u>Richard</u>	<u>No Pass</u>	_____
<u>John</u>	<u>REC</u>	_____
<u>Tom</u>	<u>-</u>	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

<u>Collette</u>	recommends:	<u>No Pass</u>
<u>John</u>	recommends:	<u>No Pass</u>
_____	recommends:	_____

W. P. ...
Chairman

AMENDMENT 41

OFFERED IN THE SENATE:

By: Resources Committee

To: _____ SENATE BILL No. 220

HOUSE BILL No. _____

PAGE: 2

LINE: 23

Sec. 44.29.391. ALASKA COASTAL POLICY COUNCIL

After (1) substitute new language as follows:

Delete line 28 + substitute

Eight public members appointed by the Governor from a list
comprised of at least three names from each region, nominated
by the municipalities of each region. The nominees shall

AMENDMENT #2

OFFERED IN THE SENATE:

By: Resources Committee

To: _____ SENATE BILL No. 220

HOUSE BILL No. _____

PAGE: 24

LINE: 22

between AS 46.35 and State Agencies, insert the following

Such technical assistance shall include the direct granting to the coastal resource districts a portion of any funds received by the state from the federal coastal zone management program, its amounts to be individually determined for each coastal resource district by the Commissioner.

A M E N D M E N T #1

OFFERED IN THE SENATE:

By: Resources Committee

To: _____ SENATE BILL No. 220

HOUSE BILL No. _____

PAGE: 2

LINE: 28

Sec. 44.19.891. ALASKA COASTAL POLICY COUNCIL.

After (1) substitute new language as follows:

Eight public members appointed by the Governor from a list
comprised of ^{at least} three names from each region, nominated by the
municipalities of each region. The nominees shall



Alaska State Legislature

TO: ALL MEMBERS

FROM: SENATOR KAY POLAND

MAY 10, 1977

JUNEAU ALASKA

HB 342 IS A COASTAL MANAGEMENT BILL AND LANDMARK LEGISLATION OF LONG-TERM EFFECT ON LAND PLANNING AND MANAGEMENT.

THE MEASURE IS THE PRODUCT OF A JOINT ADMINISTRATIVE AND LEGISLATIVE COMMITTEE STATUTORILY CREATED DURING THE 1976 SESSION. MEMBERS OF THE COMMITTEE WERE SENATOR POLAND, SENATOR TILLION, AND REPRESENTATIVES NELS ANDERSON AND SAM COTTON. ADMINISTRATION MEMBERS WERE COMMISSIONERS LEE MCANERNEY AND DON HARRIS, AND DPDP DIRECTOR BOB LERESCH. THE COMMITTEE WAS FORMED AFTER THE FIRM REJECTION OF AN ADMINISTRATION BILL INTRODUCED DURING THE 1975 SESSION, AND WHICH HAD BEEN BRANDED AS JUST ANOTHER ONEROUS LAYER OF GOVERNMENT.

THE PRESENT JOINT EFFORT BILL IS ONE THAT BEGINS THE PLANNING PROCESS AT THE CITIZEN LEVEL RATHER THAN AT THE CAPITAL LEVEL. THE BILL DOES NOT PERMIT THE PROMULGATION OF ANY ADDITIONAL REGULATIONS, BUT FOR THE COOPERATIVE FORMULATION OF A MANAGEMENT PLAN THAT MUST BE SUBMITTED FOR AFFIRMATIVE LEGISLATIVE APPROVAL BEFORE ANY PORTION CAN BE ADOPTED. ADDITIONALLY, THE MEASURE CALLS FOR THE CONFORMANCE OF ALL EXISTING DEPARTMENTAL REGULATION TO THE COASTAL MANAGEMENT ACT, AND FOR REVIEW FOR ANNULLMENT OF ANY REGULATION NOT NEEDED FOR THE IMPLEMENTATION OF THE MANAGEMENT PLAN.



Alaska Conservation Society

Incorporated in 1960

P.O. Box 80192

College Branch, Fairbanks, Alaska 99708

COASTAL ZONE MANAGEMENT - HB 342 & SB 220
Joint Senate/House Resource Committees
Mar. 30, 1977 C.R. & A.

The Alaska Conservation Society once again would like to reiterate its strong support for the concept of coastal management for Alaska.

The Alaskan coastline stretches for some 34,000 miles. It encompasses more than a third of our nation's shores and includes an array of ecosystems from the arctic ice pack to ell-grass estuaries. It serves many peoples needs - fishing grounds, logging areas, oil and gas pipeline corridors, wildlife habitat, transportation and soon, energy production facilities. The place where the land meets the sea is an indispensable resource in the most literal sense of the word. But, it goes even beyond that in intangible values, those of renewal of the human spirit and ecological integrity. To mesh all these factors is a challenge we are far from meeting.

There are many dilemmas now facing Alaska's coastal areas. We are grappling with many of them, such as OCS oil and gas development, but few easy solutions can be expected. Coastal management is a concept of a process - a system that is often put forth as the states best bet, the most promising means for solution. Coastal management is not necessarily a protective device despite the fact that the national program was inspired by conservation concerns. It is naive to assume that coastal management will be a smooth process that will vacuum up all the problems on Alaska's shores and spew them back neatly solved.

Coastal management is merely a first step. It can be something of a prototype for land use planning and it may provide a handle on such

immediate issues as OCS development. But it is a program that will only serve us well if we put demands on it from the beginning. The program will only reflect the needs and concerns of Alaskans to the extent that those needs and concerns are heard. It will only stand up to the expectations of the environmental community to the degree that those expectations are forcefully voiced. Toward that end, we would recommend the following ideas be included in a coastal management act:

1. Maximum local participation in planning for Alaska's coastal zone balanced with the reality that the coastal plan is primarily a state responsibility. The bill recommends a Coastal Policy Council. Some form of a council is needed in order to focus thought and discussion on coastal planning. We suggest that the Council be widened to include more than local elected officials selected by the Governor and members of the Governor's cabinet. The Council should contain several at large voting citizen members (appointed by the Governor) for example, using the 4 judicial districts, for basis of selection. This would allow the state to have the benefit of interested, knowledgeable people from areas such as private industry, the University of Alaska, Native groups and conservation groups. Also a technical change, Sec. 44.19.891 Alaska Coastal Policy Council (a)(2)(G) (pg. 4 line 8) change "commissioner of Dept. of Public Works" to "commissioner of Dept. of Transportation and Public Facilities". But the local participation should be under the comprehensive and guiding hand of the state who have the ultimate responsibility in coastal planning and management for Alaska.

2. There should be a requirement for public hearings for regions formulating district coastal management plans. These hearings should be recorded, transcribed and all questions raised at these hearings should be answered and opinions and proposals should be discussed and their validity ascertained. The hearing records and evaluation should accompany any plan submitted to the Council. In this way the Council and the

citizens of the future will have a record of both majority and minority opinions within the community and the hearing records can serve as a valuable source of information in the years ahead as the value of the program is assessed and modified. This provision should be in the Act as local ordinances often have no such requirements. All hearings of the Council should likewise be recorded, transcribed, evaluated and made available as appropriate.

3. The emphasis of this act should be on protection, enhancement and management of the coastal zone, not on development. This program should not be used as a development tool. The coastal zone is a fragile area and needs protection, not harassment. This brings up the question of what protection will the coastal zone receive while the coastal plans are being developed? There is up to 2½ years, maybe more, before plans are required to be completed. Who will hold the reins until then? Will existing statutes and regulations be continued in haphazard form? Should interim protection be addressed in this Act? This could be a serious problem.

4. In line with our view that coastal management is a land use issue, we feel it makes more sense to treat the coastal zone as a resource and therefore, that this Act should be under the Dept. of Natural Resources, not Community and Regional Affairs. DNR has all current land use/resource management for the state and it seem logical that they should assume management of the coastal zone. Possibly the program could go under the Div. of Land and Water Management or a new division of coastal zone management could be created. This will become even more important as the plans are completed and the program moves into management of coastal resources.

In summary, a coastal management program should not be viewed as a crisis-resolution mechanism. Careful thought and critical evaluation must be used to develop flexible yet strong managment plans. This type

of planning and management is one of those rare opportunities for streamlining unconsolidated state regulatory and management activities, as so many existing laws remain inadequately implemented and so many agencies fail to exercise their mandates.

Over and above the financial benefits which can be expected to accrue to Alaska - over and above the valuable contribution coastal management could make toward cleaning up the state system of land and resource management - there is something else...what coastal management is all about. It is a protection of values, a balancing of the irretrievable, an acknowledgement of those qualities of life which make the coastline of Alaska worthy of our special attention.

Our state is in great need of a process which pulls the loose ends together and turns them to a common purpose. We see coastal management as one such tool.