

1961  
THIRD  
FLOOR

HB

i

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Hearing 2/8/80 - tabled

Hearing 3/13/80 - Reported out  
as CS with  
letter of intent



# Alaska State Legislature

## House

HOUSE RESOURCES COMMITTEE

FISH & GAME ISSUES  
Alvin Osterback, Chairman

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

### HEARING NOTIFICATIONS

BILL	DATE INFORMED	LETTER/PHONE	INFORMED	HEARING DATE
HB1	2/5/80	4100	Carl Rosier, Deputy Commissioner Fish and Game Dept. (Will testify)	2/12/80
	2/5/80	Letter	Attorney General's Office (Assistant A.G. to testify)	2/12/80
	2/8/80	3897	Ken Vassar, Legislative Legal Services (will testify)	2/12/80
<p>(2/12/80 hearing to be only a briefing on HB1 with legal analysis)</p>				



Alaska State Legislature  
House

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Alvin Osterback, Chairman

Pouch V, State Capitol  
Juneau, Alaska 99811  
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HEARING NOTIFICATIONS

BILL	DATE INFORMED	LETTER/PHONE	INFORMED	HEARING DATE
HB 1	3/13	3720	Rep. Gardiner	3/18
	3/13	586-3301	Bob Willard, Alaska Native Brotherhood	3/18
	3/13	3876	Rep. Eliason	3/18
	3/13	4100	Dept. of Fish & Game	3/18
	3/13	586-2820	United Fishermen of Alaska Shawn Macklin, Exec. Dir. to testify	3/18

# COMMITTEE REPORT

## HOUSE

FURTHER: JUDICIARY

1/24/79

Date: 3/19/80

Mr. Speaker:

The Committee on RESOURCES has had HB 1

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

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

do pass  do not pass

do pass with attached amendments(s)

replace with CS for HBI  same title  new title

and recommends \_\_\_\_\_

AND attaches a "Letter of Intent"  New Fiscal Note

reports it back without <sup>individual</sup> recommendations

referred to the \_\_\_\_\_ Committee

### MEMBERS SIGNING

#### DO PASS

Rich Markle  
W. Peterson  
Sam R. G. T.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### MEMBERS HAVING

#### OTHER RECOMMENDATIONS:

Fred E. Young Do NOT PASS  
Alvin [unclear] DON'T PASS  
John [unclear] DO NOT PASS  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
CHAIRMAN

# TELEGRAM

ALASCOM, INC.  
PHONE: 586-6442  
JUNEAU, AK 99801

*HB 7*

70 FEB 21 PM 12 45

02031 TDA HOONAH ALASKA 27 02-21 925A AST  
PMS HONORABLE ALIVN OSTERBACK CH-CHAIRMAN  
HOUSE RESOURCE COMMITTEE RM 118 CAPITOL BLDG  
JUNEAU AK 99801 2548  
HUNA TOTEM CORPORATION CONDUCTED A SURVEY REGARDING HOUSEBILL  
NUMBER 1 AND FOUND HOONAH FISHERMEN AGAIN CANNOT ENDORSE  
HBI AS PRESENTED. THANK YOU FOR THIS CONSIDERATION.  
MR JOHN HINCHMAN JR PRESIDENT HUNA TOTEM CORPORATION

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

SUPPORT BUILDING  
JUNEAU, ALASKA 99801

February 13, 1979

The Honorable Alvin Osterback, Chairman  
House Resource Committee  
Alaska State Legislature  
Box 71  
Sand Point, Alaska 99661

HB 1

Dear Mr. Osterback:

The Board of Fisheries, during its December 1978/January 1979 meeting, again discussed Alaska Statute 16.05.835 relating to the maximum length of salmon seine vessels and Alaska Statute 16.10.120 relating to the use of drum or reel in the operation of purse seines.

During the 1977 session of the Ninth Legislature, House Bills 118 and 119 repealing these sections of the Alaska Statutes were introduced. The Board wrote to you on March 31, 1977, supporting enactment of this legislation, but neither bill passed during the two sessions of the Ninth Legislature.

House Bill 1, repealing AS 16.05.835 has been introduced this session by Representative Eliason, and the Board of Fisheries strongly urges passage. The Board also recommends introduction of legislation to repeal AS 16.10.120.

The position of the Board is that the size of salmon seine vessels and the use of drum seines are regulatory problems which should be resolved by the Board through appropriate action under the Administrative Procedure Act rather than by the Legislature by means of inflexible laws.

The intent of the Board, emphasized in all discussions, is to maintain the status quo with regard to these problems. The recommendation to repeal these statutes should not be construed as an endorsement by the Board that the restriction regarding the maximum size of salmon seine vessels and the prohibition against the use of drum seines should be eliminated. Any change to regulations would only be after careful consideration of the general welfare of the fishermen and the resource.

Your consideration of the Board of Fisheries' position and recommendation is appreciated.

Sincerely,

  
Greg Cook  
Executive Director  
Boards of Fisheries and Game

Alternative  
bills - on  
same subject  
as HB 1

HB1

SOUTHEASTERN ALASKA  
**SEINE BOAT OWNERS & OPERATORS**

---

728 WATER STREET  
KETCHIKAN, ALASKA  
99901

March 13, 1979

Representative Alvin Osterback  
Pouch V  
Juneau, AK 99811

Dear Representative Osterback:

Our association has been actively pursuing the lifting of the 58' limit for the past two years. Once again at our annual meeting held in February, the Board of Directors voted unanimously to support House Bill #1 which would repeal the limit.

There are several factors which support taking such action:

- 1.) Restrictive measures on gear levels now exist through the implementation of the limited entry program. With this program in existence, the 58' limit no longer serves its original purpose..... to restrict large vessels from outside the state to fish Alaskan waters. The limited entry permit system provides established gear levels in area waters of the state.
- 2.) The repeal of the limit is widely accepted by area fishermen including trollers, seiners, and gillnetters as well as the United Fishermen of Alaska. Lifting the limit would be a popular step with a substantial portion of the fishing industry. Such action could only serve to enhance the industry particularly from an economic standpoint.
- 3.) The potential development of the bottomfish fishery in Southeast Alaska is viewed by fishermen as a means of supplementing income which is now based almost totally on one segment of the fisheries resource: salmon. Diversification is necessary for an industry to thrive. Lifting the limit would encourage the industry to remain healthy.

Page 2

March 13, 1979

Representative Alvin Osterback

4.) Larger boats become a necessity in order to participate in an off-shore bottomfishery. Such fishing would occur during winter months when weather in the outside waters in high risk areas make it necessary to increase safety factors. Smaller boats are limited to operation within inside areas. To use boats, even 58 foot limit vessels, during this time frame would jeopardize not only loss of life but loss of an entire fishing operation.

5.) The utilization of vessels in the various fisheries is in itself limiting. The desire to build combination boats to fish seine gear and bottomfish gear is self-restrictive. A purse seine fisherman is not going to be able to operate as a purse seiner if his vessel is much over 80 feet long. Most Southeast area fishermen are considering boats not much over 65 to 70 feet in length. This added footage would be a benefit for additional fish storage. The amount of space available for fish holding on a vessel is crucial when dealing with bottomfish. It is a high volume fishery with low fish prices.

6.) By lifting the limit, U.S. fishermen would have the ability to enter the bottomfishery and compete with foreign fleets. Unless we are able to get larger boats, we will never be able to prevent the continuation of foreigners fishing in outside waters which we could be utilizing for the benefit of the Alaskan fishermen.

We urge the legislature to take quick and positive action to repeal the 58' limit. The fishing industry plays a vital role in the economy and growth of Alaska. Passage of House Bill #1 will serve to enhance the industry within the state and insure its continued development and expansion.

Sincerely,  
SOUTHEAST ALASKA SEINE BOAT OWNERS & OPERATORS

  
Michèle Zerbenz  
Executive Director

cc: Rep. Richard Eliason	United Fishermen of Alaska
Rep. Terry Gardiner	United S.E. Alaska Gillnetters
Rep. Oral Freeman	Alaska Trollers Association
Senator Pat Rodey	Rick Lauber
Senator Robert Ziegler	New England Fish Co.
Phillips Cold Storage	Ward Cove Packing
Whitney-Fidalgo Seafoods	Petersburg Processors, Inc.



# Alaska Native Brotherhood

Camp Number 2

510 West Willoughby Avenue

Juneau, Alaska 99801

March 21, 1979

The Honorable Alvin Osterback  
Co-Chairman, Resources Committee  
State House of Representatives  
Pouch V  
Juneau, Alaska 99811

Re: House Bill No. 1

Dear Representative Osterback:

Your committee has before it House Bill No. 1 "An Act relating to the maximum length of Salmon Seine Vessels", the intent of which is to allow the seine vessels to exceed the maximum length.

In the past, we have opposed any bill that would raise the vessel sizes. Our opposition was based upon the fear that if the size limit is now increased, the fleet would have more carrying capacity and, in the years of a heavy run, the fleet would take more fish, and limits on catch would result more frequently than at present. We felt that the processors in Southeast do not have the capacity to handle a heavy run. Further, we felt that only a few holders of limited entry permits would be in a position to afford larger vessels, and the permit holders would be placed under pressures to sell their permits. If a fisherman is able to acquire a large vessel, he likely can afford to pay an exorbitant amount of money for a permit. We felt that the local permit holder would easily be influenced to sell his permit if the price went up--which is likely. We felt that the likelihood is that out-of-state fishermen would be the chief benefactors if the vessel size is lifted. There would be more fuel costs.

We also considered the argument that there is a developing off-shore fishery for bottom fish which will likely affect vessel sizes sometime in the future. But, so far this possibility is several years away. At a time when processing plants are in place, then we may, at that time, re-evaluate our position.

Representative Osterback -2-

If House Bill 1 passes now, and we discover that it was a mistake, it would be difficult, if not impossible to revert back to the present limit size.

If your committee will entertain House Bill No. 1, please be advised that the Alaska Native Brotherhood and the Tlingit and Haida Indians of Alaska are opposed to passage for the above reasons.

Respectfully submitted,

LEGISLATIVE AFFAIRS COMMITTEE

A handwritten signature in cursive script that reads "Robert Willard".

Robert Willard, Chairman

# Alaska House of Representatives



COMMITTEE ON NATURAL RESOURCES  
FOUCH V • JUNEAU ALASKA 99811

## MEMORANDUM

DATE: February 8, 1980

TO: Attorney General Avrum Gross

FROM: Representative Alvin Osterback, Chairman, A.O.  
House Resources Committee

House Resources has scheduled a hearing on HB 1 regarding maximum length for salmon seine vessels, for Tuesday, February 12 at 3:00 p.m. in room 118 of the Capitol Building.

We request that you have a member of your staff attend this meeting to provide legal counsel. We have already discussed this matter with Assistant Attorney General Ann Prezyna. In general what we need is an opinion of legal means and options concerning the adoption of various seine boat size limits for various parts of the state. Can or should this be done in one statute? Can we delegate the responsibility for size limit restrictions to the Board of Fisheries but bind restrictions to the particular area designations we want by a letter of intent? We request that your office have an attorney present at the Tuesday hearing to answer these and similar questions. Thank you.

### CO CHAIRMAN

REP ALVIN OSTERBACK (469 3710) • REP BILL MILES (469 3772)

### VICE CHAIRMAN

REP FRED SHAROFF

REP PAT CARNEY • REP CLYDE CHATTERYON • REP SAM COTTEN  
REP DICK ELIABEN • REP JACK FULLER • REP NICK HALFORD

# TELEGRAM

HB1

REA ALASKA COMMUNICATIONS, INC.

1979 MAR 14 AM 10 56

PHONE: 586-6442

~~UNRECALL ALASKA 99802~~

02027 POM TDA PETERSBURG ALASKA 15 03-14 755A AST

PMS REP DICK ELIASON

JUN

PASS HB1 REPEAL 58 FOOT LIMIT

JEFF PFUNDT PETERSBURG

# TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.  
PHONE: 586-6442  
JUNEAU, ALASKA 99802

HB1

379 MAR 14 AM 10 55

02026 TDA PETERSBURG ALASKA 25 03-14 830A AST

PMS REP DICK ELI/SON

JUN

YOU HAVE MINE AND MANY OTHER PETERSBURG VESSEL OWNERS FULL SUPPORT  
IN YOUR EFFORT TO REPEAL THE 58 FOOT LIMIT LAW.

BOB HALTINER-BOAT VERMA BOX 808

PETERSBURG AK

# TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.  
PHONE: 586-6442  
JUNEAU, ALASKA 99802

HB1

1979 MAR 14 PM 2 19

02091 POM TDA PETERSBURG AK 15 03-14 1035A 1ST

PMS REP DICK ALISON

JUN

SUPPORT PASSAGE OF HOUSE BILL 1.

RAY EVANS

BOX 197 PETERSBURG

# TELEGRAM

HB 7

BCA ALASKA COMMUNICATIONS, INC.  
PHONE: 586-6442  
JUNEAU, ALASKA 99802

02113 NL TDA KETCHIKAN ALASKA 56 03-12 145P AST 1979 MAR 12 PM 9 25

PMS REP ALVIN OSTERBACK

JUN

UEGE IMMEDIATE ACTION ON HB1 REPEAL OF 58 FOOT LIMIT VITAL TO  
DEVELOPMENT OF BOTTOM FISHERY IN SOUTHEAST ALASKA.

DIVERSIFICATION OF FISHING INDUSTRY IS NECESSARY FOR ITS  
CONTINUED SUCCESS. NEED MEANS TO COMPETE WITH FOREIGN FLEETS.  
BOARD OF FISH WILL REGULATE LIFTING LIMIT ON ARE BY AREA BASIS.

LETTER FROM ASSOCIATION BOARD MEMBERS FOLLOWING.

SOUTHEAST SEINE BOAT OWNERS AND OPERATORS

MICHELLE ZERBETZ EXECUTIVE DIRECTOR

# TELEGRAM

HBI

RCA ALASKA COMMUNICATIONS, INC

PHONE 506-6442

JUNEAU, ALASKA 99802

1979 MAR 14 AM 10 55

02028 POM TDA PETERSBURG ALASKA 15 03-14 755A AST

PMS REP ALVIN OSTERBACK

JUN

PASS HBI REPEAL 58 FOOT LIMIT.

JEFF PFUNDT PETERSBURG AK

# TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.  
PHONE: 586-6442  
UNEAU, ALASKA 99802

HB1

1979 MAR 14 PM 12 54

02050 TDA PETERSBURG ALASKA 13 03-14 1025A AST

PMS REP DICK ELIASON

JUN

I STRONGLY URGE PASSAGE OF HB NBR 1.

CHRIS JENSEN

POBOX 264 PETERSBURG 99833

# TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.

PHONE: 586-6442

JUNEAU, ALASKA 99802

02023 TDA SITKA AK 13 03-15 800A AST

PMS REP DICK ELIASON

JUN

STRONGLY SUPPORT HB 1. REMOVING SIZE LIMITS ON SEINE BOATS.

LAURIE GRANT PLANT MANAGER SITKA SOUND SEAFOODS

HB1

1979 MAR 15 AM 11 08

SOUTHEASTERN ALASKA  
**SEINE BOAT OWNERS & OPERATORS**

---

728 WATER STREET  
KETCHIKAN, ALASKA  
99901

March 13, 1979

Representative Alvin Osterback  
P.O. Box 1  
Ketchikan, AK 99811

Dear Representative Osterback:

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There are several factors which support taking such action:

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March 13, 1979

Representative Alvin Osterback

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Sincerely,

SOUTHEAST ALASKA SEINE BOAT OWNERS & OPERATORS

  
Michele Zerbez  
Executive Director

cc: Rep. Richard Eliason ✓ United Fishermen of Alaska  
Rep. Terry Cardiner United S.E. Alaska Gillnetters  
Rep. Oral Freeman Alaska Trollers Association  
Senator Pat Rodey Rick Lauber  
Senator Robert Ziegler New England Fish Co.  
Phillips Cold Storage Ward Cove Packing  
Whitney-Fidalgo Seafoods Petersburg Processors, Inc.

Editor's note. — The repealed section derived from § 27, art. I, ch. 94, SLA 1959.

Sec. 16.05.831. Waste of salmon. (a) It is unlawful for a person to waste salmon intentionally, knowingly, or with reckless disregard for the consequences. In this section, "waste" means the failure to utilize the majority of the carcass, excluding viscera and sex parts, of salmon which are to be

- (1) sold to a commercial buyer or processor;
- (2) utilized for consumption by humans or domesticated animals; or
- (3) utilized for scientific, educational, or display purposes.

(b) The commissioner may authorize other uses of salmon upon request if he finds that to do so would be consistent with maximum and wise use of the resource.

(c) A person who violates this section or a regulation adopted under it is punishable by a fine of not more than \$10,000, or by imprisonment for not more than six months, or by both. In addition, a person who violates this section is subject to a civil action by the state for the cost of replacing the salmon wasted. (§ 3 ch 89 SLA 1975; § 3 ch 99 SLA 1975)

Editor's note. — This section is set out as it appears in ch 99, SLA 1975. Chapters 89 and 99, SLA 1975, are virtually identical except that ch 99 contains a § 5, providing for an effective date of the act.

Section 1, chs. 89 and 99, SLA 1975, provides, in subsection (b): "It is the intent of sec. 3 of this Act to control the waste of salmon resources."

HB1 { Sec. 16.05.835. Maximum length of salmon seine vessels. No salmon seine vessel may be longer than 50 feet, official Coast Guard register length, and 58 feet overall length except vessels that have fished for salmon with seines in waters of the state before January 1, 1962, as 50-foot, official Coast Guard register length vessels. (§ 1 ch 252 SLA 1970)

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

Sec. 16.05.850. Hatchery required. If a fishway over a dam or obstruction is considered impracticable by the commissioner because of cost, the owner of the dam or obstruction, in order to compensate for the loss resulting from the dam or obstruction shall, at his option: (1)

(4) better manage the fishery by providing a visible means of determining how much gear is actually being fished."

**Sec. 16.10.130. Penalties for violation of § 120 of this chapter.** A person who violates § 120 of this chapter is guilty of a misdemeanor and upon conviction is punishable by imprisonment for not more than six months, or by a fine of not more than \$1,000 or by both. (§ 2 ch 26 SLA 1959)

**Editor's note.** — Section 4, ch. 103, SLA 1977, effective August 1, 1978, amended this section to read as follows: "Sec. 16.10.130. Penalties for violation of §§ 120 — 125 of this chapter. A person who violates §§ 120 — 125 of this chapter is guilty of a misdemeanor, and upon conviction is punishable by imprisonment for not more than six months, or by a fine of not more than \$1,000, or by both.

Section 1, ch. 103, SLA 1977, provides: "INTENT. It is the intent of this Act to require positive identification of shellfish

pots or buoys, or both, used in the taking of king crab within areas in which the Board of Fisheries has regulations limiting the total amount of gear allowed per vessel in order to

- (1) more adequately enforce shellfish pot limits for king crab;
- (2) assist in preventing the theft of gear;
- (3) prevent the transfer of gear to prohibited areas, and
- (4) better manage the fishery by providing a visible means of determining how much gear is actually being fished."

**Article 3. Herring Spawn.**

**Section**  
 140 — 170 [Repealed]  
 172 Legislative policy on utilization of herring

**Section**  
 173 Utilization of commercially taken herring

**Secs. 16.10.140 — 16.10.170.**  
Repealed by § 2 ch 91 SLA 1970.

**Sec. 16.10.172. Legislative policy on utilization of herring.** The legislature finds the following: (1) extensive and valuable herring populations are available for harvest in waters subject to the jurisdiction of the state, (2) commercial markets are available for herring processed in several forms; (3) one processing technique presently employed involves deliberately permitting decomposition of the herring carcass to allow for removal and subsequent sale of the roe product, with the consequence that the flesh is unusable and discarded. The legislature declares that the process referred to in (3) of this section is wasteful and does not constitute utilization of this resource for the maximum benefit of the people. Therefore, it is the policy of the legislature that this process should be eliminated to the fullest extent possible. (§ 1 ch 9 SLA 1977)

**Effective date.** — Section 2, ch 9, SLA 1977, provides "This Act takes effect January 1, 1978."

Sec. 16.10.173. Utilization of commercially taken herring. (a) It is unlawful for a person, as defined in AS 01.10.060 and including a joint venture, to waste or to cause to be wasted any commercially taken herring

(b) As used in this section, "waste" means the failure to use the flesh of commercially taken herring for reduction to meal, production of fish food, human consumption, food for domestic animals, scientific or educational purposes, or round herring bait. Normal, inadvertent loss of flesh associated with the uses described in this subsection which cannot be prevented by practical means does not constitute waste. The commissioner may authorize other uses of commercially taken herring not inconsistent with the intent of this section and § 172 of this chapter at his discretion upon receipt of a request accompanied by a detailed justification.

(c) For purposes of this section, "flesh" means all muscular body tissue surrounding the bony skeleton of the herring.

(d) The Board of Fisheries may adopt regulations under the Administrative Procedure Act (AS 44.62) it considers necessary for implementation of this section. The board may delegate its authority under this section to the commissioner.

(e) The provisions of this section do not apply to herring taken commercially in the Bering Sea (including appurtenant bays, sounds, estuaries, and water of the state) north of 56° North Latitude, until January 1, 1979. (§ 1 ch. SLA 1977)

Effective date. — Section 2, ch. 9, SLA 1977, provides: "This Act takes effect January 1, 1978."

Article 4. Migratory Fish and Shellfish.

Section	Section
180 Legislative findings	220 Penalties for violation of §§ 200 and 210 of this chapter
190 Regulations	230 Exemptions
200 Unlawful taking prohibited	
210 Unlawful sale or offer prohibited	

Sec. 16.10.180. Legislative findings. The legislature finds and recognizes these facts:

(1) Migratory fish and migratory shellfish are present in commercial quantities inside and outside the territorial waters of the state.

(2) Migratory fish and migratory shellfish taken from the waters of the state are indistinguishable, in most cases, from those taken from the adjacent high seas.

(3) Substantial quantities of migratory fish and migratory shellfish move inshore and offshore intermittently and at various times during a given year and in so doing often enter and leave territorial waters of the state.

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Effect of amendment. — The 1975 amendment deleted "rule or" preceding "regulation" near the middle of the section and substituted "Board of Fisheries" for "board" near the middle and near the end.

Cited in *Hjelle v. Brooks*, 424 F. Supp. 595 (D. Alas. 1976).

**Sec. 16.10.220. Penalties for violation of §§ 200 and 210 of this chapter.** A person who violates §§ 200 and 210 of this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$5,000 or by imprisonment for not more than one year, or by both. (§ 5 ch 121 SLA 1960)

**Sec. 16.10.230. Exemptions.** Sections 180 — 220 of this chapter do not apply to

(1) those species of salmon in international waters of the Pacific Ocean which are regulated by the International Pacific Salmon Fisheries Commission or by laws of the United States or rules or regulations promulgated under those laws;

(2) the use of nets for fishing for or taking salmon for the purposes of scientific investigation authorized by state law; and

(3) existing laws and regulations prohibiting the taking of salmon by means of nets on the high seas. (§ 6 ch 121 SLA 1960)

#### Article 5. Transportation of Fish and Shellfish.

Section

240 Transportation of King, Dungeness or Tanner crab

250 Penalty

**Sec. 16.10.240. Transportation of King, Dungeness or Tanner crab.** No person may take out of, ship, transport, or send from this state any live King crab, species *Paralithodes camtschatica*, live Dungeness crab, species *Cancer magister*, or live Tanner crab, species *Chionoecetes bairdi*, except that all of these species may be shipped live via air freight after pre-packaging. (§ 1 ch 33 SLA 1962; am § 2 ch 5 SLA 1966; am § 1 ch 14 SLA 1969)

Legislative committee reports. — For 14 SLA 1969 (HB 172 am S) see 1969 report on ch 5, SLA 1966 (SB 182), see 1966 House Journal p 216 House Journal, pp. 50, 51. For report on ch

**Sec. 16.10.250. Penalty.** A person, association, or corporation violating § 240 of this chapter or contributing to or cooperating in the violation of § 240 of this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$5,000, or by imprisonment for not more than one year, or by both. Each unlawful removal of live crab is a separate offense. Vessels and equipment used in or in aid of a violation of § 240 of this chapter may be seized and disposed of as provided in AS 16.05.190. Conviction under § 240 of this

Article 7. General Provisions.

<b>Section</b>	<b>Section</b>
905. Alien activities prohibited	930. Exempted activities
910. Penalty	940. Definitions
920. Certain acts made unlawful	950. Title of the chapter

**Sec. 16.05.905. Alien activities prohibited.** Alien persons not lawfully admitted to the United States are prohibited from engaging in commercial fishing activities or taking marine mammals in the territorial waters of the State of Alaska as they presently exist or may be extended in the future. (§ 1 ch 85 SLA 1964)

**Sec. 16.05.910. Penalty.** Any alien person who violates § 905 of this chapter is guilty of a misdemeanor, and upon conviction is punishable by a confiscation and forfeiture of the fishing vessel used in such violation, or by imprisonment of any such person for not more than one year, or by fine of not more than \$10,000, or by all or any two of the foregoing punishments. (§ 2 ch 85 SLA 1964)

**Sec. 16.05.920. Certain acts made unlawful.** (a) Unless permitted by this chapter or by regulation made under this chapter, it is unlawful for a person to take, possess, transport, sell, offer to sell, purchase, or offer to purchase fish, game or marine aquatic plants, or any part of fish, game or aquatic plants, or a nest or egg of fish or game.

(b) No person may knowingly disturb, injure, or destroy a notice, signboard, seal, tag, aircraft, boat, vessel, automobile, paraphernalia, equipment, building or other improvement or property of the department used in the administration or enforcement of this chapter, or a poster or notice to the public concerning the provisions of this chapter, or regulation adopted under this chapter, or a marker indicating the boundary of an area closed to hunting, trapping, fishing or other special use under this chapter. No person may knowingly destroy, remove, tamper with, or imitate a seal or tag issued or used by the department or attached under its authority to a skin, portion, or specimen of fish or game, or other article for the purpose of identification or authentication in accordance with this chapter or a regulation adopted under this chapter. (§ 28 art 1 ch 94 SLA 1959; am § 3 ch 110 SLA 1970)

State may regulate extraterritorial fishing. — Paramount rights in the seabed and subsoil beyond the three-mile limit were vested in the federal government. However, that principle of federal exclusivity does not preclude state regulation of fishery resources in the waters over that seabed *State v. Sieminski*,

Sup Ct Op No 1339 (File No 2544) 556 P 2d 929 (1976)

Enforcement of the state's regulatory scheme in a case involving scallop fishing activities in extraterritorial waters was within the sphere of the state's prerogative to regulate extraterritorial fishing *State v*

Criterion in determining cost of license. residence of the operator of the gear. 1959  
— In determining the amount to be paid for fishing gear licenses, the criterion is the Op. Att'y Gen., No. 38.

Sec. 16.05.680. Unlawful purchases. It is unlawful for a person, his agent, or his representative

(1) to have in his employ a fisherman who is not licensed under § 480 of this chapter,

(2) to purchase fish from a fisherman who is not so licensed, if the fisherman is not exempt under § 660 of this chapter from the license requirement of § 480 of this chapter without regard to the employment or purchase, or

(3) to purchase fish from an association which is not exempt under § 662 of this chapter. (§ 10 art III ch 94 SLA 1959; am § 2 ch 96 SLA 1963; am § 2 ch 73 SLA 1970)

Editor's note. — Section 11, ch. 105, SLA 1977, effective January 1, 1978, amended this section to read as follows "It is unlawful for a person, his agent, or his representative

"(1) to have in his employ, in the harvesting, transporting or purchasing of fish, a fisherman who neither is licensed under § 480 of this chapter nor is the

holder of a permit issued under ch. 43 of this title.

"(2) to purchase fish from a fisherman who neither is the holder of a permit issued under ch. 43 of this title, nor is exempt under § 660 of this chapter, or

"(3) to purchase fish from an association other than one to which a permit has been issued under § 662 of this chapter."

Sec. 16.05.685. Processing on commercial crab fishing vessels. (a) It is unlawful to process any species of crab on a commercial crab fishing vessel unless

(1) the vessel remains within one registration area from the time the crab is caught to the time of dock delivery;

(2) the operator of the vessel notifies the department of proposed changes in location before moving to another registration area; and

(3) the operator of the vessel provides quarters for inspectors of the department who may inspect the crab catch on the vessel at any time.

(b) The restrictions set out in (a) of this section do not apply to processing aboard the fishing vessel for and as donations to charity, for consumption aboard the vessel, or for dockside retail sales from the vessel.

(c) In this section,

(1) "process" means to butcher, cook, chill, or freeze crab for commercial use;

(2) "registration area" means a specific king crab registration area as designated by regulation of the Board of Fisheries and includes the Bering Sea shellfish area and the western Aleutian Islands king crab area. (§ 2 ch 70 SLA 1974; am § 12 ch 206 SLA 1975)

Effect of amendment — The 1975 Fisheries" for "Board of Fish and Game" amendment substituted "Board of in paragraph (2) of subsection (c)

HB

20

BILL	LETTER/PHONE	INFORMED	HEARING DATE
HB 20	2/22	Fish and Game Dept.	2/26
	2/22	Rep. Terry Gaudiner	2/26
	2/23	Rep. Miller	2/26
	2/23	Rep. Duncan	2/26
	2/23 465-2504	Commerce Dept.	2/26
		To testify:	
		Sharon Traylor, Deputy Dir. Sm. Business Loans	
		Best Wagnon, Deputy Commissioner	
	2/26	Gaudiner's Office asked that HB20 be pulled from agenda as several people that were to testify were out of town	Not taken up 2/26
	3/2	Fish and Game Dept.	3/9
	3/2	Dept. of Commerce Pete Jeans, Dir. of Division of Business Loans to testify	3/9
	3/6	Rep. Gaudiner, Rep. Miller, Rep. Duncan	3/9

AGO 126026

3/9/79 Passed as CS#B20

06/08/79

HISTORY OF LEGISLATION

H01-33F-3340

COMMITTEE REPORTS

ABENDED TITLE FCCS \*  
PRIME SPONSOR: MILLER  
CO-SPONSOR: GARDNER JUNCAN

DATE SEQ. JOURNAL HOUSE ACTION

01/24/79 01 0044 FIRST READING -- COMMITTEE REPORTS  
01/12/79 02 0227 REG -- UPD31, C308  
03/14/79 03 0562 JUD -- DNP31, C501, MRO2

03/28/79 04 0774 SECOND READING  
03/28/79 05 0775 JUD CS ADOPTED BY UNAN CONSENT  
03/28/79 06 0775 ADVANCED TO 3RD READING BY UNAN CONSENT

01/28/79 07 0775 THIRD READING  
01/28/79 08 0775 PASSED BY DIV 33-02-03  
01/28/79 09 0775 EFFECTIVE DATE VOTE SAME AS PASSAGE  
03/03/79 31 1367 EFFECTIVE DATE VOTE SAME AS PASSAGE

03/01/79 24 1261 FAILED TO CURE IN 11 AM 5 BY DIV 07-32-01  
03/01/79 27 1364 FCC -- MILLER ADOPTED BY DIV 31-05-04  
03/09/79 32 1907 TRANSMITTED TO GOVERNOR  
06/04/79 33 F111 SIGNED BY GOVERNOR ON 07-01  
06/04/79 34 F112 CONTAINS VARIOUS EFF DATE  
06/04/79 35 F112 SET SLA 1979

COMMITTEE REPORTS

HD-21 AN ACT MAKING A SUPPLEMENTAL APPROPRIATION TO THE UNIVERSITY OF ALASKA; AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSOR: PARR

CO-SPONSOR: ROGERS SHAW BETTSWORT SMITH

DATE SEQ. JOURNAL HOUSE ACTION

01/24/79 01 0044 FIRST READING -- COMMITTEE REPORTS  
03/01/79 02 0421 HESS -- C505  
FINANCE RULES

DATE SEQ. JOURNAL

03/29/79 13 0658 FIRST READING -- COMMITTEE REPORTS  
04/26/79 11 0935 FIN -- C503, MRO3  
04/28/79 12 0981 ALS -- C501, DIME03

04/29/79 13 1003 SECOND READING  
04/29/79 14 1004 ALS TO AMO1 ADOPTED BY UNAN CONSENT  
04/29/79 15 1004 AMO1 ADOPTED BY UNAN CONSENT  
04/29/79 16 1004 ADVANCED TO 3RD READING BY UNAN CONSENT

04/29/79 17 1004  
04/29/79 18 1004 THIRD READING  
04/29/79 19 1004 PASSED BY DIV 16-02-02  
04/29/79 20 1005 EFFECTIVE DATE VOTE SAME AS PASSAGE  
04/29/79 21 1005 EFFECTIVE DATE VOTE SAME AS PASSAGE  
04/29/79 22 1005 NOT TO BE REFERRED TO GOVERNOR  
04/29/79 23 1005 MOTION OF REFERRAL NOT TAKEN UP  
05/05/79 30 1126 RECORD OF DIVISION VOTE SAME AS PASSAGE

03/01/79 29 1051 FAILED TO REFILE FROM AM 5 BY DIV 00-15-04  
03/01/79 29 1052 FCC -- TULLIN ADOPTED BY DIV 20-02-00  
03/05/79 29 1126 ICC REPORT ADOPTED BY DIV 20-02-00

COMMITTEE REPORTS

COMMITTEE REPORTS

DATE SEQ. JOURNAL HOUSE ACTION

01/24/79 01 0044 FIRST READING -- COMMITTEE REPORTS  
03/01/79 02 0421 HESS -- C505  
FINANCE RULES

SMALL ACTION

Original sponsors: Miller, Gardiner  
and Duncan

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 20

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to commercial fishing loans; and  
7 providing for an effective date."

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

9 \* Section 1. AS 16.10.310(a)(1)(C) is amended to read:

10 (C) corporations, partnerships, or joint ventures, 100  
11 per cent of which are owned by individual commercial fishermen who  
12 have been state residents for a continuous period of five years  
13 immediately preceding the date of application for a loan under  
14 AS 16.10.300 - 16.10.370 and have had a crewmember or commercial  
15 fishing license under AS 16.05.480 or a permit under AS 16.43 for  
16 any one [THREE] of the past five years, and who actively partici-  
17 pated in the fishery during that period, for the repair, restora-  
18 tion or upgrading of existing vessels and gear, for the purchase of  
19 gear, and for the construction and purchase of vessels; [.]

\* Sec. 2. AS 16.10.320(a)(5) is amended to read:

20 (5) may not exceed 75 per cent of the appraised value of the  
21 collateral used to secure the loan, except that a loan granted under  
22 AS 16.10.311 for the purchase of an Alaska limited entry permit may not  
23 exceed an amount determined in accordance with (f) of this section.

\* Sec. 3. AS 16.10.390(b) is amended to read:

24 (b) A loan may not be made to a borrower under AS 16.10.300 -  
25 16.10.370 if it would result in an outstanding amount of the loan or loans  
26 to the commercial fishing community loan fund in excess of \$500,000,  
27 if the amount of the loan or loans is in excess of 100 percent of the

*for loans covered under this act  
as qualified under ~~section 310~~  
of this chapter ~~of this act~~ <sup>to section 310</sup>*

1 borrower under AS 16.10.300 - 16.10.370 may use up to 49 per cent of  
2 the amount borrowed to refinance any outstanding loans of the borrower,  
3 regardless of the source of the loans [EXCEPT AS PROVIDED IN (c) OF THIS  
4 SECTION, NO MORE THAN ONE COMMERCIAL FISHING LOAN MAY BE MADE TO A  
5 PERSON FOR THE PURCHASE, CONSTRUCTION, REPAIR OR UPGRADING OF A FISHING  
6 VESSEL OR ITS GEAR]. A loan to an associate of the borrower is con-  
7 sidered to be a loan to the borrower. For the purposes of this section,  
8 "associate of the borrower" means

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

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

16 (3) a trust or other estate in which the borrower has a sub-  
17 stantial beneficial interest or as to which the borrower serves as  
18 trustee or in a similar fiduciary capacity;

19 (4) A RELATIVE OR SPOUSE OF THE BORROWER OR A RELATIVE OF THE  
20 SPOUSE, WHO HAS THE SAME HOME AS THE BORROWER;

21 (5) A PERSON DIRECTLY OR INDIRECTLY CONTROLLING, CONTROLLED  
22 BY, OR UNDER COMMON CONTROL WITH, THE BORROWER].

23 \* Sec. 1. AS 16.10.320 is amended by adding a new subsection to read:

24 (f) A loan granted under AS 16.10.333(a) for the purchase of an  
25 Alaska limited entry permit may not exceed 90 per cent of the appraised  
26 value of the collateral used to secure the loan; however, a loan granted  
27 under AS 16.10.333(a) for the purchase of an Alaska limited entry permit  
28 may be made in an amount up to 100 per cent of the appraised value of  
29 the collateral used to secure the loan if the borrower demonstrates to

1 the satisfaction of the commissioner, in accordance with regulations  
2 adopted under the Administrative Procedure Act (AS 44.62), financial  
3 hardship and, as a result of financial hardship, a need for a greater  
4 loan amount.

5 \* Sec. 5. AS 16.10.335 is amended to read:

6 Sec. 16.10.335. DEFAULT AND FORECLOSURE. (a) If the debtor  
7 defaults upon a note for which a limited entry permit has been pledged  
8 as security under AS 16.10.333 or under AS 16.10.338, the commissioner  
9 shall provide the debtor, by registered or certified mail sent to his  
10 last known address on file with the commissioner, with a notice of  
11 default which includes

12 (1) a description of the security given for the note includ-  
13 ing the number assigned to the pledged permit by the commission;

14 (2) the date upon which the default occurred;

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

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

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

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

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

27 (8) a notice in at least 10-point bold type stating:

28 "IMPORTANT: YOUR FAILURE TO REINSTATE OR PAY THIS NOTE IN FULL BY THE  
DATE SPECIFIED WILL RESULT IN A FORFEITURE OF ALL RIGHTS TO THE PERMIT

1 AND THE POSSIBILITY OF LEGAL ACTION BEING INSTITUTED AGAINST YOU."

2 (b) Upon the debtor's failure to reinstate or satisfy the note  
3 within the time specified in (a) of this section, his [EQUITABLE] inter-  
4 est in the permit is terminated by operation of law without further  
5 notice. Any entry permit cards issued to him under the permit shall be  
6 cancelled immediately upon receipt by the commission of a certificate of  
7 termination containing a copy of the notice required by (a) of this  
8 section issued by the commissioner.

9 \* Sec. 6. AS 16.10 is amended by adding a new section to read:

10 Sec. 16.10.338. ENTRY PERMITS AS COLLATERAL. Alaska limited entry  
11 permits may be used as security for loans under AS 16.10.310(a). The  
12 provisions of AS 16.10.335 and 16.10.337 apply to Alaska limited entry  
13 permits pledged as security for loans in accordance with this section.

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

15 (a) Except as provided in AS 16.10.333 - 16.10.338 [AS 16.10.333 -  
16 16.10.337], entry permits and interim-use permits are transferable only  
17 through the commission as provided in this section and AS 16.43.180 and  
18 under regulations adopted by the commission.

19 \* Sec. 8. This Act is retroactive to July 1, 1978.

20 \* Sec. 9. This Act takes effect immediately in accordance with AS 01.10.-  
21 070(c).

HB

30

# COMMITTEE REPORT

## HOUSE

FURTHER: JUDICIARY

February 20, 1979

Date: March 9, 1979

Mr. Speaker:

The Committee on RESOURCES has had SSHR 10

"An Act relating to the Commercial Fishing and Agriculture Bank."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

**MEMBERS SIGNING  
DO PASS**

[Signature]

\_\_\_\_\_

\_\_\_\_\_

[Signature]

\_\_\_\_\_

[Signature]

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**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

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CHAIRMAN



SSHB 30

by the Department of Community and Regional Affairs as security for loans made under this chapter.

(b) The commissioner of community and regional affairs may sell or transfer at par value to the Department of Revenue the mortgages and notes held by the Department of Community and Regional Affairs as security for loans made under this chapter. The Department of Revenue shall purchase all of these mortgages and notes offered, allowing the Department of Community and Regional Affairs a one-half of one per cent service fee. (§ 5 ch 152 SLA 1978)

Part 4. Independent State Boards, Associations, Commissions, and Corporations.

Chapter

- 54. Commercial Fishing and Agriculture Bank (§§ 44.54.010 — 44.54.220)
55. Alaska Gas Pipeline Financing Authority (§§ 44.55.010 — 44.55.200)

Chapter 54. Commercial Fishing and Agriculture Bank.

Table with 2 columns: Section and description. Includes items like 10. Commercial Fishing and Agriculture Bank, 20. Board of directors, 130. Trust indentures and trust agreements, etc.

Editor's note. — As to legislative findings and the purposes of the enabling act, see §§ 1 and 2, ch. 159, SLA 1978, respectively, in the 1978 Temporary and Special Acts and Resolutions in Binder 9.

Sec. 44.54.010. Commercial Fishing and Agriculture Bank. (a) There is established the Commercial Fishing and Agriculture Bank. The bank is a public corporation and government instrumentality in the Department of Commerce and Economic Development but has a legal existence independent of and separate from the state. The exercise by the bank of the powers conferred by this chapter is considered an essential governmental function of the state. Except as otherwise provided in this chapter, the bank is subject to the provisions of AS 10.15.005 — 10.15.600.

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(b) For the purpose of the initial funding of the bank's operations, the board of directors shall issue nonvoting, preferred shares of stock in the bank and shall determine the value of each share. The State of Alaska, through appropriate agencies, shall purchase the nonvoting, preferred shares initially issued by the bank. Shares purchased by the state shall be repurchased by the bank within 20 years after their purchase. If the bank fails to repurchase the shares within 20 years, the commissioner of commerce and economic development may dissolve the bank.

(c) After the board of directors has completed the necessary organizational matters described in §§ 30 and 40 of this chapter, the commissioner of revenue may purchase with funds from the general fund up to \$2,000,000 of preferred stock of the bank during fiscal year 1979 at such time and with terms agreed upon by the commissioner and the board. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.020. Board of directors.** The bank shall be managed by a board of directors consisting of five members. Initial appointments to the board shall be made by the governor. Thereafter, board members shall be elected by the shareholders. The board members shall annually elect a chairman from among themselves. The purpose of the board is to manage the assets of the bank. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.030. Articles of incorporation.** Not later than November 1, 1978, the board of directors shall file with the commissioner of commerce and economic development articles of incorporation as provided in AS 10.15.340 — 10.15.355 except that any filing fees shall be waived. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.040. Bylaws.** The board of directors shall adopt the initial bylaws of the bank. The power to alter, amend or repeal the bylaws is vested in the board of directors. The bylaws may contain provisions for the regulation and management of the affairs of the bank not inconsistent with this chapter or other provisions of law. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.050. Membership meetings.** Upon filing the articles of incorporation, the board of directors, with the assistance of the commissioner of commerce and economic development or his designee, may hold public meetings throughout the state for the purpose of explaining to members of the commercial fishing and farming industries the functions of the bank and to encourage membership in the bank. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.060. Membership stock.** (a) The board of directors shall issue shares of membership stock in the bank in the amounts and with the value determined by the board and stated in the articles of incorporation.

(1. Loans made to shareholders of the bank under the provisions of

this chapter shall be in accordance with a schedule of maximum amounts adopted by the board of directors based upon proportional ownership of shares. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.070. Executive director; staff.** (a) The board of directors may hire and determine the salary of an executive director. The executive director shall be responsible for the ordinary business of the bank.

(b) The executive director, with the approval of the board of directors, may hire and determine the salary of staff reasonably necessary for the efficient performance of the duties of the bank. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.080. Exempt status.** Employees of the bank are in the exempt service under AS 39.25. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.090. Term of office.** The members of the board shall be appointed for terms of three years, and they may be reappointed. Terms shall be staggered. Initial terms shall be two members serving for one year, two members serving for two years, and one member serving for three years. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.100. Quorum.** A majority of the members of the board constitutes a quorum for the transaction of business and the exercise of the powers and duties of the board. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.110. Compensation of board members.** Members receive compensation at a rate determined by the board for each day the board meets if they attend the meeting and are entitled to per diem and travel allowances as provided by law for members of state boards and commissions. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.120. Bonds of the bank.** (a) The bank may borrow money and may issue bonds for that purpose, including but not limited to bonds on which the principal and interest are payable

(1) exclusively from the income and receipts or other money derived from the project financed with the proceeds of the bonds;

(2) exclusively from the income and receipts or other money derived from designated projects whether or not they are financed in whole or in part with the proceeds of the bonds; or

(3) from its income and receipts or other assets generally, or a designated part or parts of them.

(b) Bonds shall be authorized by resolution of the board of directors, and be dated and shall mature as the resolution may provide, except that no bond may mature more than 30 years from the date of its issue. Bonds shall bear interest at the rate or rates, be in the denominations, be in the form, either coupon or registered, carry the registration privileges, be executed in the manner, be payable in the medium of payment, at the place or places, and be subject to the terms of redemption which the resolution or a subsequent resolution may provide.

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(c) All bonds, regardless of form or character, shall be negotiable instruments for all the purposes of the Uniform Commercial Code.

(d) All bonds may be sold at public or private sale in the manner, for the price or prices, and at the time or times which the board of directors may determine.

(e) The superior court shall have jurisdiction to hear and determine suits, actions or proceedings relating to the bank, including suits, actions or proceedings brought to foreclose or otherwise enforce a mortgage, pledge, assignment or security of a holder of its bonds or by a trustee for or other representative of the holders. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.130. Trust indentures and trust agreements.** In the discretion of the board of directors an issue of bonds may be secured by a trust indenture or trust agreement between the bank and a corporate trustee (which may be a trust company, bank, or national banking association, with corporate trust powers, located inside or outside the state) or by a secured loan agreement or other instrument or under a resolution giving powers to a corporate trustee by means of which the bank may

(1) make and enter into any and all the covenants and agreements with the trustee or the holders of the bonds which the board of directors may determine to be necessary or desirable, including, without limitation, covenants, provisions, limitations and agreements as to

(A) the application, investment, deposit, use and disposition of the proceeds of bonds of the bank or of money or other property of the bank or in which it has an interest;

(B) the terms and conditions upon which additional bonds of the bank may be issued;

(2) pledge, mortgage or assign money, leases, agreements, property or other assets of the bank either presently in hand or to be received in the future, or both; and

(3) provide for any other matters of like or different character which in any way affect the security or protection of the bonds. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.140. Validity of pledge.** It is the intention of the legislature that a pledge made in respect of bonds shall be valid and binding from the time the pledge is made; that the money or property so pledged and thereafter received by the bank shall immediately be subject to the lien of the pledge without physical delivery or further act, and that the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the bank irrespective of whether the parties have notice. Neither the resolution, trust agreement nor any other instrument by which a pledge is created need be recorded or filed under the provisions of the Uniform Commercial Code to be valid, binding or effective against the parties. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.150. Nonliability on bonds.** (a) Neither the members of the board of directors, the executive director, staff, nor a person executing the bonds is liable personally on the bonds or subject to personal liability or accountability by reason of the issuance of the bonds.

(b) The bonds issued by the bank may not constitute an indebtedness or other liability of the state or of a political subdivision of the state, except the bank, but shall be payable solely from the income and receipts or other funds or property of the bank. The bank may not pledge the faith or credit of the state or of a political subdivision of the state, except the bank, to the payment of a bond, and the issuance of a bond by the bank shall not directly or indirectly or contingently obligate the state or a political subdivision of the state to apply money from, or levy or pledge any form of taxation whatever to the payment of the bond. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.160. Pledge of the state.** The state pledges to and agrees with the holders of the bonds issued under this chapter and with the federal agency or regional institution of the federal farm credit system which loans or contributes funds in respect of a project, that the state will not limit or alter the rights and powers vested in the bank by this chapter to fulfill the terms of any contract made by the bank with the holders or federal agency or regional institution of the federal farm credit system, or in any way impair the rights and remedies of the holders until the bonds, together with interest on them, with interest on unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the holders, are fully met and discharged. The bank is authorized to include this pledge and agreement of the state, insofar as it refers to holders of bonds of the bank in a contract with the holders, and insofar as it relates to a federal agency or regional institution of the federal farm credit system, in a contract with a federal agency or regional institution of the federal farm credit system. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.170. Exemption from taxation.** The real and personal property of the bank and its assets, income and receipts are declared to be property of a political subdivision of the state and shall be exempt from all taxes and special assessments of the state or a political subdivision of the state, including, without limitation, all boroughs, cities, municipalities, school districts, public utility districts, and other taxing units. All bonds of the bank are declared to be issued by a political subdivision of the state, to be for an essential public and governmental purpose, and to be a public instrumentality, and the bonds, and the interest on them, the income from them, the transfer of the bonds, and all assets, income and receipts pledged to pay or secure the payment of the bonds, or interest on them, shall at all times be exempt from taxation by or under the authority of the state, except for inheritance and estate

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taxes and taxes on transfers by or in contemplation of death. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.190. Bonds and investments for fiduciaries.** The bonds of the bank are securities which all public officers and bodies of the state and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks, savings associations, including savings and loan associations and building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them. Notwithstanding any other provisions of law, the bonds of the bank are also securities which may be deposited with and may be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.190. Conflicts of interest.** No member of the board of directors may vote on a transaction of the bank under this chapter if he is a party to the transaction. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.200. Reports and publications.** The board of directors shall publish an annual report to the bank's shareholders. The report shall be made available to the public and shall include financial statements audited by independent outside auditors, a statement of the amount of money received by the bank from each source during the period covered, a statement of the bank's investments, a description of the bank's investment activity during the period covered by the report, an analysis of economic and other effects of investment decisions on the state's commercial fishing and agriculture industries, and any other information the board believes would be of interest to the governor, the legislature and the public. The board may also publish such other reports as it considers desirable to carry out its purposes. (§ 3 ch 159 SLA 1978)

**Sec. 44.54.210. Powers of the bank.** The bank may

(1) make variable rate or fixed rate loans to individuals who are residents and who are engaged in commercial agriculture or fishing, including harvesters, processors and marketers, or to corporations, partnerships or joint ventures primarily engaged in commercial agriculture or fishing, the majority interest of which is beneficially owned by residents of the state and a majority of the owners of which are residents of the state, if the recipient of the loan is a shareholder of the bank; however, the bank may make a loan under this paragraph to a corporation, partnership, or joint venture for the purchase of a new

or existing fishing vessel or for the repair or renovation of an existing fishing vessel, the primary purpose of which is to commercially harvest fishery resources, only if the corporation, partnership, or joint venture is wholly owned and controlled by residents of the state and if the recipient of the loan is a shareholder of the bank;

(2) make and alter bylaws necessary or desirable to carry out its corporate functions;

(3) establish amortization plans for repayment of loans, which may include extensions for poor fishing or farming seasons;

(4) enter into agreements with regional institutions of the federal farm credit system, private lending institutions, and other state agencies or agencies of the federal government, to carry out the purposes of this chapter;

(5) adopt, alter, and use a corporate seal;

(6) sue and be sued in the name of the bank;

(7) issue bonds to carry out any of its corporate purposes and powers;

(8) sell, lease as lessor or lessee, exchange, donate, convey or encumber in any manner by mortgage or by creation of any other security interest, real or personal property owned by it, or in which it has an interest, when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;

(9) incur secondary liability by guaranty or endorsement of the obligations of another corporation or legal entity when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;

(10) make loans as provided in (1) of this section in participation with financial institutions, and establish and regulate the terms of the loans;

(11) make contracts and execute instruments necessary or convenient in the exercise of its corporate powers;

(12) acquire by purchase, lease, bequest, devise, gift, the satisfaction of debts, or the foreclosure of mortgages, and hold, maintain, use, operate, and convey real or personal property;

(13) borrow money and issue secured and unsecured evidence of indebtedness for a corporate purpose or to fund, refund, pay, or discharge outstanding obligations, and enter agreements and contracts concerning these obligations;

(14) secure the payment of its obligations by pledge or mortgage or other lien on its contracts, revenues, income, or property;

(15) appoint officers, employees, trustees for certificate holders, and agents, and prescribe their powers and duties;

(16) provide technical services to shareholders; for the purposes of this paragraph, "technical services" includes services that will enhance the ability of the shareholder to obtain financial assistance from the bank;

(17) make loans, as provided in (1) of this section, secured by liens subordinate to valid first liens and security agreements granted to a private lending institution.

(18) participate with state departments and agencies in formulating policy and in planning for the development of commercial fishing and agriculture in the state;

(19) do what is necessary or desirable to carry out the corporate purposes and powers expressed or implied in this chapter. (§ 3 ch 159 S.L.A. 1978)

**Sec. 44.54.220. Transition.** Upon the repurchase of all the nonvoting, preferred shares initially issued by the bank and purchased by agencies of the state, the provisions of this chapter lapse and the bank may proceed to operate as a private cooperative corporation under the terms of its bylaws and subject to the provisions of AS 10.15.005 — 10.15.600. (§ 3 ch 159 S.L.A. 1978)

### Chapter 55. Alaska Gas Pipeline Financing Authority.

Section	Section
10. Creation of authority	115. Nomination of a member of the board
20. Membership	120. Trust indentures and trust agreements
30. Officers and quorum	130. Nonliability on bonds
40. Compensation	140. Pledge of the state
50. Staff	150. Exemption from taxation
60. Legal counsel	160. Bonds legal investments for fiduciaries
70. Purpose of authority	170. Regulations
80. General powers	180. Annual audit
90. Bonds of the authority	190. Annual report
100. Submission of financial and Alaska impact plan	200. Definitions
110. Legislative approval	

**Cross reference.** — As to exemption of employees of the Alaska Gas Pipeline Financing Authority from the provisions of the State Personnel Act, see AS 39.25.110(21)

**Effective date of chapter.** — Section 4, ch 90, S.L.A. 1978, makes this chapter

effective June 30, 1978, in accordance with AS 01.10.07(c)

**Editor note.** — As to legislative findings relating to the passage of AS 44.55, see § 1, ch 90, S.L.A. 1978 in the 1978 Temporary and Special Acts and Resolutions in Binder 9

**Sec. 44.55.010. Creation of authority.** There is created the Alaska Gas Pipeline Financing Authority. The authority is a public corporation of the state. It is an instrumentality of the state within the Department of Revenue, but has a legal existence independent of and separate from the state. Exercise by the authority of the powers conferred by this chapter is an essential governmental function of the state. (§ 2 ch 90 S.L.A. 1978)

**Sec. 44.55.020. Membership.** The membership of the authority consists of the commissioner of revenue, the commissioner of commerce





Official Business

# Alaska State Legislature

Senate

Committee on Judiciary

*Rules  
agreed*

Pouch V  
State Capitol  
Juneau, Alaska 99811

March 12, 1979

The Honorable Clem Tillion  
President of the Senate  
Alaska State Legislature

Re: CSSB 132

Dear Mr. President:

On March 9, 1979, you requested me, in my capacity as chairman of the Senate Judiciary committee, to review the captioned bill and to report to the Senate as to its constitutionality.

At the outset, I should state that the following comments are mine and mine alone; I do not profess to speak for the other members of the Judiciary committee. It should likewise be noted that I do not claim any special expertise in the field of constitutional law, nor have I had sufficient time to devote to the research which would ordinarily be entailed in analyzing this bill.

A close reading of CSSB 132 indicates two sections of the bill would run afoul of the Alaska Constitution. Those two are 43.75.136, providing for payments to the Commercial Fishing and Agriculture Bank, and 43.75.131, making increased refunds to local government.

Article IX, sec. 7 of the Alaska Constitution provides as follows:

"The proceeds of any state tax or license shall not be dedicated to any special purpose except when required by the federal government for state participation in federal programs. This provision shall not prohibit the continuance of any dedication for special purposes existing upon the date of ratification of the constitution by the people of Alaska."

I was assisted in my efforts to check the constitutionality of the questioned sections of the bill by the opinions of two Attorneys General dated, respectively, April 4, 1969 and May 2, 1975. Both opinions not only considered the case law of this and other jurisdictions, sparse as it is, but they also reviewed the minutes of the Alaska Constitutional Convention and committees thereof. It is evident, in both these opinions, that the framers of our constitution did not want to have additional taxes earmarked or dedicated to special purposes.

SJB  
174.

The Honorable Clem Tillion

March 12, 1979

Page Two

A dedication of ten per cent of the fish tax existed at the time of the ratification of the Constitution, and the dedication clearly falls within the exemption. Problems arise when that ten per cent is increased, as in the instant bill, to thirty-three and one-third per cent. The issue of the constitutionality of increasing the percentage of an existing dedicated fund was not specifically addressed by either of the opinions reviewed. However, material contained in these opinions strongly suggests that increasing an existing dedicated fund was not intended by the Constitution.

It is equally clear that payments to the Commercial Fishing and Agriculture Bank and earmarking state tax revenue for the construction of docks, etc. by local governmental units would do violence to the Constitution of the State of Alaska.

The Attorney General's opinion of April 4, 1969 holds:

✓ "The proceeds of any state tax or license which must be shared with local governmental units are dedicated to a special purpose and are in violation of Article IX, sec. 7 of the Alaska Constitution."

The Attorney General's opinion of May 2, 1975 states:

✓ "Accordingly, it is our conclusion that the dedication of any source of public revenue: tax, license, rental, sale, bonus-royalty, royalty, or whatever is limited by the state Constitution to those existing when the Constitution was ratified or required for participation in federal programs."

Conclusion: CSSB 132, as written, is patently unconstitutional.

Respectfully submitted,

*3 copies*  
Robert H. Ziegler, Sr.  
Chairman  
Senate Judiciary Committee

RHZ/plz

HB

40

Meeting 2/1/79  
2/6/79

AGU 126028



FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HB 40  
 Title An Act relating to underutilized fish species  
 Requested by House Natural Resources Committee Date 2/1 /79

II. FISCAL DETAIL  
 Agency Affected Department of Fish and Game  
 Program Category Affected Natural Resources  
 Budget Request Unit(s) Affected Commercial Fisheries

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		84.2	89.3	94.6	100.3	106.3
200 TRAVEL		1.5	1.6	1.7	1.8	1.9
300 CONTRACTUAL		1.0	1.1	1.2	1.3	1.4
400 COMMODITIES		1.0	1.1	1.2	1.3	1.4
500 EQUIPMENT		1.0	1.1	1.2	1.3	1.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>88.7</b>	<b>94.2</b>	<b>99.9</b>	<b>106.0</b>	<b>112.4</b>

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND		88.7	94.2	99.9	106.0	112.4
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
FULL TIME		3	3	3	3	3
PART TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

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

Assume to implement Section 1 and Section 2 (1), (3), and (5) would require the following:

No.	Position Title	Range	Dollars	
1	Fish Biologist III	18A	\$ 32.9	
1	Fish Biologist II	15A	28.4	
1	Research Analyst I	13A	22.9	84.2

All other costs associated with other program expenditures 4.5  
88.7

Assume all other costs of Section 2 (2) and (4) are covered in other budgetary fish program or in HB 40.

Assume inflation rate of 6%

*[Signature]*  
 Bill H. Clark

IV. DATE 2/1/79 PREPARED BY [Signature]  
 AGENCY Department of Fish and Game  
 OFFICE Legislative Finance  
 DIVISION Budget and Management  
 PHONE 336-8110  
 PROJECT HB 40  
 FISCAL YEAR 1979



1 (b) The commissioner shall, by regulation, define "underutilized  
2 fish species" for the purposes of this section.  
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FISCAL NOTE

HB

I. REQUEST  
 Bill/Resolution No. HB 48  
 Title Issuance of Special Harvest Area Permits to Private Non-Profit Hatcheries  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL  
 Agency Affected Department of Fish & Game  
 Program Category Affected NRM & EC  
 Budget Request Unit(s) Affected Divisions of Commercial Fish and FRED

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No Fiscal Impact

IV. DATE 1/19/79 PREPARED BY J. K. St.

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (List Legislator Name)  
 AGENCY Fish & Game  
 PHONE 465-4120

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HB 40  
 Title An Act relating to underutilized fish species  
 Requested by House Natural Resources Committee Date 2/1 /79

II. FISCAL DETAIL  
 Agency Affected Department of Fish and Game  
 Program Category Affected Natural Resources  
 Budget Request Unit(s) Affected Commercial Fisheries

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		84.2	89.3	94.6	100.3	106.3
200 TRAVEL		1.5	1.6	1.7	1.8	1.9
300 CONTRACTUAL		1.0	1.1	1.2	1.3	1.4
400 COMMODITIES		1.0	1.1	1.2	1.3	1.4
500 EQUIPMENT		1.0	1.1	1.2	1.3	1.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>88.7</b>	<b>94.2</b>	<b>99.9</b>	<b>106.0</b>	<b>112.4</b>

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND		88.7	94.2	99.9	106.0	112.4
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
FULL TIME		3	3	3	3	3
PART TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

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

- Assume to implement Section 1 and Section 2 (1), (3), and (5) would require the following:

No.	Position Title	Range	Dollars	
1	Fish Biologist III	18A	\$ 32.9	
1	Fish Biologist II	16A	28.4	
1	Research Analyst I	13A	22.9	84.2

All other costs consistent with other program expenditures 4.5  
88.7

- Assume all other costs of Section 2 (1) and (4) are covered in existing bottom fish program or in HB 42.

- Assume inflation straight line

IV. DATE 2/2/79 PREPARED BY Russell H. Clark  
 AGENCY Department of Fish and Game  
 PHONE 465-8120  
 Original - Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (Last Legislator Named)  
 Keith Stecker, Office of the Governor  
 30 (80) (Rev. 10/78)

HB

42

Meeting 2/1/79  
2/6/79



INTERNATIONAL ILWU ALL-ALASKA COUNCIL  
LONGSHOREMEN'S & WAREHOUSEMEN'S UNION  
222 WILLOUGHBY AVE., JUNEAU, ALASKA 99801



Feb. 5, 1970

To: The House Resources Committee  
Re: House Bill No. 42

Representatives:

As I will be unable to testify in person today I am submitting written testimony to make you aware of the ILWU's feelings in this matter.

An "Underutilized Fish Species Board" seems inappropriate to me at this time. I think the concept is a good one, and one which eventually should come into existence; however, in reviewing the purpose and goals of the Board as outlined in House Bill No. 42, I find that they are parallel to those goals and purposes of the Governor's Bottom Fish Task Force. Rather than see duplicate bureaucratic agencies, both involved in bottom fish development, both with parallel objectives, both with associated, combating budgets, vying for additional funding, I think it is of utmost importance -- particularly at this early stage of development -- for Alaska to house its' underutilized specie programs under one roof.

In that vein, I would advocate routing the anticipated \$500,000 funding for the proposed "Underutilized Fish Species Board" to the Bottom Fish Task Force. If we can afford to fund a new board then we can afford not to fund that Board, and instead to use that funding to provide additional funding to a committee already in existence for the same purpose and in need of additional funding.

Down the road a few years, at a time when we are beyond the infant stages of bottom fish development, an "Underutilized Fish Species Board" would probably be very valuable. At this time though, when development of an Alaskan bottom fish industry is still very much a hazy image on the horizon, we need to step forward as one, with all our weight on the same foot -- to consolidate, not to diversify.

Larry Connor  
President

INTERNATIONAL ILWU ALL-ALASKA COUNCIL  
LONGSHOREMEN'S & WAREHOUSEMEN'S  
222 WILLOUGHBY AVE., JUNEAU, ALASKA 99801 UNION

Feb. 5, 1979

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In that vein, I would advocate routing the anticipated \$500,000 funding for the proposed "Underutilized Fish Species Board" to the Bottom Fish Task Force. If we can afford to fund a new Board then we can afford not to fund that Board, and instead to use that funding to provide additional funding to a committee already in existence for the same purpose and in need of additional funding.

Down the road a few years, at a time when we are beyond the infant stages of bottom fish development, an "Underutilized Fish Species Board" would probably be very valuable. At this time though, when development of an Alaskan bottom fish industry is still very much a hazy image on the horizon, we need to step forward as one, with all our weight on the same foot -- to consolidate, not to diversify.

Larry Dutton  
President

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 42  
 Title An Act establishing the Alaska underutilized Fish Species Board  
 Requested by House Natural Resources Committee Date 1/29/79

II. FISCAL DETAIL

Agency Affected Fish and Game  
 Program Category Affected Commercial Fisheries  
 Budget Request Unit(s) Affected Natural Resources

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		69.2	73.4	77.8	82.5	87.5
200 TRAVEL		15.0	15.9	16.9	17.9	19.0
300 CONTRACTUAL		350.0	371.0	393.3	416.9	441.9
400 COMMODITIES		1.0	1.1	1.2	1.3	1.4
500 EQUIPMENT		1.0	1.1	1.2	1.3	1.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>436.2</b>	<b>462.5</b>	<b>490.4</b>	<b>519.9</b>	<b>551.2</b>

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND		436.2	462.5	490.4	519.9	551.2
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
FULL TIME		2	2	2	2	2
PART TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

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

- Assume costs of contracting for consumer education, sales promotion, quality control and advertising would be similar to King Crab Board 250.0
- Assume contracting for scientific research to develop and discover health, genetic, and other uses of species 100.0
- Assume range 26 Director and range 10 Secretary 60.2
- Assume travel similar to King Crab Board and other costs 15.0
- Assume inflation 62

IV. DATE February 14, 1979 PREPARED BY Richard K. Clark  
 AGENCY Department of Fish and Game  
 OFFICE Division of Commercial Fisheries  
 ADDRESS 1000 West 12th Avenue, Anchorage, Alaska 99501  
 PHONE (907) 556-1073

# COMMITTEE REPORT

## HOUSE

FURTHER: FINANCE

1-24-79

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on RESOURCES has had HB 42

"An Act establishing the Alaska Underutilized Fish Species Board."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

**MEMBERS SIGNING  
DO PASS**

**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

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\_\_\_\_\_  
CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 42  
 Title An Act establishing the Alaska underutilized Fish Species Board  
 Requested by House Natural Resources Committee Date 1/29/79

II. FISCAL DETAIL

Agency Affected Fish and Game  
 Program Category Affected Commercial Fisheries  
 Budget Request Unit(s) Affected Natural Resources

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		69.2	73.4	77.8	82.5	87.5
200 TRAVEL		15.0	15.9	16.9	17.9	19.0
300 CONTRACTUAL		350.0	371.0	393.3	416.9	441.9
400 COMMODITIES		1.0	1.1	1.2	1.3	1.4
500 EQUIPMENT		1.0	1.1	1.2	1.3	1.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>436.2</b>	<b>462.5</b>	<b>490.4</b>	<b>519.9</b>	<b>551.2</b>

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND		436.2	462.5	490.4	519.9	551.2
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
FULL TIME		2	2	2	2	2
PART TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

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

- Assume costs of contracting for consumer education, sales promotion, quality control and advertising would be similar to King Crab Board 250.0
- Assume contracting for scientific research to develop and discover health, dietetic, and other uses of species 100.0
- Assume range: 1A Director and range 1B Secretary 1 50.2
- Assume travel similar to King Crab Board and other costs 15.0
- Assume inflation 15

*Russell H. Clay*

IV. DATE January 21, 1979 PREPARED BY Russell H. Clay  
 AGENCY Dept. of Fish & Game/Division of Administration  
 CHIEF Director  
 Original 1 - Legislative Council  
 cc Budget and Management  
 Finance Services (for Legislative Council)  
 Policy Services - 1979  
 11 (41) (Rev. 10/78)

ALASKA STATE LEGISLATURE

ELEVENTH Legislature FIRST Session

HOUSE ..... BILL ..... NO. 42...

By THE RULES COMMITTEE BY  
REQUEST OF THE LEGISLATIVE  
COUNCIL, (for the Interim  
Committee on Bottomfish)

"An Act establishing the Alaska  
Underutilized Fish Species  
board."

Underutilized Fish Species

Introduced in the House

1-24-79

HISTORY IN THE HOUSE

1979

Jan. 24

Read first time and referred  
to Committee on  
Resources and Finance

Reported back with  
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed  
Signed by Speaker  
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred  
to Committee on

Reported back with  
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed  
Signed by President  
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Concurred in Senate amendment  
thus adopting:  
VOTE

Failed to concur in Senate amend-  
ment; asked Senate to recede  
VOTE

Senate receded from amendment  
VOTE

Senate failed to recede from  
amendment  
VOTE

CC appointed by House

CC appointed by Senate

CC adopted by House  
VOTE

CC adopted by Senate  
VOTE

To enrolling  
Reported correctly enrolled  
Sent to Governor

by Governor

Filed with Lt. Governor

Chapter No.

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HB 42  
 Title An Act establishing the Alaska underutilized Fish Species Board  
 Requested by House Natural Resources Committee Date 1/29/79

II. FISCAL DETAIL  
 Agency Affected Fish and Game  
 Program Category Affected Commercial Fisheries  
 Budget Request Unit(s) Affected Natural Resources

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		69.2	73.4	77.8	82.5	87.5
200 TRAVEL		15.0	15.9	16.9	17.9	19.0
300 CONTRACTUAL		350.0	371.0	393.3	416.9	441.9
400 COMMODITIES		1.0	1.1	1.2	1.3	1.4
500 EQUIPMENT		1.0	1.1	1.2	1.3	1.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>436.2</b>	<b>462.5</b>	<b>490.4</b>	<b>519.9</b>	<b>551.2</b>

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND		436.2	462.5	490.4	519.9	551.2
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
FULL TIME		2	2	2	2	2
PART TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

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

- Assume costs of contracting for consumer education, sales promotion, quality control and advertising would be similar to King Crab Board 250.0
- Assume contracting for scientific research to develop and discover health, dietetic, and other uses of species 100.0
- Assume salary 24 Director and range 10 Secretary 69.2
- Assume travel similar to King Crab Board and other costs 15.0
- Assume inflation 65

IV. DATE March 2, 1979 PREPARED BY Russell M. Clark  
 OFFICE OF THE CLERK OF THE LEGISLATURE  
 ALASKA STATE HOUSE  
 JUNEAU, ALASKA 99801  
 PHONE 459-1200

HB

48

NOTIFICATION

BILL	LETTER/PHONE	INFORMED	HEARING DATE
HB 487	465-3500	Governor's Office	2/8/79
	465-4100	Fish and Game Dept. (to bring Council notes)	2/8/79
	586-3456	Commercial Fisheries <sup>John Garner</sup> Entry Commission	2/8/79
	747-6850	Northern S.E. Regional Aquaculture Assoc. - Derek Poon, Pres.	2/8/79
	3/12	Northern S.E. Reg. Aquaculture Assoc. (SITKA)	3/13
	3/12	Southern S.E. Reg. Aquaculture Assoc. (Ketchikan)	3/13
	3/12	Sheldon Jackson Aquaculture Program (SITKA)	3/13
	3/12	Prince William Sound Aquaculture Assoc. (Cordova)	3/13
	3/12	Cook Inlet Aquaculture Assoc. (Soldotna)	3/13
	3/12	Commercial Fisheries Entry Commission	3/13
	3/12	Fish and Game Dept. - FRED	3/13
		Division - Bob Roy to testify	
	3/12	United Fishermen of Alaska	3/13

# COMMITTEE REPORT

## HOUSE

FURTHER: JUDICIAL

1-24-79

Date: 2/10/79

Mr. Speaker:

The Committee on RESOURCES has had HR 48

"An Act relating to special harvest area entry permits; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

**MEMBERS SIGNING  
DO PASS**

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**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

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\_\_\_\_\_  
CHAIRMAN

14-15-46

January 15, 1979

Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill to authorize the issuance of special harvest area entry permits to private non-profit hatcheries. These permits would enable hatchery operators to harvest and sell surplus fish returning to their facilities, with conventional gear, but without ordinary limited-entry permits. This would be accomplished under restrictions and conditions established by the Board of Fisheries and the Department of Fish and Game. Inefficiency and waste would be eliminated by such harvesting. Like the educational-entry permits authorized by sec. 10, ch. 123 SLA 1978, special harvest area permits will bridge a small gap in the limited entry law.

Sincerely,

S/JSJH

Jay S. Hammond  
Governor

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. Law Log 095 HOUSE BILL NO. 48  
 Title See attached "Subject of Proposed Bill"  
 Requested by Office of the Governor Date December 14, 1978

II. FISCAL DETAIL.  
 Agency Affected Office of the Governor, Alaska Commercial Fisheries Entry Commission  
 Program Category Affected HRMEC  
 Budget Request Unit(s) Affected Alaska Commercial Fisheries Entry Commission

EXPENDITURES (Thousands of Dollars)

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

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

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

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

This bill will not reduce revenue currently being collected for the General fund and the number of permits issued will be substantially the same as in past years.

DATE December 14, 1978 PREPARED BY Derrill L. Johnson Derrill L. Johnson  
 AGENCY Office of Governor/Commercial Fisheries Entry  
 PHONE 586-3356  
 ( ) of Legislative Finance  
 ( ) Budget and Management  
 ( ) Prime Sponsor (First Legislator Named)

**ALASKA STATE LEGISLATURE**

**ELEVENTH** Legislature **FIRST** Session

HOUSE BILL NO. 48  
By THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

An Act relating to special  
harvest area entry permits; and  
providing for an effective date.

harvest area entry permits

Introduced in the House 1-24-1979

**HISTORY IN THE HOUSE**

1979	<p>Read first time and referred to Committee on Resources and Judiciary</p> <p>Reported back with recommendation that</p> <p>Read second time and</p> <p>Read third time and</p>
Jan. 24	

  

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
Reconsideration	
PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
Reported correctly engrossed	
Signed by Speaker	
Sent to Senate	

CHIEF CLERK OF THE HOUSE

**HISTORY IN THE SENATE**

19	<p>Read first time and referred to Committee on</p> <p>Reported back with recommendation that</p> <p>Read second time and</p> <p>Read third time and</p>
----	--

  

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
Reconsideration	
PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
Reported correctly engrossed	
Signed by President	
Returned to House	

SECRETARY OF THE SENATE

**HISTORY IN THE HOUSE**

19	<p>Received from Senate</p> <p>Concurred in Senate amendment thus adopting: VOTE</p> <p>Failed to concur in Senate amendment; asked Senate to recede VOTE</p> <p>Senate receded from amendment VOTE</p> <p>Senate failed to recede from amendment VOTE</p> <p>CC appointed by House</p> <p>CC appointed by Senate</p> <p>CC adopted by House VOTE</p> <p>CC adopted by Senate VOTE</p> <p>To enrolling Reported correctly enrolled Sent to Governor  by Governor</p> <p>Filed with Lt. Governor</p> <p>Chapter No</p>
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# UNITED FISHERMEN OF ALASKA

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MAILING ADDRESS & OFFICE  
197 SOUTH FRANKLIN ST  
JUNEAU ALASKA 99801

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

Dear Representative Osterback:

The United Fishermen of Alaska endorse House Bill 48. We certainly hope that your committee acts favorably on this legislation.

Sincerely,

Ms. Shari Gross  
Executive Director



# UNITED FISHERMEN OF ALASKA

MAILING ADDRESS & OFFICE  
197 SOUTH FRANKLIN ST  
JUNEAU ALASKA 99801

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

Dear Representative Osterback:

The United Fishermen of Alaska endorse House Bill 48. We certainly hope that your committee acts favorably on this legislation.

Sincerely,

*Shari Gross*

Ms. Shari Gross  
Executive Director

(Derek Poon of)  
Southern S.E. Regional  
Aquaculture Assoc.

3/13 by  
phone

Approves of HB48  
with 3 points

- hatchery should have primary purpose of contributing to common property fisheries
- hatchery budgets should have review mechanism
- special harvest area should be available to common property harvest after brood stock and cost recovery

S. Southeast Reg. Aquaculture Assoc. takes same stand as UFA.



Department of Fish & Game

Proposed amendment to House Bill 48.

Sec. 16. 43. 420. AUTHORIZED GEAR. For the purposes of harvesting salmon; in the special harvest area, a special harvest area permit holder may employ any fishing gear designated as legal gear in the applicable special harvest area by the Board of Fisheries. The Board of Fisheries may designate any gear as legal gear in the special harvest area not withstanding any other prohibition in Title 16.

JA02 0005 13.55 JA01 0030 13.55 03/12/79

HB 48

TO REP. OSTERBACK, CHAIRMAN, HOUSE RESOURCES  
COPY TO ALL COMMITTEE MEMBERS  
FROM PEGGY, KETCHIKAN INFO OFFICE

THE FOLLOWING IS FROM MR. RON WENDTE, ADMINISTRATIVE COORDINATOR,  
SOUTHERN SOUTHEAST REGIONAL AQUACULTURE ASSOCIATION:

THE SOUTHERN SOUTHEAST REGIONAL AQUACULTURE ASSOCIATION HAS REVIEWED  
HOUSE BILL 48 DEALING WITH SPECIAL HARVEST AREA ENTRY PERMITS AND  
URGES YOU TO PASS THIS BILL. THE ADOPTION OF HB. 48 IS IMPORTANT  
FOR THE PLANNING OF S.S.R.A.A. AND IS ESSENTIAL FOR THE SUCCESS OF  
NON-PROFIT HATCHERIES IN THE STATE OF ALASKA. SIGNED: RONALD W. WENDTE,  
ADMINISTRATIVE COORDINATOR PEG/EOM