

117

HRES

HB 697

-

HB 784

117

HB

697

2/26/80 Reported Out as CS

~~(with word changes suggested)~~

~~and kits speaking of Public Safety)~~

with new fiscal note & 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
HB697	2/22	4100	Dept. of Fish & Game	
	2/22	2800	Dept. of Education (4685) Jerry Hiley, Coordinator for Adult and Continuing Education	

(9)

# COMMITTEE REPORT

## HOUSE

2/8/80

FURTHER: FINANCE

Date: 2/24/80

Mr. Speaker:

The Committee on RESOURCES has had HB 697

"An Act creating the fisheries education steering committee; 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 HB 697  same title  
 new title
- and recommends DO PASS
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

**MEMBERS SIGNING  
DO PASS**

B. White

John B. Miller

Clayton C. Robertson

John B. Miller

John B. Miller

Alvin Robertson

John B. Miller

**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

\_\_\_\_\_

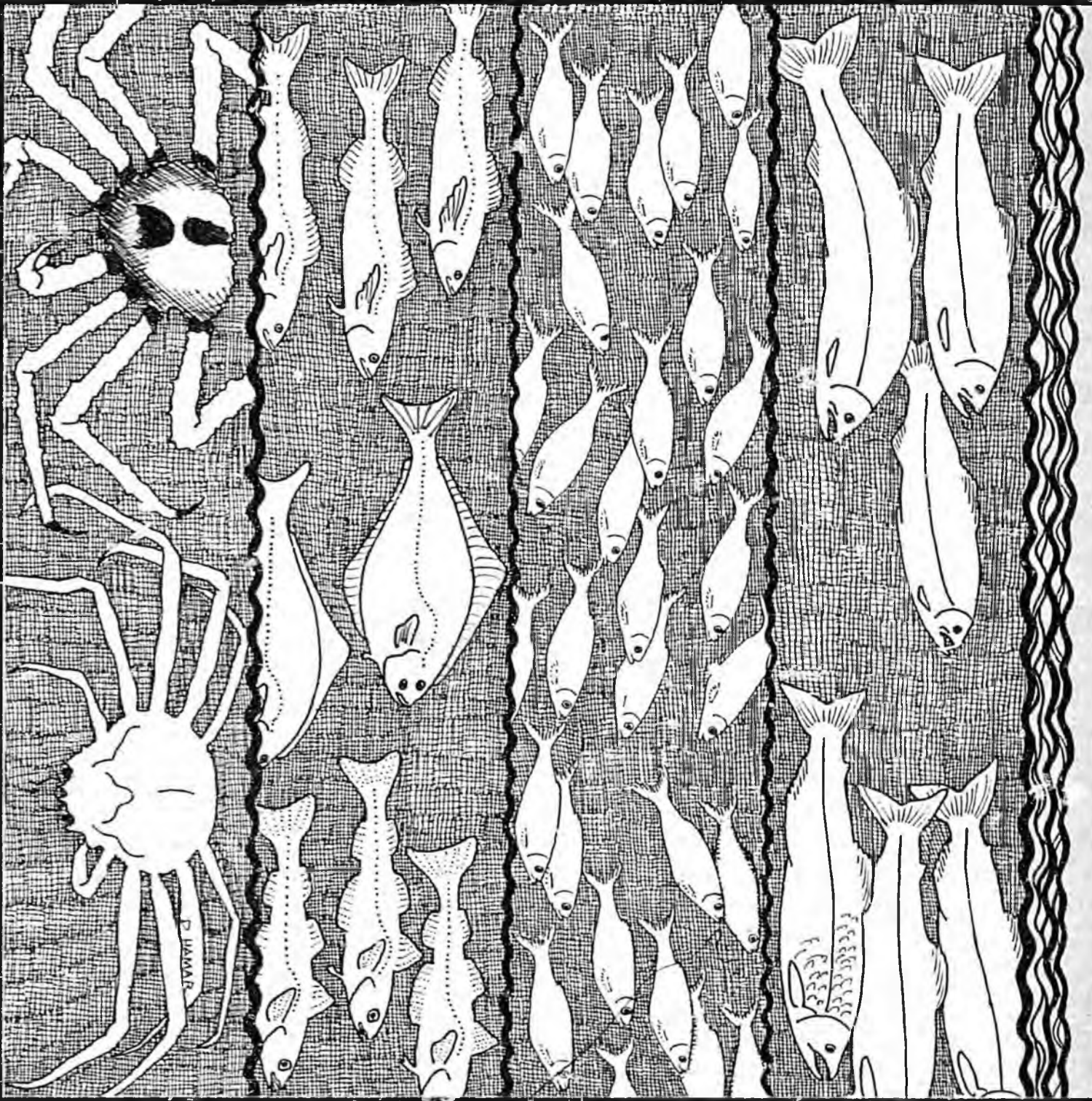
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Alvin Robertson  
CHAIRMAN



# A Plan for the Organization of Vocational and Technical Fisheries Education for the State of Alaska

A Plan for the Organization  
of Vocational and Technical  
Fisheries Education  
for the State of Alaska

Submitted to:  
The State of Alaska  
Office of the Governor  
Bottomfish Coordinator  
and the  
Alaska Department of Education  
Juneau, Alaska  
October 19, 1979

By:  
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## / PREFACE:

This report provides a brief overview of some of the problems of fisheries education in the State of Alaska. A complete analysis with a set of fully developed scenarios is, due to constraints of time, beyond the scope of this project. This is a brief outline of a possible organizational and communication network with which the State may maximize the efficiency of current efforts and resources and direct additional future development. It should be emphasized that no current efforts should be abandoned, but should be more fully developed in a coordinated fashion.

The material used in this report came from many sources. Much of it is the result of the author's impressions during four years as an Education Specialist for the Alaska Marine Advisory Program and from conversations with many people vitally interested in Alaska fisheries education. A letter signed by Ms. Marilou Madden (Department of Education) at the outset of this project elicited a wide variety of responses which have proven to be of great value in compiling this document. Funding for this report was provided by the Office of the Governor, through the Department of Commerce and Economic Development and the Department of Education.

Particular credit is due to Jim Edenso, Bottomfish Coordinator, Office of the Governor; Tony Mecklenberg and Richard Reynolds (Department of Commerce and Economic Development); John Doyle and Hank Pennington (Marine Advisory Program); and Jerry Hiley (Department of Education) for their help.

## I. INTRODUCTION

The fishing industry in Alaska is of prime importance. Since fisheries are renewable resources, they supercede the long-term value of even oil and gas, which will eventually be depleted. The advent of the 200 mile limit law helps to insure the future conservation and proper management of our fish stocks through the foreseeable future. At the present time, Alaska is dependent on traditional fisheries for a very few of the potentially marketable species. The white fish resources have traditionally been harvested and processed only by foreign interests. Many other resources are currently underutilized or not harvested at all. However, the state's fishermen and processors, as well as investors, are carefully examining the white fish resource and other domestically underutilized resource fisheries to insure Alaska's status as a major producer of the world's seafood.

One of the major factors hindering, or at least slowing, the development of Alaskan fisheries, is the lack of a statewide coordinated fisheries education and training program. The past and current efforts at education and training in this vital field have been either sporadic or redundant, and often marred by an inability to satisfy the needs of the fishing industry.

Past problems have been addressed primarily at the local level. The needs of the fisheries community (e.g., fishermen, processors, etc.) have been approached most consistently by the Alaska Sea Grant Program through its subsidiary, the Alaska Marine Advisory Program, with aid from other state-supported programs. Since funds, personnel and time are limited, these programs are severely over-extended at present. Several of the state's community colleges have made various attempts to develop vocational or technical fisheries programs. In terms of investment of funds and effort, the most notable has been the Kodiak Community College. Both Juneau-Douglas and Prince William Sound Community College are either actively pursuing fisheries programs or are attempting to organize them. Sheldon Jackson, a private two-year college which is located in Sitka, has developed a successful vocational aquaculture program and is looking toward possible expansion in other areas of fisheries education.

Various rural high schools in the state have attempted to establish vocational or technical programs in either fisheries or aquaculture, but their rate of success has been rather low. There are several reasons for the lack of success in these programs. A high rate of teacher turnover, lack of involvement by local fishing community members, and academic ability of students, are among the reasons for a low rate of success in these programs.

The University of Alaska, through Sea Grant and other University branches, is also involved with fisheries education. Other than the extension oriented Marine Advisory Program, the University's efforts are primarily aimed at the more esoteric aspects of management and basic or applied marine and fresh water research - topics that are outside the scope of this report.

## II. REVIEW OF EXISTING EFFORTS

### A. Alaska Sea Grant Program

The University of Alaska Marine Advisory Program, under joint funding from the National Office of Sea Grant and the Cooperative Extension Service, has historically been the leading agency in fisheries education within the state. Sea Grant's effectiveness is limited in meeting the statewide demands because of underfunding and understaffing. While the Marine Advisory program represents an excellent effort (certainly the best in the state to date), it is severely limited both geographically and topically. The vast areas of southwestern, western and arctic Alaska are represented by only one agent supported on a nine-month contract. It is also of interest that he is the only member of the program staff that is fluent or even conversant in both English and any of the native languages.

The inevitable result of this understaffing is difficulty in focusing on the development and maintenance of long-range programs. Much of the effort must be expended in answering immediate and often unforeseen problems. Those workshops and fisheries institutes that have been carefully planned over an adequate time period have usually been effective and relevant. The biggest drawback is that there has not been enough of them.

It does not appear that the problems associated with underfunding and understaffing will be solved in the near future. As an example, for several years one of the greatest needs in the state fisheries has been for a gear specialist; associated, ideally, with the Marine Advisory Program. Yet, funding for this position has been impossible to secure. One answer to this problem could be the development of much broader cooperation and coordination with all other fisheries education entities within the state which would insure a more effective approach.

The Sea Grant Program outside of the Marine Advisory efforts, is also involved with pertinent fisheries education. Their mission is to perform applied research on scientific problems that impinge on any aspects of marine resource utilization, including, but not limited to, fisheries.

An example, is the on-going research program of Drs. Nishiyama and Niebauer and their students relative to the problems of the Kodiak shrimp populations. The information produced by this study will have strong implications both in shrimp management and more effective methods of shrimp fishing.

Much of the Sea Grant effort (as well as most of the other University efforts) is aimed at the higher education level with little relevance to vocational education for the average fisherman. Education of this sort is outside the realm of upper division university course work. The role of the Alaska Sea Grant Program (ASGP) is more appropriately in the training of research and management personnel.

## B. Community Colleges

1. Juneau-Douglas Community College: JDCC is deeply committed to a fisheries technology program. Their current curriculum includes the following courses: small boat construction and repair; repair and maintenance of gas and diesel engines; and an assortment of regular classes and clinics (short courses). Courses are offered in welding, which stress repair and fabrication using all common techniques (e.g., oxy-acetylene, arc). Hydraulics maintenance and repair are also offered, and self-help programs on such topics as navigation and marine electronics are planned. (M. Metty, Personal Communication).

In preparation for future development of their fisheries education program, JDCC has purchased a shoreside facility, formerly known as the "Northern Commercial Property." Although plans for its use are still undefined, it seems clear that this property will house JDCC's entire marine and fisheries programs. It is ideally located with a ways and a small boat yard for repair and maintenance of smaller commercial fishing vessels. It will be the only such facility in Alaska that is tied to an educational institution and thus presents some ideal and unique educational opportunities. One other similar facility is planned for Alaska, the Alaska Skill Center at Seward on the southcentral coast, discussed elsewhere in this report.

In planning for future fisheries education, JDCC has advertised two openings for "gear specialists": one in the area of white fish fisheries; and one to be more of a generalist. The effort is constructive, but the needs do not seem well articulated. More appropriate at this juncture would be the creation of a single position of "fisheries education coordinator", whose primary function would be to clearly plan both present and future curriculum and facility needs relevant to the fishing industry. The fisheries education coordinator could then work to build the program around the two positions advertised at this time.

2. Prince William Sound Community College: PWSCC's efforts are still at the proposal stage, although the course outline is certainly impressive and comprehensive. The course descriptions indicate a strong attempt toward the development of a technical fisheries program similar to that found at the Rhode Island School of Fisheries. Dr. John Devens, Campus President, has told me that students are already signed up for this program; however, other than a fisheries coordinator, faculty and facilities are not in place. The PWSCC effort requires extensive funding, with both federal and state support. Two factors are even more important than funding to insure the ultimate success of this program: (1) patient and long-term time allotment and (2) very careful selection of instructors for the program. Judging from the experience of the Rhode Island School of Fisheries, seven to ten years may be required to successfully establish and demonstrate the merits of a fisheries technical school. Without the exact combination of familiarity with the region fisheries and fishermen and the ability to communicate and teach on the part of every member of the faculty, the program cannot succeed.
  
3. Kodiak Community College: An ambitious program in fisheries technology was established at KCC in 1972. The program was expanded in 1974 to include a two-year course in seafood processing (Atkinson, 1974). Kodiak was envisioned by the University to be the ideal location for this program. There were indications of strong support for the concept throughout all phases of the industry, yet by 1978, the program was virtually dead. In my discussions with various representatives of the industry and the community college, the reasons for this appear to be: (1) the program was not structured to meet the needs of the industry in terms of format or content; (2) not enough time was allotted to bring the program to fruition; and (3) while the instructional staff was well qualified, in terms of their experience and academic ability, they were evidently unable to build a rapport with the various segments of the industry and to take direction from them in structuring the program. This last is of extreme importance, but it is also necessary to be able to go one step further and intuitively anticipate needs that the industry does not express.

KCC has not lost its determination to take a strong lead in Alaskan fisheries education. A recent grant proposal has been submitted and funded to reimplement the program on a different level. The approach is to develop a multi-agency cooperative effort on an island-wide basis.

This will involve not only KCC, but also Kodiak High School's existing fisheries program, and all the region's village high schools. Much of the effort will be devoted to the development of modular material that can be used in or out of the classroom. Emphasis will not be restricted to the harvesting end of the fisheries but will also stress the many ancillary skills needed by today's modern fishermen to compete successfully in the business world. In conjunction with the University's Criminal Justice Center, a strong multi-level fisheries law component is being built-in. If the new Kodiak program lives up to its promise, it could serve as a model for all regional fisheries education development programs throughout the state.

4. Other Community Colleges: Kuskokwim Community College is in the process of organizing a land resources program, including fisheries and wildlife management, leading to an A.A. degree. The nucleus of their fisheries program will encompass the river fisheries of the river country of Western Alaska. Ketchikan Community College, Sitka Community College as well as others about the state, have expressed interest in various aspects of technical programs. Most offer some sort of marine technology programs, including small engine repair and maintenance as well as related courses.
5. Sheldon Jackson College: While Sheldon Jackson is a private college, and thus lies outside the domain of the community college system, it is practical to consider it within that province, for the purposes of this report. Since it is a two-year college, SJ's interest in fisheries are currently limited to salmon aquaculture, although both the staff and the administration have expressed interest in expanding into a much broader program, possibly including, training for the white fishery. (Charles Bovee, Personal Communication).

In its speciality, SJ provides the only upper level academic aquacultural training within Alaska. It is a successful program, but limited in potential by a rather small and defined job market available to graduates from the program. SJ draws students from all over the state, as well as from the lower 48 states. Courses include not only the standard fish husbandry and fish biology offerings, but also a strong "hands-on" approach to the hatchery work, and courses in mechanical equipment operation and maintenance, emergency medical care, and fish pathology. (Mel Sieffert, Personal Communication).

Due to the restricted job market, it is impractical for other two-year programs in the State to try and duplicate the aquacultural curriculum offered by SJ, unless, for some unforeseen reason, their program was to be discontinued.

C. Secondary Schools:

Secondary schools have expressed strong interest in both fisheries and aquaculture programs, but with few exceptions, most attempts at these programs have met with limited success.

In looking at these programs, one can find several common denominators that contribute to the lack of success: lack of experienced teachers; high rate of teacher turnover; and lack of information resources. Inadequate funding and lack of community support are also cited as reasons. Complicating the situation are factors unique to rural Alaskan schools such as poor communication within and between interested districts and individual teachers. Too often mistakes made in one region are simply repeated by other districts because there is no forum of interested parties that can initiate an exchange of ideas, experience and information.

Yet the secondary school fisheries picture is not entirely bleak. Several schools have made strong, sustained and successful efforts. For example, Ketchikan and Kodiak have long been leaders in the field of fisheries. Kake, Ketchikan and Sand Point have established hatchery programs that show good potential.

These specialized programs at the secondary level often miss a valid point. Too often competency in writing, reading and computation is slighted in favor of special interest courses. If we are going to train young Alaskans to take over our resources and industries, we cannot afford to slight their ability to communicate and to develop mathematical skills. They must be competent in these areas before they can enter the specialities. This does not preclude the use of fisheries as a vehicle to approach the basics. Indeed, every rural teacher should be encouraged to use all the resources at hand to individualize his or her curriculum and materials to local relevancy.

Another problem that may contribute to the failure of fisheries programs at the secondary level lies in the selection of student participants. If they are not highly motivated toward the fishing industry, they will be unable to extract the maximum benefit from the program. Ultimately, the program is apt to become a holding pen for students who are merely passing time.

D. Alaska Skill Center:

The Alaska Skill Center in Seward is a unique institution in the state. Although it presently does not offer fisheries courses, parts of the curriculum (e.g., welding, diesel, mechanics) are strongly applicable to the fishing industry. Many of the courses are open entry/open exit and all have definite practical orientation.

ASC is currently looking at participation in the development of the shipyard at the mouth of the 4th of July Creek. If implemented, this facility will directly influence the Alaska fishing industry as a training facility for future boatwrights and repairmen. However, it will not, and cannot, meet all the vocational or technical education needs in this area for the state. There will always be a strong need for the dissemination of this knowledge at the village level. For many rural residents it is impractical or undesirable to travel to Seward for their education. At the recent Aleutian-Pribilof Bottomfish Conference at St. Paul (September 1979), this idea was expressed by many of the Aleut representative attending the meeting.

E. State Government:

In addition to the University system and the State Department of Education, the state government is becoming increasingly interested in fisheries education.

In the past year, the State Department of Commerce and Economic Development and the Office of the Governor have sponsored projects of an educational nature, including several white fish harvesting demonstration projects, fishing trials, and jointly sponsored with the Marine Advisory Program a class on white fish processing. The latter was held last in Kodiak in April 1979, involving personnel from Scandinavia and conveyed up-to-date information on all phases of white fish processing. A processor's training manual (in press) has resulted from this course.

In the FY '81 budget request recently submitted by DCED are two line item requests directly relevant to fisheries education. The first is entitled Bottomfish Production Trials/Demonstration and requests monies from the general fund to provide demonstration projects in cooperation with the Alaska Fisheries Development Foundation. The second budget request deals with three phases of fisheries education: (1) to establish a fisheries education coordination committee; (2) to implement the training of a "cadre of qualified resident instructors"; and (3) direct involvement in fisheries education at the community college level. This is exemplary of the support needed to provide the impetus for an organized fisheries education and training effort within Alaska, which in turn, will allow future generations of Alaskans to be masters of their own resources.

F. Alaska Fisheries Development Foundation has proposed a \$90,000 budget for a training component in their planned ground fisheries demonstration project. In cooperation with the Marine Advisory Program, an on-board training program will be implemented. This program will be limited, by restricted bunk space on existing Alaska fishing vessels, and the rigors of utilization of new and unfamiliar fishing gear, economic constraints, etc. (AFDF, 1979). Yet even with all these restrictions, AFDF does offer a sound, if modest, start on this problem of training in this emerging field. The on-board efforts will be supplemented by workshops and media development and presentations in the primary fishing ports. This will include extensive news coverage and the development of specialized audio visual materials which may be used as a foundation for future training efforts.

### III. ALASKAN FISHERIES EDUCATION NEEDS

The needs in Alaskan fisheries education can be viewed from several standpoints. Regional needs are quite diverse and these should be considered if one is establishing or bolstering fisheries in coastal or river-based fisheries. For example, the fishing communities of Southeastern Alaska and Kodiak can expect to harvest, process and market a much broader range of resources than the communities of the Arctic-Yukon-Kuskokwim regions. Yet certain common themes are prevalent throughout the state. One of these themes was best summed up by James Branson, Executive Director of the North Pacific Fisheries Management Council, during a recent conversation, "Our job would be many times simplified if the fishermen had, somewhere in their background, some strong knowledge about the resources." The state is embarking on a new bottomfish enterprise, one which is capturing the imagination of everyone from fishermen to bureaucrats. The question "what is a bottomfish?" remains very difficult for most to answer. The herring fishery is emerging as a very profitable operation in the Southern Bering Seacoast villages and other districts, but many fishermen know little of the basic biology of the resource. Throughout the state, salmon has been the richest of the traditional fisheries. However, the life histories of the five species are poorly understood by the average fisherman. In all schools, at all levels, one of the greatest needs is basic resource information. This may be approached in the schools by abandoning the textbooks which are traditionally oriented toward terrestrial botany and zoology, and training with a local marine ecosystems approach. This involves much greater innovative effort on the part of the teacher, but would prove more effective in the long run. An excellent example of this sort of program is that instituted by Ms. Lucile Holden of Ketchikan High School about nine years ago, and with which she is still working.

Another statewide need which has been expressed in almost all communities which I have visited is fiscal management; for business management, financial planning, taxes. Other fiscal matters are becoming increasingly important to insure the greatest rewards for their efforts. In today's increasingly complex and inflationary society, this will become even more important.

With the emerging white fish fishery, Alaska fishermen must learn to use modern and complex equipment and deal with non-traditional (for Alaskans) resources. Machines such as the new Mustad Autoline system, on-board heading and gutting equipment, and new advanced methods of on-board refrigeration must be mastered in order for the bottomfish fisherman to compete successfully on the world market.

Boat repair and fabrication, diesel mechanics, electronics and navigation all are becoming increasingly important to Alaska's successful fishermen. For the small boat fishermen, the skipper needs to be familiar with all of those skills, while on larger vessels, crew members with specialized skills in these fields are important, and at shore-based support facilities (such as the proposed Alaska Skill Center or the Juneau-Douglas Community College Boatyards), individuals with these skills will be in demand.

In examining Alaskan fisheries education needs, it is helpful to look at two possible "systems" approaches: vocational education and technical education. Ultimately, both approach the same goal of strong fisheries education and training for future members of the industry.

Vocational fisheries education may be best addressed by the community college system, the Alaska Skill Center and Sheldon Jackson College through a network which will be described later in this report. It should be directed toward specific needs, with materials which are modular in concept and format and suitable for delivery to either small audiences throughout a given region or on board a vessel for crew use. The new Kodiak Community College program can provide an excellent model for such a delivery system. The viability of this concept may be thoroughly tested with this program before implementation in other regions.

Technical education, on the other hand, should provide a resident a two or four year program leading to degrees in some aspect of commercial fisheries. An example of such a program is found at the University of Rhode Island Department of Fisheries and Marine Technology.

The technical approach to Alaskan fisheries education is highly desirable for Alaska. It does not, however, answer our immediate needs, due to the length of time required to put a technical school of fisheries into place and nurture it to success. Captain G.A. Motte, Chairman of Rhode Island's Department of Fisheries and Marine Technology, spoke of problems they encountered in getting started; at the outset, there was opposition from the skippers to hiring a classroom trained crewperson. It was difficult to convince students that it was a valid expense of time, money and effort to spend two, three, or four years in the classroom when he or she could be at sea, earning a paycheck.

In the ten years that the department has been in existence, the attitudes gradually changed. Now skippers demand that their prospective crew members have attended the URI program, and the waiting list calls for more candidates than the school can accept. As a result, they are highly selective in accepting students, though it has taken ten years to reach their present status.

Alaska needs to have a technical school of this type and caliber. It will not, however, answer our immediate problems. Even if all our fisheries education efforts were focused on this approach, we could not meet the immediate needs of our people and industry. This is not to say that we should not work toward this goal, but rather we should start today with a well-organized and strongly funded vocational education network. Even with an excellent, well-accepted technical school in place, the vocational network will still be extremely important. Because of Alaska's size and diverse needs, there should be no redundancy in ultimately approaching fisheries education from both directions. Besides, even the finest technical school can only answer the needs of a limited segment of future Alaskan fishermen. There will always be a majority of people who cannot afford, for one reason or another, to attend such a school, as well as people who need only courses on particular discrete topics. These people may be best served on an out-reach basis through the community college or other vocational programs.

The College of Fisheries, Navigation, Marine Engineering and Electronics in St. John's Newfoundland may serve as a useful example for Alaskans to consider. Newfoundland, located on the east coast of the continent, has much in common with Alaska. Fishing is a major industry; the ports are frequently small and remote and communication problems between population centers are similar to those of rural Alaska. While there is a strong on-campus program at St. John's, each year since the school opened in 1964 a third or more of the enrollment has been through the extension program of travelling schools.

While the majority of course offerings detailed in their "List of Programs" are offered principally at the St. John's campus, most of the courses are of one and two weeks duration and are designed to upgrade skills of people who are already in the industry.

It was not possible for Lee, Pennington and Associates' personnel to visit the St. John's campus due to the school's summer break. However, it would be highly desirable for us, or someone interested in Alaska fisheries education delivery systems to do so.

#### IV. ORGANIZING ALASKAN FISHERIES EDUCATION EFFORTS

Does Alaska's fisheries education effort need organization? In my mind, the answer is yes. We have too often seen programs attempted, only to watch them fail. We have witnessed duplicative efforts leading to redundancy because of poor communications. We have regions and schools which are unable to profit from mistakes or successes of other entities simply because they don't have knowledge of them. We have heard repeated requests from rural residents for stronger programs in fisheries, but no one seems to know where to find assistance to set up fisheries education programs, or how to maintain them at functional and efficient levels.

Currently, there are two major entities vitally interested in promotion of fisheries education within the State of Alaska: The Alaska State Department of Education and the University of Alaska. Other agencies and associations have also expressed interest and need. The various native associations and corporations, the Alaska Native Foundation, Alaska Fisheries Development Foundation, various state departments (e.g., Department of Fish and Game, Department of Commerce and Economic Development) and others, all have strong contributions to make. However, it would be an inefficient expense of effort and capital for all these entities to plunge into this effort without some form of organized coordination.

Since the two major organizations (DOE and U of A) in fisheries education approach this topic from rather different, or at least rarely overlapping approaches, it would be logical for representatives of their governing boards (the State Board of Education and the Board of Regents, respectively; as well as a representative from the Post-Secondary Commission) to form an oversight board to oversee the policy formulation for fisheries education. They, however, are not necessarily in touch with the needs of the industry, or the rural fisherman, and they haven't the time to follow up policy or delivery. To fill this role, a coordinating council, whose members would be appointed by the oversight board should be directly responsible for implementation at the state level. Members of this council should include at least one representative from the community college system, the Governor's Office, the Alaska Native Foundation, the Department of Education, the University of Alaska Sea Grant/ Marine Advisory Programs, and other interested groups.

The council should have a person in the role of secretary, to carry out the council's directives. It is desirable to have this person housed either within the community college system or the central office of the Department of Education. A major role to be carried out will be interfacing with the fisheries coordinators at the various community colleges and other institutions. A flow chart of this organization is presented. (Table 1).

On the next level fisheries coordinators should be responsible for developing and disseminating materials, not only within their own institutions, but also through the rural secondary schools of their region. In the village, it will be the role of the principal teacher or his or her designee to further disseminate the materials to skippers and other interested people.

Perhaps the most critical part in this scheme lies at the village level. It will require a great deal of grass roots effort to establish strong and effective liaisons between the village fishermen and the rest of the program. An accurate needs assessment for each village served within a region, with priorities for answering those needs, is extremely delicate and very important. It is essential, if this program is to work, that it demonstrates its ability to meet local needs very early in the program, and continue to do so. The proposed Kodiak Community College fisheries program offers an excellent opportunity to demonstrate this ability on a regional scale before the entire program is implemented statewide.

Needs at the village level may be communicated through the principal teacher and the coordinators, to the coordinating council. Furthermore, in this fashion, an effective talent bank system may be set up to operate on a statewide basis.

This talent bank would consist of a roster of people with definite skills for use throughout the State, much in the fashion of the present DOE Talent Bank. Funding for the fisheries education talent bank should be handled in a similar manner to or as a part of the DOE talent bank system.

While this organizational scheme would encompass most situations, demonstration projects and fishing trials conducted by the State and Alaska Fisheries Development Foundation are special cases. The need for projects of this nature can be communicated through the channels outlined above, and the coordination council and the local educational agency may be of great assistance in staging them. However, it may be more expeditious and advantageous to have them funded directly.

I believe, however, that one requirement must be written into each and every demonstration project: they must be designed to develop a local information core. Too often the Alaska fishing industry has had to (and will, in the future, have to) rely on out-of-state or foreign expertise, particularly in the white fish industry. Recognizing that we must take our expertise from whatever available resources, we should also be training a cadre of people within our own industry to not only use new equipment and fishing techniques, but also to pass this information on to other Alaskan fishermen, processors, and marketers. It is unlikely that we will ever be totally independent of out-of-state expertise. Indeed, it would not be in our best interest to become totally dependent on local expertise. It would, however, make good economic and educational sense to reduce this dependency gradually.

There is another possible approach to the reduction of dependence upon foreign and out-of-state expertise. This lies in the strengthening of the existing Marine Advisory Program, especially in the area of gear specialists. As mentioned earlier in this report, MAP has attempted to add a gear specialist to its staff, but funding has been unavailable. Most of the State demonstration projects include various specialized gear uses. Therefore, it would be in the best interest of the State and its fishing industry to directly fund at least one, and preferably three gear specialists for statewide service within MAP. While three gear specialists may seem extravagant, consider the expense in constantly importing outside knowledge to the vast reaches of the Alaska coastline. Again, the development of these specialists could be effectively aided by close involvement of the MAP with the coordinating council.

It should be realized, however, that merely adding to the Marine Advisory staff will not be sufficient to provide the needed fisheries education effort. This step should be regarded as a supportive measure to help fill the gaps while a completed and functional statewide fisheries education network is being developed. Subsequently, there will still be a need to maintain that Marine Advisory expertise throughout the state to supplement the proposed educational delivery system.

It is our recommendation that this proposal be implemented on a regional basis since Kodiak Community College has been awarded a grant to initiate a Regional Community College - community fisheries program, we suggest that Kodiak is the logical site to act as a model for future efforts. After one year of operation, the program should be expanded and initiated in another region, utilizing and adopting materials and experience developed in Kodiak. Further expansion could be accomplished step-wise each successive year.

The first year operating costs, though, partly depend on already appropriated funds (see attached Kodiak Community College project budget Table 2). The added funds needed will cover initiation of the state network, and preliminary work on needs assessment of individual regions to be served by the plan at a later date. These expenses should cover the selection of the five-member oversight board (Board of Education, Board of Regents, Post-Secondary Commission), as well as their attendant travel expenses; the selection, travel and meeting costs of a state fisheries education coordinator; and finally the costs of initial needs assessment and preparation for implementing the program in the successive regions. Possible funding patterns are outlined in Table 3.

V. PROPOSED BUDGET

1st Year Operation

1.	Oversight Board Expenses	\$ 3,000
2.	Selection and Operational Expenses-Coordinating Committee	5,000
3.	Travel Coordination Committee	6,000
4.	State F. E. Coordinator	
	a. Salary	36,000
	b. Secretary	20,000
	c. Fringe at 17.5%	9,800
	d. Travel	7,000
	e. Communication	5,000
5.	Subsequent Needs Assessment (to be contracted)	60,000
	Total First Year	\$151,800

2nd Year Operation

1.	Oversight Board	3,000
2.	Coordinating Committee	10,000
3.	a. State F. E. Coordinator salary	38,000
	b. Support	21,000
	c. Fringe at 17.5%	11,000
	d. Travel	8,000
	e. Communication	5,000

4. Subsequent Needs Assessment	60,000
5. Curriculum Development (contract)	60,000
6. Community College Coordinator Salary	38,000
7. Support	15,000
8. Fringe	9,000
9. Travel and per diem for regional teachers	4,000
10. Community College Coordinator travel	3,000
11. Supplies	11,000
12. Evaluation	16,000
13. Communication	4,000
14. Printing	5,000
Total Second Year	\$321,000

Beyond the second year the Kodiak Community College program must be refunded to continue it. As a rough prediction it will cost approximately \$200,000 a year to maintain the program. Using that figure in conjunction with the state advisors first year cost to estimate the total overall costs of running this program on a coastal statewide basis at the following locations: Ketchikan, Juneau, Prince William Sound, Kodiak, Kenai, the Aleutian Region, Bethel, Nome, and Barrow, one arrives at an annual cost of \$1,800,000.

There are, however, some problems with using this estimate. For example, there is currently no community college in the Aleutian Region. It has been suggested that a fisheries extension center be placed at Dutch Harbor to act in this capacity. Expenses of running this sort of program in the Aleutian Region may be perceptibly higher than in other regions, but this will also be offset by lower costs at other centers, such as Nome or Barrow where the commercial fisheries, while potentially very important, will probably always remain at a far lower intensity than those of the more southern centers.

#### VI. SUMMARY

The Alaskan fishing industry is of vital importance to the future of this state. It stands on the edge of great expansion into new fisheries, new processing techniques, new markets, and new regions of the state. No longer is it a local cottage industry, but, instead, is now a rapidly growing multimillion dollar investment in which all Alaskans share directly or indirectly.

To allow this industry to provide maximum benefit for all of our citizens, be they producers, processors, marketers, investors, or consumers, we must initiate a coordinated fisheries education program, designed to (1) reach every portion of the state concerned with fisheries; (2) produce readily usable educational materials for all segments of the fishing industry statewide; (3) tailor these materials to local relevance; (4) make use of all available means to transfer out-of-state expertise into our educational system.

To accomplish these ends, Lee, Pennington and Associates recommends the following:

1. Setting up an educational and communications network consisting of:
  - a. An oversight board consisting of two members of the Board of Education, two from the Board of Regents, and one from the Post-Secondary Commission;
  - b. A coordinating council consisting of representatives from the community college system and all pertinent public and private agencies; and
  - c. Developing a statewide coordinated vocational fisheries program which would be regionally specialized and associated with the community colleges, university extension centers or other suitable regional entities.
2. The materials developed by this effort be modular in nature, and be suitable for non-classroom teaching.
3. The Kodiak Community College Program be used as a model for this effort, and that this program be fully supported financially.
4. Using the Kodiak experience and materials, a similar program be instituted and fully supported in at least one other coastal community college during the following year. Thereafter, one or two new programs should be added each year.
5. Those agencies responsible for funding these programs should realize that, in order to be successful, there must be a long term commitment of time, funds and energy.
6. The Marine Advisory Program be strengthened by the addition of one to three gear specialists for statewide service.
7. Ultimately, the State should consider supplementing their vocational fisheries by the development of Technical Fisheries Education College, similar to Rhode Island's School of Fisheries.

Alaska Fisheries  
Education Organization  
Flow Chart

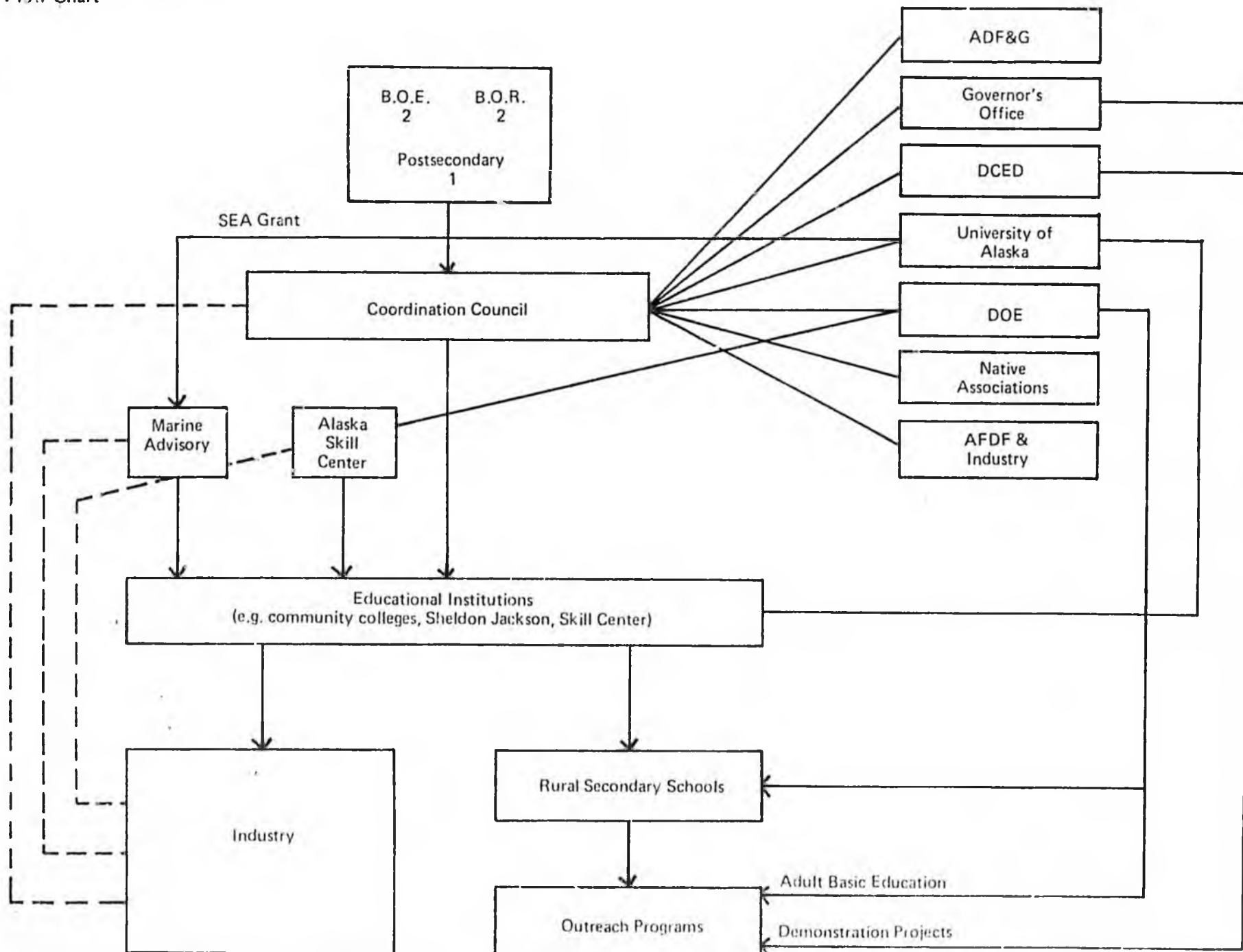
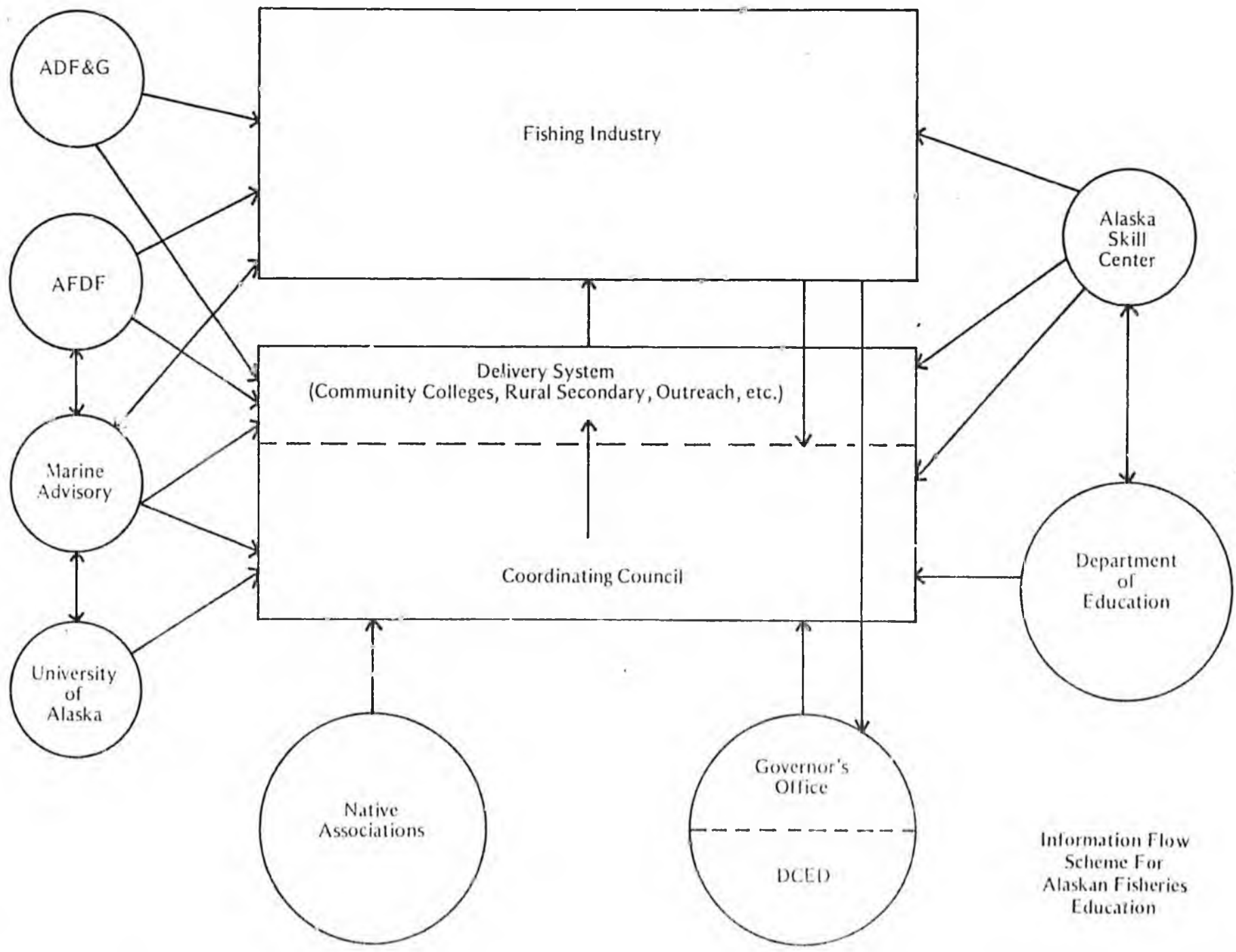


TABLE 2

## KODIAK COMMUNITY COLLEGE FISHERIES PROGRAM BUDGET

State Budget Account Number	Account Title	Budget Amount	
		Initial	Revised Date
310	Coordinator Salary - 18 months	\$54,000.00	
330	Secretary Salary - 24 months	28,800.00	
350	Employee Benefits 17.5%	14,490.00	
400	Professional & Technical Services		
	Project Initiator - 3 months	3,000.00	
	Technical Writers for Modules		
	Curriculum Development	40,000.00	
	Contracted Service plus		
	travel & per diem - NWRL		
	& Criminal Justice Center		
	Substitutes for Teachers	1,350.00	
	Teachers Release Time (H.S.)	1,000.00	
426	Travel and Per Diem		
	6 villages on Kodiak Island	2,520.00	
	Teachers Training		
	Coordinator Travel -		
	Program Development	2,700.00	
	& Implementation	1,500.00	
451	Supplies	5,000.00	
140	Communications	2,400.00	
	Project Evaluation	15,000.00	
	Printing Costs	5,000.00	
	Administrative Overhead 10%	17,376.00	
	TOTAL REQUESTED	\$194,136.00	



Information Flow Scheme For Alaskan Fisheries Education

## LITERATURE CITED

Alaska Fisheries Development Foundation, 1979. Implementation Plan for Technology and Economic Feasibility Analysis of Emerging Domestic Groundfish Fishery off Alaska. (Prepared with assistance of Domers & Moore).

Atkinson, Clinton, 1974. The Role of the University of Alaska in the Research and Development of Alaskan Fisheries. Part 1: A Program of Training and Education. University of Alaska.



December 1979

# Alaska House of Representatives



COMMITTEE ON NATURAL RESOURCES  
POUCH V • JUNEAU, ALASKA 99811

February 26, 1980

CSHB 697

## LETTER OF INTENT BY THE HOUSE RESOURCES COMMITTEE

CSHB 697 Section 1 (a)(1) states that one member of the Fisheries Educations Steering Committee is from the Department of Commerce and Economic Development and selected by the Commissioner. It is the intention of the House Resources Committee that if and when there is established within the Commerce Department an Office of Fisheries Development, the member of the Fisheries Education Steering Committee selected from the Commerce Department shall be from that Office of Fisheries Development and selected by the head of the Office of Fisheries Development.

Signed,

Representative Alvin Osterback,  
Chairman, House Resources Committee

### CO-CHAIRMEN

REP. ALVIN OSTERBACK (465-3715) • REP. BILL MILES (465-3779)

### VICE CHAIRMAN

REP. FRED ZHAROFF

REP. PAT CARNEY • REP. C.V. CHAT CHATTERTON • REP. SAM COTTEN  
REP. DICK ELIASON • REP. JACK FULLER • REP. RICK HALFORD

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee substitute for H. R. 697  
 Title Fisheries Education Steering Committee  
 Requested by Osterback, Fuller and Phillips Date 2/8/80  
revised 2/26/80

II. FISCAL DETAIL

Agency Affected Department of Education  
 Program Category Affected Adult and Continuing Education  
 BRU, Program, or Subprogram(s) Affected Adult Education and Vocational Training  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL		36.0	40.0	44.4	49.3	54.7
300 CONTRACTUAL		30.0	33.3	37.0	41.1	45.6
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		66.0	73.3	81.4	90.4	100.3

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		66.0	73.3	81.4	90.4	100.3
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME		-0-				
PART TIME						
TEMPORARY						

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

- I. Section 1(a) - Assume eight meetings for Education Steering Committee per year - 9 members
  - Object Code 200 Travel - \$250 x 9 members x 8 meetings = \$18,000
  - Per Diem - \$250 x 9 members x 8 meetings = \$18,000
  - Total 200 \$36,000
- II. Section 1(c) - Object Code 300 Contractual Services 30.0
  - This would permit the Department of Education, on behalf of the Steering Committee, to contract for whatever consultant work required to accomplish the task.
  - FY-81 impact 57.0
- III. Assume 11% inflation in succeeding fiscal years.

IV. DATE 2/13/80 PREPARED BY *Robert M. ...*  
 AGENCY Department of Education  
 PHONE 465-2800  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

STATE  
of ALASKA

# MEMORANDUM

TO:  The Honorable Alvin Osterback  
House of Representatives  
Alaska State Legislature

DATE: January 30, 1980

FILE NO:

Thru: Marshall L. Lind, Commissioner  
Department of Education

TELEPHONE NO:

FROM: Gerald Hiley, Administrator  
Adult and Continuing Education  
Department of Education

SUBJECT:

House Concurrent Resolution 38,  
Fisheries Education

In regard to subject resolution, we would like to supply you a copy of a fisheries education study completed by Dr. Richard Lee for the Bottomfish Coordinator's Office and the Department of Education.

Although the recommendations in this report are not exactly what you have suggested in your resolution, we feel both could be synthesized for the good of the fishing industry.

If you have any questions concerning this report, we would be most happy to discuss them at your convenience.

Attachment

*man*  
*Call Lind's office*  
*then left out*  
*report*

HB

767

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

**DEPARTMENT OF COMMERCE &  
ECONOMIC DEVELOPMENT**

*DIVISION OF BANKING, SECURITIES, SMALL LOANS & CORPORATIONS*

POUCH D  
JUNEAU, ALASKA 99811

February 27, 1980

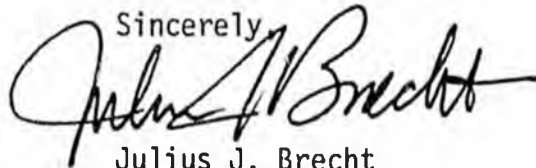
Honorable Fred F. Zharoff  
Chairman, Foreign Investment Committee  
House of Representatives  
Mail Stop: 3100  
Juneau, Alaska 99811

Dear Mr. Zharoff:

Please find attached a signed copy of my memorandum giving a section-by-section analysis along with the fiscal note on HB 767.

As you know, we discussed the bill this past week in your office. I would be happy to discuss HB 767 and the amendments to SB 112 with you at your convenience.

Sincerely,



Julius J. Brecht  
Director

JJB:aw  
Enclosure

# MEMORANDUM

# State of Alaska

TO: Members of the Committee

DATE: February 22, 1980

FILE NO:

TELEPHONE NO:

FROM: Julius J. Brecht, Director  
Division of Banking & Securities  
Department of Commerce & Economic  
Development

SUBJECT: Section-by-Section  
Analysis of HB 767

This bill, at least in part, evolved out of discussions between Pat Dougherty (on contract for the Resources Committee to conduct a study of foreign investment in the Alaska seafood industry), the division staff, and myself. However, I have not had the opportunity to review and comment on the bill until now.

Much of the discussion of the intent of the bill centers on what constitutes "control" of a corporation sufficient to require reporting by an alien affiliate. Furthermore, there are jurisdictional questions as to whether the department can, as a practical matter, get corporation A doing business in Alaska to report on its affiliation with corporation B, located in some other state which is, in turn, affiliated with corporation C located in some other country. I have requested two opinions from the Department of Law in this regard, but have not as yet received them. Much of the analysis of whether or not the department can accomplish what the committee wants, i.e., disclosure of corporation C's involvement in A, using the example above, depends on those opinions. The opinions should be out within the next week or so.

Nevertheless, I do have the following specific comments regarding the provisions of the bill with the qualifications just discussed. The "Sec." number refers to the sections of the bill:

Sec. 1 (AS 10.05.250). This section makes a number of drafting style changes regarding the reorganization of a corporation, and, in addition, it requires a specific description of the nature of the affiliation between a surviving or controlling corporation and its alien affiliation. A similar requirement is imposed on domestic corporations at the time of incorporation (See, Sec. 3), foreign corporations in applying for a certificate of authority under AS 10.05 (See, Sec. 7), and on both domestic and foreign corporations at the time of submission of their corporate annual reports (See, Sec. 9). Presumably, one is to read the nature of the affiliation in the context of the definition of "affiliate" found at Sec. 14, however, there may be some difficulty in interpretation of this requirement on the part of the filer. See, Sec. 14 for further discussion.

Sec. 2 (AS 10.05.255(a)(3)). This provision requires that the articles of incorporation of a domestic corporation incorporating after the effective date of the bill must include reference to a code number identifying the nature of its business activity. A similar requirement is imposed by the bill on domestic and foreign corporations filing their annual corporate reports with the department (See, Sec. 8) and for applications for certificate of authority for foreign corporations wishing to do business in the State (See, Sec. 6). The proposed amendments submitted by the division to SB 112, include requiring that corporations furnish information on the "primary business activities" of the corporation in their biennial corporate reports. The division would very likely use the SIC code presently used by the Department of Revenue in issuing business licenses. However, I suggest that the provision on business activity not be specifically tied to a "code," i.e., I recommend that the approach taken in the amendments to SB 112 be used.

Sec. 3 (AS 10.05.255(a)(13)). This section requires that the articles of incorporation of a domestic corporation include a specific description of the nature of the affiliation between the corporation and its alien affiliates. See, Sec. 1.

Sec. 4 (AS 10.05.519(a)(1)). This section reduces the delinquency period from six to three months for purposes of the department to involuntarily dissolve a corporation. The amendments to SB 112 provide for a two-month period. That amendment is preferred.

Sec. 5 (AS 10.05.519(a)(6)). This section adds a new ground for the department to involuntarily dissolve a corporation and that being a misrepresentation of a material matter in an application, report, affidavit, or other document submitted under the chapter. It should be noted that similar language already applies to foreign corporations under AS 10.05.675(5). The provision of Sec. 519(a)(6) ties into AS 10.05.777 providing for interrogatories by the commissioner, and also will complement AS 10.05.783, providing that it is a misdemeanor to fail to answer truthfully such interrogatories. It should be noted that the amendments to SB 112 provide, in addition, that a domestic corporation may be involuntarily dissolved, if it is 30 days delinquent in filing a notice of change of an office, director, alien affiliate, or five percent shareholder.

Sec. 6 (AS 10.05.675(5)). This section requires that a foreign corporation, in applying for a certificate of authority to do business in Alaska, must give a code indicating the primary business activity of the corporation. See, Sec. 2 discussion. It should be noted that more than one code might apply to the operations of a corporation.

Sec. 15 (AS 10.05.825(20)). The definition of "person" is greatly expanded to include joint ventures, companies (i.e., unincorporated businesses), firms, societies, and estates. There may be some difficulty in applying this definition on a case-by-case basis. See, Sec. 14 for further discussion.

Sec. 16 (AS 10.05.825(22)). A new definition is provided for "alien" in an attempt to clean up the language of AS 10.05.702(8) and 825 (18). In addition, a definition of "state" is provided although I am not sure that it is needed.

Sec. 17. This section establishes the effective date of the bill as January 1, 1981. However, if the division is to be ready to process the additional corporate report data coming in at that time, additional personnel should be in place and familiar with the operation. I recommend that the effective date of the bill should be July 1, 1981.

In addition to the above comments, I would recommend that the definition of the "commissioner" be amended to mean "the commissioner of commerce and economic development or his designee." In this way the investigative responsibilities required by the bill can be handled directly by the division similar to the investigations conducted by the division in administering the Alaska Securities Act and the Alaska Uniform Lands Sales Practices Act.

Furthermore, at present, AS 10.05 does not prohibit an entity from holding itself out as a corporation when, in fact, it is not a domestic corporation or registered as a foreign corporation doing business in the state. The division has been made aware of at least one example where the term "Inc." is used by a business in Anchorage when, in fact, it is not registered under AS 10.05. This misrepresentation is not in the best interest of the Alaskan public. I recommend that appropriate language be added to make it unlawful for one to hold themselves out as incorporated when, in fact, they are not.

My comments on this bill have been necessarily brief. Several similar provisions are also found in the amendments to SB 112. It is my hope that the provisions of the two bills can be made compatible. I stand ready to discuss the bill at the convenience of the committee.

JJB/sa5/2

FISCAL NOTE

REQUEST

Bill/Resolution No. HB 767

Title Act Relating to Disclosing Alien Affiliates

Requested by Resources Committee

Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Consumer Protection

BRU, Program, or Subprogram(s) Affected Banking, Securities, Corporations

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81 *	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		37.0	74.0	75.0	75.0	76.0
200 TRAVEL		5.0	10.0	10.0	10.0	10.0
300 CONTRACTUAL		15.0	8.0	9.0	10.0	11.0
400 COMMODITIES		2.0	2.0	2.0	2.0	2.0
500 EQUIPMENT		5.0	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		64.0	94.0	96.0	97.0	99.0

FUNDING (Thousands of Dollars)

	FY 80	FY 81 *	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		64.0	94.0	96.0	97.0	99.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81 *	FY 82	FY 83	FY 84	FY 85
FULL TIME		3	3	3	3	3
PART TIME						
TEMPORARY						

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

The above figures are based on a number of assumptions: 1) that approximately 10% of the business corporations or 1000 corporations have foreign affiliates (the division is aware of approximately 500 that have filed alien affiliate information, however, because of the confusion raised by the language of AS 10.05.702(8) and 10.05.825(18) there may be at least another 500 corporations that should file); 2) that the division could send out letters of inquiry to corporations on file that have not filed alien affiliate information either on a selective basis or to all of them asking specific questions about alien affiliation; 3) that the division could in addition review the filings of upwards of 100 to 200 corporations with some amount of detail; 4) that in addition the division could investigate in more detail and pursue upwards of 20 corporations that either resist or otherwise require comprehensive investigative effort to gain the information required by the bill; 5) that a clear definition of "control" can be devised in the best interest of the reporting corporations and the division in conducting investigations;

IV. DATE 2/22/80

PREPARED BY Julius J. Brecht, Director

AGENCY Division of Banking & Securities

PHONE 465-2521

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

6) that the Department of Law can provide the legal support necessary to pursue discovery of corporate records located outside of the state and can demonstrate in actions brought in courts in other states that <sup>there</sup> exists sufficient control between the corporation doing business in Alaska and an affiliate once, twice, or more removed doing business in another country; 7) that the Department of Law would be responsible for its own expenses in supporting the division on the investigations.

The implementation of the program under the above assumptions would require a trained investigator, and two administrative/clerical people to process the filings and aid in investigations. The travel budget would be primarily for the investigator but also include allowances for witness travel for enforcement actions. The contractual budget includes provision for redesign and printing of forms and data processing revisions, maintenance, and operation of the on line data system with alien affiliate and other information required by the bill. The commodities/equipment budget would include necessities for the three new employees including a micro fiche reader.

- \* It should be pointed out that the division recommends that the bill become effective on July 1, 1980 rather than January 1, 1981. See, bill analysis. However, this fiscal note has been prepared using the January effective date.

STATE OF ALASKA  
Inter-Department Route Slip

TO:  
MAIL STATION NUMBER 3100

DEPARTMENT House of Representatives

ATTENTION House Resources Comm.

- |  |  |
|--|--|
| <input type="checkbox"/> Approval      | <input type="checkbox"/> Note & Return       |
| <input type="checkbox"/> Signature     | <input type="checkbox"/> Initial & Return    |
| <input type="checkbox"/> Comment       | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me    | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action    |
| <input type="checkbox"/> For Your File | <input type="checkbox"/> Your Information    |

Remarks:

H-13 767

FROM:  
MAIL STATION NUMBER 0800

DEPARTMENT Commerce + Econ. Dev.

BY D. Cook DATE 2/26/80

02-002 (REV.10/73)

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 767

Title Act Relating to Disclosing Alien Affiliates

Requested by Resources Committee

Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Consumer Protection

BRU, Program, or Subprogram(s) Affected Banking, Securities, Corporations

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

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400 COMMODITIES		2.0	2.0	2.0	2.0	2.0
500 EQUIPMENT		5.0	-0-	-0-	-0-	0-
600 LAND & STRUCTURES						
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TOTAL		64.0	94.0	96.0	97.0	99.0

FUNDING (Thousands of Dollars)

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GENERAL FUND		64.0	94.0	96.0	97.0	99.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81 *	FY 82	FY 83	FY 84	FY 85
FULL TIME		3	3	3	3	3
PART TIME						
TEMPORARY						

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

The above figures are based on a number of assumptions: 1) that approximately 10% of the business corporations or 1000 corporations have foreign affiliates (the division is aware of approximately 500 that have filed alien affiliate information, however, because of the confusion raised by the language of AS 10.05.702(8) and 10.05.825(18) there may be at least another 500 corporations that should file); 2) that the division could send out letters of inquiry to corporations on file that have not filed alien affiliate information either on a selective basis or to all of them asking specific questions about alien affiliation; 3) that the division could in addition review the filings of upwards of 100 to 200 corporations with some amount of detail; 4) that in addition the division could investigate in more detail and pursue upwards of 20 corporations that either resist or otherwise require comprehensive investigative effort to gain the information required by the bill; 5) that a clear definition of "control" can be devised in the best interest of the reporting corporations and the division in conducting investigations;

IV. DATE \_\_\_\_\_

PREPARED BY Julius J. Brecht Director

AGENCY Division of Banking & Securities

PHONE 465-2521

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

6) that the Department of Law can provide the legal support necessary to pursue discovery of corporate records located outside of the state and can demonstrate in actions brought in courts in other states that <sup>there</sup> exists sufficient control between the corporation doing business in Alaska and an affiliate once, twice, or more removed doing business in another country; 7) that the Department of Law would be responsible for its own expenses in supporting the division on the investigations.

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\* It should be pointed out that the division recommends that the bill become effective on July 1, 1980 rather than January 1, 1981. See, bill analysis. However, this fiscal note has been prepared using the January effective date.

(9)

# COMMITTEE REPORT

## HOUSE

2/14/80

FURTHER:

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

Mr. Speaker:

The Committee on RESOURCES has had HB 767

"An Act relating to the disclosure of alien affiliates in Alaska businesses; 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 \_\_\_\_\_  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

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND... Session

HOUSE BILL ..... NO. 767

By THE RESOURCES COMMITTEE

7403  
2/14/80

"An Act relating to the disclosure of alien affiliates in Alaska businesses; and providing for an effective date."

Alien affiliates

introduced in the House 2/14, 1980

HISTORY IN THE HOUSE

1980

Feb. 14

Read first time and referred to Committee on Resources

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

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No. ....

HB

773

AGU 125399

3/11/80 Hearing & reported out  
with ~~all~~ "DO NOT PASS" recommendations  
except 1.

# COMMITTEE REPORT

## HOUSE

2/18/80

4

FURTHER:

Date: 3/11/80

Mr. Speaker:

The Committee on RESOURCES has had HB 773

"An Act requiring the Department of Revenue to compute and report average wholesale prices for Alaska salmon."

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 HB 773  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

Alvin Peterson

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\_\_\_\_\_

**MEMBERS HAVING**  
OTHER RECOMMENDATIONS:

Don T. ...

Scott ...

John ...

McL...

...

...

...

...

Alvin Peterson

CHAIRMAN



# 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
HB 773	3/7	In person (2300)	Dept. of Revenue, Denna Cline Will provide fiscal note	3/11
	3/7	3720	Rep. Gardiner, Sponsor	3/11
	3/7	586-2820	United Fishermen of Alaska will testify	3/11
	3/10	586-1324	Rick Lauber, Pacific Seafood Processors Assoc.	3/11

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 773  
 Title An Act requiring Department of Revenue to compute and report average  
 Requested by House Resources Comm. (wholesale prices for Alaska salmon. Date 3/4/80

II. FISCAL DETAIL

Agency Affected Revenue  
 Program Category Affected Fiscal Services  
 BRU, Program, or Subprogram(s) Affected Audit Division

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		3.7	4.0	4.2	4.5	4.9
200 TRAVEL						
300 CONTRACTUAL		.5	.5	.6	.6	.7
400 COMMODITIES		.1	.1	.1	.1	.1
500 EQUIPMENT		.3	.3	.3	.4	.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		4.6	4.9	5.2	5.6	6.1

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		4.6	4.9	5.2	5.6	6.1
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME		1	1	1	1	1
TEMPORARY						

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

See attached memorandum to R. D. Stevenson dated 3/4/80.

IV. DATE March 4, 1980

PREPARED BY [Signature]  
 AGENCY Department of Revenue, Audit Division  
 PHONE 465-2320

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

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

DATE: March 4, 1980

FILE NO:

TELEPHONE NO.

FROM: Gary L. Jenkins  
Director  
Audit Division

SUBJECT: House Bill No. 773

This bill would reinstate a requirement which had existed in chapter 75 of Title 43 whereby the Department of Revenue would be required to obtain the average wholesale price of canned salmon for a 5-month period of each calendar year. The results of the survey would then be reported to the Legislature not later than the 60th day of each regular session. The bill would put this requirement in Title 44 of the statutes which lists other general authorities and responsibilities of the Department of Revenue.

One problem with the placement of this law in Title 44 would be that there would be no enforceable penalties that could be asserted for failure of a fish processor to supply the requested information. It is recommended that some type of a civil penalty be established to ensure that we are able to obtain the necessary information.

The implementation of this function will require the addition of a seasonal Tax Examiner for a 2-month period.

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

March 4, 1980

The Honorable Alvin Osterback  
Co-Chairman  
House Resources Committee  
Room 118 - Capitol Building  
Juneau, Alaska 99811

Dear Mr. Osterback:

Re: House Bill No. 773

House Bill No. 773, an Act requiring the Department of Revenue to compute and report average wholesale prices for Alaska salmon, was introduced in the House on February 18, 1980 and was referred to the House Resources Committee.

For the consideration of the House Resources Committee, I am enclosing a copy of a Fiscal Note prepared by Gary Jenkins, Director, Audit Division, Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson  
Special Assistant

cc: The Honorable Bill Miles  
Co-Chairman  
House Resources Committee

Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

Gary Jenkins, Director  
Audit Division  
Department of Revenue

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

DATE: March 4, 1980

FILE NO.

TELEPHONE NO.

FROM: Gary L. Jenkins  
Director  
Audit Division

SUBJECT: House Bill No. 773

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The implementation of this function will require the addition of a seasonal Tax Examiner for a 2-month period.

HB

784

AGO 125400

4/24/80

Reported Out as CS  
w/DO PASS

(9)

# COMMITTEE REPORT

## HOUSE

2/18/80

FURTHER: JUDICIARY

Date: 4/24/80

Mr. Speaker:

The Committee on RESOURCES has had HB 784  
"An Act relating to the maximum length of salmon net vessels."

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 HB 784  same title  
 new title
- and recommends DO PASS
- 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]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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[Signature]  
CHAIRMAN



# 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

Re: Maximum Length of Salmon Net Vessels.

BILL	DATE INFORMED	LETTER/PHONE	INFORMED	HEARING DATE
HB 784			Rep. Nels Andersen, Sponsor United Fishermen of Alaska Dept. of Fish & Game Gleg Cook, Exec. Dir. of Boards of Fisheries and Game to testify Commercial Fisheries Entry Commission	4/24



# 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

Maximum length of Salmon Net Vessels

BILL	DATE INFORMED	LETTER/PHONE	INFORMED	HEARING DATE
HB 784	3/7	3738	Rep. Nels Andersen, Sponsor	3/14
	3/7	4100	Fish & Game	3/14
	3/7	586-2820	United Fishermen of Alaska Sharon Macklin, Exec Dir., to testify	3/14
	3/10	586-3301 or 7891-9862 586-3249	Bob Willard - <del>Seiner</del> Alaska Native Brotherhood (will testify) Ronald John, Seiner	3/14
	3/10	—	Mtg. canceled for 3/14 - called UFA, Rep. Andersen, Bob Willard, Fish & Game	

Meeting  
Canceled

Original sponsor: Anderson

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 784

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the maximum length of salmon net  
7 vessels."

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

9 \* Section 1. LEGISLATIVE FINDINGS. The legislature finds that

10 (1) overly efficient harvest of salmon by net vessels is detri-  
11 mental to future fishing seasons and to the equitable distribution of the  
12 fishery resources in fisheries with a limited number of units of gear and a  
13 limited total catch per season;

14 (2) the limitations on the length of salmon net vessels imposed by  
15 AS 16.05.835 are designed to prevent overefficiency in harvest while still  
16 allowing as many fishermen as possible to participate in the fishery safely  
17 and with optimum efficiency;

18 (3) the state waters north and west of a line running 225 degrees  
19 true through Cape St. Elias are particularly vulnerable to overharvest of  
20 salmon if the limitations on length of vessels included in AS 16.05.835 are  
21 not imposed.

22 \* Sec. 2. AS 16.05.835 is amended to read:

23 Sec. 16.05.835. MAXIMUM LENGTH OF SALMON NET [SEINE] VESSELS. (a)  
24 No salmon seine vessel may be longer than 50 feet, official Coast Guard  
25 register length, [AND 58 FEET OVERALL LENGTH] except

26 (1) vessels that have fished for salmon with seines in waters  
27 of the state before January 1, 1962, as 50-foot, official Coast Guard  
28 register length vessels; and

29 (2) vessels that fish for salmon with seines in the south-

New CS (version reported  
out of Resources)  
is section (b) only - everything  
else deleted

1 eastern waters of the state only.

2 (b) No vessel used to fish for salmon with a gill net in the  
3 waters of the state within Bristol Bay may be longer than 32 feet, over-  
4 all length. For the purposes of this section, "overall length" means  
5 the overall length of the hull excluding rollers used for deployment or  
6 retrieval of anchors or nets.

7 (c) In (a) of this section, "southeastern waters of the state"  
8 means the waters of the state south and east of a line running 225 de-  
9 grees true through Cape St. Elias.

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

**BOARD OF FISHERIES/BOARD OF GAME  
DEPARTMENT OF FISH AND GAME**

SUPPORT BUILDING  
JUNEAU, ALASKA 99801

TESTIMONY TO HOUSE RESOURCES COMMITTEE  
ON CSHB 784

by

Gregory F. Cook, Executive Director  
Boards of Fisheries and Game

The Board of Fisheries appreciates this opportunity to present testimony regarding the 32-foot boat limit for salmon fishing vessels in Bristol Bay.

In December 1979, the Board of Fisheries took action to repeal 5 AAC 06.341, effective December 31, 1981. This regulation had been the basis for the 32-foot limit in Bristol Bay. The Board's primary concern in taking this action was to allow fishermen to enhance their capability to improve the quality of fish delivered. The Board voted to not make this regulation effective until the 1982 fishing season in order to give individuals a chance to decide whether to change boat size and to acquire needed financing. In addition to allowing planning time for fishermen, this delay allows ship builders time for retooling.

Before making their decision the Board listened to extensive public testimony. The Board recognizes that this subject is highly emotional, yet it is important to analyze the issue as one of conservation and development of fishery resources. In all the testimony presented by Department biologists and the public, no real management purpose for the limit was described. On the other hand, there did seem to be valid arguments favoring repeal of the boat limit. These considerations, as noted above, centered on the need for improving the quality of fish sold from Bristol Bay and providing the means for this quality enhancement.

Several regulatory sessions of the Board of Fisheries are scheduled to occur before the repeal takes effect. If significant new evidence is presented to the Board showing a particular boat size to be uniquely advantageous, a new limit for the Bay could be enacted.

To summarize, the Board's action rests on these two premises: (1) the 32-foot boat limit does not significantly affect resource management in Bristol Bay; (2) removal of the limit will give fishermen greater flexibility to upgrade the quality of fish delivered in Bristol Bay and sold around the world.

Testimony on CSHB 784

HB 784  
BRISTOL BAY NATIVE ASSOCIATION

P. O. BOX 179  
DILLINGHAM, ALASKA 99576  
PHONE (907) 842-3322

December 1, 1978

The Honorable Nels Anderson, Jr.  
Representative  
P.O. Box 234  
Dillingham, Alaska 99576

Dear Representative Anderson:

At their regular November meeting, the Executive Committee of BBNA directed me to express their support of a 32-foot limitation for vessels participating in the salmon and herring fisheries in Bristol Bay.

As you know, many local people have already invested in 32-foot vessels because of the existing limitation in the salmon fishery; therefore, their investment must be protected. A 32-foot vessel can not successfully compete with a larger one; therefore an unfair burden would be placed on local people if larger boats were allowed to enter the Bristol Bay fisheries.

For these reasons, the Executive Committee supports the 32-foot limitation on vessels in Bristol Bay. Your support will be appreciated.

Sincerely yours,

BRISTOL BAY NATIVE ASSOCIATION, INC.

*Kay E. Larson*

(Mrs.) Kay E. Larson  
Deputy Director

KEL/mc

# TELEGRAM

ALASKA, INC.

PHONE: 586-6442

JUNEAU, AK 99802

#

02117 TDA SAND POINT ALASKA 25 03-04 1215P AST

PMS REP ALVIN OSTERBACK

JUNEAU AK

THE PENINSULA MARKETING ASSOCIATION AND THE PURSE SEINERS OF THE  
PENINSULA ARE OPPOSED TO THE REMOVAL OF SIZE LIMIT ON 58 FOOT  
ALASKA LIMIT SEINERS.

DICK JACOBSEN, PRESENT

PENINSULA MARKETING ASSOCIATION

391

# WORK ORDER REQUEST FORM

No. 95

KEYWORDS: Fishing Vessel Lengths  
Herring Waste

ASSIGNED TO Kreinherder  
Froelich

REQUEST FOR: BILL  RESOLUTION  RESEARCH  OTHER

SUBJECT \_\_\_\_\_

REQUESTED FOR Rep. Osterback (cc to Halford) BY Sam Cotton EXT. \_\_\_\_\_

? *called 2/28 to correct*

\* DELIVER TO Osterback/Legal Services--Ken Vassar TAKEN BY Kreinherder

INSTRUCTIONS, EXPLANATIONS 1) Combine HB 784 and HCR 54, both relating to maximum fishing vessel lengths. Add section from HCR 54 which would maintain 58' seine limit for Kodiak, Aleutians, and western Alaska. 2) Write a letter of legislative intent to accompany the revised bill. 3) Review proposed CSHB 590, relating to herring to determine if bill would work and if necessary references to existing wanton waste statutes have been made.

OBTAIN

SPECIAL DRAFTING INSTRUCTIONS ATTACHED

AUTHORIZED TO CONFER WITH \_\_\_\_\_

RETURN \_\_\_\_\_

TO REQUESTER

APPROVED: \_\_\_\_\_ Director, Legal Services

\_\_\_\_\_ Director, Research

REVIEWED \_\_\_\_\_

SPECIAL INSTRUCTIONS TO TYPIST/PROOFREADER

IN 1:55 a.m. 2/20/80 DUE 2/29/80

TYPED - Draft \_\_\_\_\_ DATE \_\_\_\_\_

Final \_\_\_\_\_ DATE \_\_\_\_\_

PROOFED \_\_\_\_\_ DELIVERED \_\_\_\_\_

DRAFT

FINAL

HB 784

**BRISTOL BAY NATIVE ASSOCIATION**

P. O. BOX 178  
DILLINGHAM, ALASKA 99576  
PHONE (907) 842-3322

December 1, 1978

The Honorable Nels Anderson, Jr.  
Representative  
P.O. Box 234  
Dillingham, Alaska 99576

Dear Representative Anderson:

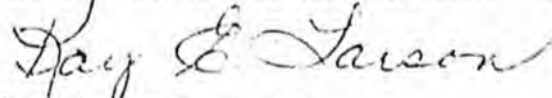
At their regular November meeting, the Executive Committee of BBNA directed me to express their support of a 32-foot limitation for vessels participating in the salmon and herring fisheries in Bristol Bay.

As you know, many local people have already invested in 32-foot vessels because of the existing limitation in the salmon fishery; therefore, their investment must be protected. A 32-foot vessel can not successfully compete with a larger one; therefore an unfair burden would be placed on local people if larger boats were allowed to enter the Bristol Bay fisheries.

For these reasons, the Executive Committee supports the 32-foot limitation on vessels in Bristol Bay. Your support will be appreciated.

Sincerely yours,

BRISTOL BAY NATIVE ASSOCIATION, INC.



(Mrs.) Kay E. Larson  
Deputy Director

KEI./mc

HB 784

P.O. Box 10159  
Dillingham, Alaska 99576  
April 11, 1979

Board of Fisheries  
Alaska Department of Fish and Game  
Support Building  
Juneau, Alaska 99811

Dear Sirs:

I understand that you are currently considering a repeal of the 32' limitation on vessel size for commercial salmon fishing use in Bristol Bay.

I hope you are not considering passing the repeal merely as a "favor" to Bristol Bay fishermen, without considering the long-term impacts you will be placing on the fishermen of Bristol Bay.

When I first thought of the repeal, I said "Why not?" I only thought of the comfort of fishing in a larger vessel. Now, after serious consideration, I believe that the repeal would not be in the best interest of the most numerous and typical Bristol Bay fishermen.

Probably the greatest impact the repeal would have in Bristol Bay would be the less fishing time the fishermen will face in the future.

The current fishing fleet of Bristol Bay is the most highly efficient fleet the salmon fishery has ever faced in history. We have seen the birth of the newer and faster fiberglass vessels in the Bay. The more compact and powerful engines, along with the hydraulic systems, the power reels and rollers, have led to the greater efficiency. We have also seen radars, depth fathometers and fish finders, along with the new "Ioran C" installed in more and more of the vessels.

Probably the single factor which has most dramatically increased the efficiency of the Bristol Bay fleet in recent years has been the introduction of the "brailer system" of delivery. Soon, the days will vanish when the salmon are peughed singly from the vessels onto the tenders. The salmon are now handled by the hundreds in brails, dramatically cutting down the delivery time of fishermen, increasing their harvesting capability.

Board of Fisheries

April 11, 1979

Page 2

With the introduction of larger vessels in Bristol Bay, the efficiency of the fleet will increase even more dramatically. The main reason being that the larger vessels would be able to accomodate a larger number of crew members capable of "picking clean" 150 fathoms of gillnet full of fish in much less time than the usual two crewmembers you would find on most vessels in the Bay today. With the larger vessels, more space would become available for crew members to sleep in, move about in the cabin, and "pick" fish.

I have heard that if the repeal is passed, captains would immediately order larger vessels, and then hire low salaried college students from outside to help them "pick" their nets faster. I have also heard that more and more fishermen would take family members out fishing as crew members.

The purpose of having a larger number of crew members is to effectively "pick and clean" 150 fathoms of gillnet as soon as possible, so that the cleaned net could be set out again, catching more fish within a twelve hour period, especially if the fishing is heavy.

Another reason the efficiency of the fleet will be increased if larger vessels were allowed in the Bay is because the larger vessels would be able to accomodate more gallery supplies and fuel, allowing them to fish for extended periods, especially when the fishing is not heavy.

The efficiency of the fleet will also become apparent during the king season on the Nushagak River, noted for its king runs. The king salmon "run" up the river during high winds, and are commonly known as rough water fish. If larger vessels are introduced into Bristol Bay, they would be more capable of taking a larger number of king salmon since the larger vessels would be able to fish in more severe weather than the 32' vessels. While the 32' vessels must seek shelter during rough weather, the larger vessels could be harvesting more kings.

This same "pattern" of greater harvesting capability for larger vessels will also develop with the silver salmon season in Bristol Bay. The silver salmon, like the kings, "run" in rough weather also.

Probably the greatest advantage large vessel owners would have over 32' vessel owners will be felt in the red salmon season during rough weather. Weather in the Bay is highly unpredictable. There are seasons frequent with "bad" weather, and seasons with relatively calm weather. If there is a 30 to 35 mph wind present within the Bay during heavy red runs, the 32' vessels would be able to only harvest up to 1,500 reds to keep on the safe side. Yet, the larger vessels would be able to "take on" more reds in rough weather. Once again, the larger vessels would have an advantage over the smaller 32' vessels.

I strongly believe that the local Commercial Fisheries Division will seriously consider the efficiency and harvesting capability of the fishing fleet when the Department calls for an opening within the emergency order period. Instead of providing a twelve hour period to the fleet, the Department could very well begin granting six hour periods because of the increased harvesting capability of the fleet, and concern of the Department to obtain the needed escapement.

I am concerned that the Department could very well be imposing restrictions on the fishing time allowed to fishermen during the king season also. With more boats harvesting more kings, reds, and silvers, I am sure the Department will be more concerned about obtaining their escapement.

I believe that the greatest hardship that will be felt in Bristol Bay will be placed upon the hundreds of setnetters in the Bay. The setnetters of the Bay will be greatly impacted if the efficiency of the fleet is dramatically increased by the introduction of larger vessels. There are times when the setnetters "catch" reds moving into the beach, and if the efficiency of the fleet is substantially increased, it means less salmon moving into the beach to be caught by the setnetters.

Setnetting in Bristol Bay is not always profitable, especially during the bleak years. The increased efficiency of the fleet by the introduction of larger vessels would certainly mean less salmon for setnetters. Larger vessels would "scoop up" salmon schools near setnet sites in less time, affecting the amount of salmon to be caught and income to be made by the setnetters.

The statement that most fishermen in Bristol Bay will not begin purchasing larger vessels if the 32' limitation was repealed, must be closely considered. The passage of the Commercial Fishing Loan Program by the State Legislature has opened up an attractive and effective financing resource for the fishermen in Bristol Bay. The impact of the loan program has been far reaching, much greater impact is expected if the loan program receives additional funds.

The fishermen of Bristol Bay currently recognize the advantages of having a wider, higher, and more powerful 32' vessel. If one were to examine the type of vessels a number of highliners at the Columbia Wards Fisheries cannery in Ekuk have ordered, one would find that the vessels are higher, wider, and usually are accompanied by a more powerful and compact engine. One fisherman in Bristol Bay has recently ordered a 14' wide 32' vessel which will have a twin screw of 3208 Cats to power the vessel. I am sure wider vessels are being ordered in the Naknek/Kvichak River also.

The statement that the efficiency of the fleet will not be increased if larger than 32' vessels were introduced into the Bay must be carefully considered. The question of why more and more highliners are purchasing higher and wider vessels clearly reflects the greater holding capacity the fishermen would like to have in their vessels.

Once the fishermen of Bristol Bay being realizing the greater efficiency and harvesting capabilities of the larger vessels, they will immediately seek financial resources to purchase larger vessels, and if the loan program is reactivated, they will take full advantage of the program.

In terms of the larger vessels providing benefits to fishermen interested in participating in the new emerging bottomfisheries in the Bering Sea, the only place they would probably use their larger vessels would be in the Toqiak/Kulukak Bay herring fishery. For the fishermen of Bristol Bay to fully participate in the high seas bottomfisheries in the Bering Sea, they would need 100' to 150' vessels, which cannot be effectively used in the shallow based gillnet salmon fishery.

I have even heard that a number of the smaller purse seine vessels participating in the Toqiak/Kulukak Bay herring fishery were more successful in the purse seine fishery than the larger vessels. I have heard directly from the Department of Fish and Game that one 28' vessel in the fishery was one of the highliners. I see the capability of Bristol Bay 32' vessels effectively competing in the herring fishery.

Another long-term impact which could result in Bristol Bay if larger vessels were permitted would be the possible request and granting of an extension to the lower limit line of fishing districts, especially in Nushagak and Naknek/Kvichak River districts.

As more and more larger vessels are introduced into the Bay, more fishermen will be "pushing" for an extension of the lower limit lines because with deeper draft vessels, such fishermen will say that the lower limit should be extended for safety reasons. The Bristol Bay fishing districts consists of much shallow water and sand bars, and the fishermen with larger vessels would want to fish in deeper water for safety reasons.

If the lower limit is extended, it would be the numerous setnetters and skiff fishermen who would be adversely affected by the extension. The larger vessels would be able to fish further out, catching the salmon as they move up the river systems.

Salmon stocks steadily "move" up the fishing districts; with many of the early stocks of salmon being caught at the lower limits. This situation exists within the Nushagak River, and,

without question, the larger vessels will have the most advantage of benefiting from an extended lower limit.

I have also heard that many of the "upriver" villagers would benefit from utilizing larger vessels for hauling oil and grubstakes during the fall. I believe this statement should be closely examined also. The river system to many of the upriver communities in Bristol Bay pose serious shallow water routes, and I am sure many of the villagers would not "rush into" purchasing larger vessels for hauling cargo to the villages.

I also believe that the Board of Fisheries must consider the physical situation of Bristol Bay, and consider the impacts expected with larger vessels existing in the Bay. Currently, a number of the canneries in Bristol Bay are facing serious storage facilities for their fishermen and vessels. The Peter Pan cannery in Dillingham was "forced" to deny the winter storage of vessels for a number of fishermen, resulting in the fishermen having to store their vessels outside facing the elements. If larger vessels are introduced, the storage problem will be compounded, and those fishermen who cannot afford to construct private warehouses will have to store their vessels outside with little protection from vandalism. A number of vessels were recently vandalized in the Dillingham Boat Harbor because many of the fishermen had no place to store their vessels.

Consideration should also be given to the size of Dillingham Boat Harbor, the only man-made harbor in Bristol Bay which plays an important role to the protection of hundreds of vessels on the Nushagak River. If larger than 32' vessels were to be parking in the harbor, immediate work would need to be done to enlarge the harbor, otherwise the safety of many boats in the Nushagak River will become jeopardized.

I have heard that a number of fishermen who participate in the Togiak/Kulukak herring fishery with vessels larger than 32', and have purchased a Bristol Bay drift gillnet salmon permit have urged the passage of the repeal for the 32' limitation, so they can conveniently enter the Bristol Bay salmon fishery without purchasing a 32' vessel.

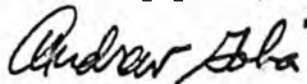
In conclusion, I believe that the introduction of larger vessels will solely benefit those fishermen who purchase or currently own larger vessels, and will certainly not benefit the 32' boat fishermen, skiff fisheries, and setnetters of Bristol Bay.

Board of Fisheries  
April 11, 1979  
Page 6

I urge you to vote against the repeal for the 32' limitation, and consider the number of fishermen it will adversely affect in Bristol Bay.

I hope you fathom my concerns.

Sincerely yours,

A handwritten signature in cursive script that reads "Andrew Golia".

Andrew Golia

Back-Up Info  
on HB 784

INTRODUCTION

Bristol Bay - A Report to  
the Alaska Board of Fisheries  
By Greg Cook, Exec. Dir.  
of Bds of Fish & Game

Data  
Gathered  
April -  
Dec. 1979

In December of 1978, the Lower Bristol Bay Advisory Committee proposed repeal of the 32-foot limit on salmon fishing vessels in Bristol Bay. 5 AAC 06.341. The Board tabled that proposal for further study. This report is based on a visit to Bristol Bay made in April, 1979, at the direction of the Board of Fisheries. The visit was made by Greg Cook, Executive Director of the Boards of Fisheries and Game. A total of 337 resident Bristol Bay fishermen were contacted in 15 villages. Also, the Western Alaska Cooperative Fishermen's Marketing Association, Jim McConnell, president of the Dillingham branch of the National Bank of Alaska, and several cannery managers were interviewed.

Public meetings were held in 15 different villages. Advance notice for the meetings was provided by Kay Larson of the Bristol Bay Native Association and Radio Station KDLG. I took minutes at each meeting and notes of each individual's testimony are on file in Juneau for inspection.

Meetings were conducted in the following manner: A statement of the issue was given, then the floor was opened for discussion. Translators were necessary in several villages. Each time a translator was needed, one local resident was able to serve in that capacity. I tried to summarize the arguments on each side of the issue when discussions seemed to be over. This often made people aware of more points of view and stimulated a renewal of discussion. This report is a product of those meetings.

VILLAGE BY VILLAGE SUMMARY

1. Dillingham; April 23; 20 people contacted; all opposed to changing the limit.
2. Togiak; April 24; 31 people contacted; all opposed to changing the limit.
3. Twin Hills; April 24; 30 people contacted; all opposed to changing the limit.
4. Manakotak; April 24; 27 people contacted; all opposed to changing the limit.
5. South Naknek; April 25; 12 people contacted; 11 people opposed to changing the limit, 1 favored the change.
6. North Naknek; 37 people contacted; all opposed to changing the limit.
7. Egegik; April 26; 32 people contacted; 30 opposed to changing the limit, 2 favored to changing to 36 feet.
8. Pilot Point; April 27; 14 people contacted; 7 people favored eliminating the limit, 3 opposed, 4 silent.
9. Port Heiden; April 27; 25 people contacted; all favored changing to 36 feet, but nothing larger.

10. Kokhanok; April 28; 9 people contacted; 7 opposed to the change, 2 favored changing (facetious).

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11. Iliamna; April 28; 7 people contacted; all opposed to changing the limit.
12. New Halen; 26 people contacted; all opposed to changing the limit.
13. Koliganek; April 29; 29 people contacted; all opposed to changing the limit.
14. New Stuyahok; April 30; 24 people contacted; all opposed to changing the limit.
15. Ekwok; May 1; 14 people contacted; all opposed to changing the limit.

### CONCLUSION

The controversy over the 32-foot limit is often emotional. Arguments on each side encompass social and economic, as well as biological issues. Much of the thinking is necessarily conjectural since vessels larger than 32-feet have never yet participated in the Bristol Bay salmon fishery. Judging from the intensity of the participation in the public meetings that form the basis of this report, the Board's decision on 5 AAC 06.341 will be closely watched by all Bristol Bay fishermen.

The vast majority of Bristol Bay resident fishermen who were contacted during the April, 1979, Board of Fisheries survey, strongly oppose any change in the 32-foot limit regulation. The biggest single reason expressed for their opposition was the anticipated effect that such a change would have on income distribution in Bristol Bay. Local resident fishermen are convinced that bigger boats would lead to a few rich operators profiting to the detriment of the majority of fishermen. "The rich will get richer and the poor will get poorer."

A recurring theme in the villages was fear of purse seine gear being introduced in the Bay. Allowing larger boats was seen as the first step towards allowing seine gear, moving fishing district boundary lines farther seaward, and eventually over-fishing and depleting the resource.

Support for changing the 32-foot limit was found exclusively on the Alaska Peninsula. Residents of Port Heiden favor a new limit of 36-foot vessels. They want slightly bigger boats for greater comfort and safety in rough weather. They do not advocate bringing in vessels larger than 36-feet. Residents of Pilot Point strongly advocate removal of any size limit whatsoever. They argue that this would enable fishermen to present a higher quality product during the salmon season, permit entry into other fisheries without necessitating purchase of a second vessel, and encourage true entrepreneurs.

SUMMARY OF ARGUMENTS FAVORING  
REPEAL OF THE 32-FOOT LIMIT

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- More efficient, carry more crew, gas and food, spend more time fishing and less time making deliveries, going for gas, etc.
- Greater safety in rough weather.
- Better ability to fish king salmon. Kings are a rough weather fish in Bristol Bay.
- Increased comfort. Port Heiden people in particular feel this desire since they travel further than other Bristol Bay residents in order to reach an open fishing district.
- Could be used in other areas of Alaska where 32-foot boats are inappropriate.
- Could be used for other fisheries such as bottomfish, crab, herring.
- More room would give space for a slush ice machine. This would encourage delivery of a higher quality product, allow for watertight compartments, and enable the fishermen to spread the fish out more so that they wouldn't get "squished."
- Fishermen are now independent; there's no need to be tied to a cannery's apron strings either by history or because of canneries' unwillingness to renovate their storage facilities and docks.
- Professional fishermen should have the latitude to develop as rapidly as they wish. "Laissez-faire" is the best approach.
- 32-feet is too small to be versatile.
- Greater fuel efficiency.
- Financing would be easy at a rate of 4 3/4 percent interest (contact Alec Griecken for his loan source).
- When people have big boats, canneries will build facilities to accommodate them.
- It's cheaper to have one boat to use in all fisheries.

SUMMARY OF ARGUMENTS OPPOSED  
TO CHANGING THE 32-FOOT LIMIT

- Puts 32-foot boats at a competitive disadvantage. Rich people will buy the bigger boats and get richer, poor people will end up with less fishing time and less fish.
- Inability of small boats to fish as long before needing to resupply.

- Would make Bristol Bay more attractive to outsiders since they could then use their bigger boats in Bristol Bay. This would result in outsiders buying out the limited entry permits held by local-Bay residents.
- 32-foot boats are fine for fishing herring. To say the bigger boats would be useful in bottom fishing is specious; no boat can fish the shallow water where the salmon run and at the same time be versatile enough to fish out on the high seas where the bottomfish are.
- The Bay is too shallow for deep draft boats.
- Deep draft boats can't go up the rivers. Villagers would be disadvantaged since upriver people would need a second boat in order to haul their supplies and travel up and down the river. While repealing the 32-foot limit would make one boat practical for outsiders, it would necessitate two boats for upriver people if they wanted to remain competitive.
- A decrease in fishing time for small boats would result since larger vessels could take on more fish in rough weather and harvest the allowable catch quicker.
- People in the villages can't afford bigger boats; they have no collateral for loans and banks just laugh at them when they try to get loans based on fishing ability. Upriver villages have an especially difficult time securing financing.
- The Commercial Fisheries Entry Commission has studied the possibility of buying back permits in Bristol Bay and bigger boats would mean they'd buy back more permits.
- 32-foot vessels now adequately harvest 100 percent of the resource. The real problem is inadequate processing capacity.
- Shorter openings would result (because the fleet would be more efficient). This would hurt setnetters, 32-foot boat fishermen, and skiff fishermen.
- Could lead to requests for changing the fishing boundary limits, thereby increasing the fishing pressure on mixed stocks.
- There are not storage facilities adequate to accommodate larger vessels over winter. Existing storage facilities are already overcrowded and inadequate. Harbors are only designed for 32-foot vessels. More dredging would be required in Dillingham, the only harbor in Bristol Bay. Docks are old and cannot support the extra weight that bigger boats would require. Booms and hoists are barely adequate for lifting existing 32-foot boats; larger vessels would be too heavy for this equipment.
- Fear that seiners would return to the Bay's salmon fishery.
- Management of the fishery would be harder in weak years if efficiency of the fleet increases. For example, in one twelve hour period, 70 percent of the total allowable catch for a weak run year can now be taken.

- Shorter openings would make problems for setnetters who really need a full tidal cycle in order to work their nets.

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- ~~Salmon is the sole basis for the economy in Bristol Bay; few alternative employment opportunities exist.~~
- There would be a serious decline in the value of existing 32-foot vessels.
- There is no good reason for change; management is good now with the 32-foot boats.
- New boats would just mean fishing harder to pay off the vessel; there would be no real increase in income for fishermen who only fish salmon.
- Bigger boats will get a higher percentage of the fish available and leave less for the small boats who are even more income dependent on the fishery.
- Larger boats would fish the kings harder; king returns are now strong.
- Larger boats would want more fathoms of gear.
- Canneries already have trouble processing in peak years. Changes in delivery patterns that would result from larger vessels could prove chaotic.
- Bigger boats might mean that canneries would cease buying from some small operators since they could receive all the fish they could process from a more limited number of fishermen.
- Bigger boats will mean a higher dropout rate as gill nets are hauled higher to reach the deck.
- overcapitalization
- It would complicate deliveries to salmon scows. Vessels tie up one behind the other and skiffs tied up to 50-foot boats tied up to skiffs will cause problems.
- The Bristol Bay fishery is just now getting to the point where all the locals can really make a living from the fishery. Why should the Board change the fishery to benefit outsiders?
- Fear of shorter openings.
- Bristol Bay residents rarely own limited entry permits for other fisheries. They would have a hard time amortizing the investment in a larger boat since they would not be able to fish other areas of Alaska where limited entry has been instituted.
- Small boats won't be able to compete with bigger, more stable boats in rough weather.
- Who will want to buy 32-foot boats that are owned now if 36-foot or 40-foot boats with greater efficiency are allowed?

-- The 32-foot limit acts to equalize competition between skiff fishermen and big boats.

~~Bad weather and fishermen's strikes are the prime contributors to escapement. If bigger boats are allowed to fish, this will complicate management.~~

-- A decrease in the amount of money made by locals will increase the number of locals that have to go on welfare and BIA assistance.

-- Larger vessels will mean an unequal rate of drift; this will result in more gear conflicts among drifters.

-- Big money will buy up the limited entry permits and more local people will end up sitting on the beach. Kids in the villages who don't have permits and who might benefit from an increase in the number of limited entry permits will never get them if an increase in boat size is allowed. A greater investment is required for a bigger boat. Village children who are potential beneficiaries of an increase in the number of permits will not get this opportunity if bigger boats become the norm.

-- Any change in size will act to frustrate the goal of limited entry: limiting the ability to take.

-- Entry into the fishery will be so expensive that it will become a virtual recreational fishery for doctors and lawyers.

-- All the support facilities of canneries are geared to 32-foot boats: hydraulics, docks, storage, parts inventories. Change will mean canneries will have to make massive capital investments.

-- Bristol Bay Borough could lose an important part of its tax base if boats are no longer stored in the Borough on the day that taxes are assessed.

-- Increased interception by Alaska Peninsula people and Sand Point people.

-- It will increase the number of requests for more gear types.

-- It will result in enforcement problems in the area since big boats could overnight there.

-- Outsiders on big boats will be able to fish continuously during the openings; small boats must deliver and lose fishing time.

-- Longer boats won't necessarily mean they will be any less beamy.

LETTER OF INTENT

HOUSE RESOURCES COMMITTEE

CSHB 784

The House Resources committee is reporting out CSHB 784 because it embodies the best possible salmon fishing vessel length limitations for all waters of the state and for both seine and gillnet vessels.

It is the intent of the committee to protect the salmon resources of the state, as well as the equitable distribution thereof, by maintaining the 58-foot salmon seine vessel length limit in the northern and western waters of the state. The nature of the resource in these waters, the historic participation patterns, and local factors such as availability of larger vessels and the desires of fishermen all require that the 58-foot limit be continued for these waters. The committee recognizes that length limitations on salmon seine vessels prevent over-efficiency of harvest which results in shorter seasons and concentration of limited seasonal catches among few fishermen, i.e., those who can afford the bigger boats. These factors and considerations do not exist or apply with respect to the salmon resources and seine fisheries in other parts of the state as they do in the northern and western waters.

It is also the intent of the committee to perpetuate the historic 32-foot overall length limit on Bristol Bay gillnet vessels, which has previously been imposed only by regulation. This limit is desirable not only for the reasons mentioned regarding the seine vessel limit, but also because of the unique characteristics of Bristol Bay itself which make 32 feet the most efficient, as well as the safest, limit for gillnet vessels.

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Representative Osterback  
Co-Chairman

HOUSE RESEARCH AGENCY  
Pouch Y - State Capitol  
Juneau, Alaska 99811  
465-3991

MEMORANDUM

February 29, 1980

TO: Ken Vassar  
Legislative Counsel

FROM: Peter B. Froehlich  
House Research Agency

RE: Fishing Vessel Length (HB 784 and HCR 54)

At the request of Representative Osterback, I am forwarding to you a copy of a proposed CSHB 784 which is the result of combining HB 784 with HCR 54. Also attached is a draft letter of intent which explains some of the rationale behind the bill.

Please contact me if you have any questions.

PBF/dp


cc: Representative Osterback  
Representative Halford

HOUSE RESEARCH AGENCY  
Pouch Y - State Capitol  
Juneau, Alaska 99811  
465-3991

MEMORANDUM

February 29, 1980

TO: Representative Alvin Osterback  
Co-Chairman House Resources Committee

FROM: Peter B. Froehlich   
House Research Agency

RE: Fishing Vessel Length (HB 784 and HCR 54) and Herring (proposed  
CS for HB 590)  
Research Request No. 95

You recently asked this agency 1) to combine HB 784 and HCR 54 concerning fishing vessel length; 2) to write a letter of intent to accompany the revised bill; and 3) to review HB 590 concerning herring.

I have attached to this memorandum a proposed CS for HB 784 in response to request number 1) and a draft letter of intent in response to request number 2). Copies of the bill and letter also have been sent to Ken Vassar, legislative Counsel, as you requested. Please note that the proposed CS for HB 784 includes a section entitled "legislative findings" which states largely the same considerations as does the draft letter of intent. Because findings adopted by the entire legislature are of more weight than a letter of intent from one committee, you might consider whether, in your view, a letter is necessary or desirable.

I have also reviewed the proposed CS for HB 590 concerning herring. In my view, the bill would "work," in the sense that it would allow herring stripping and carcass disposal in the area described, notwithstanding existing AS 16.10.172 and 16.10.173.

Several observations and alternatives on drafting approach come to mind, however. First, in order to achieve codification of CSHB 784 in the Alaska Statutes, it could be drafted to amend AS 16.10.172 by adding the two subsections in Section 1 of the bill. This approach would be even more desirable for Section 2 of the bill which could be drafted to amend AS 16.10.173. The simplest approach to Section 2 of the bill would be to merely amend AS 16.10.173(e) by changing the January 1, 1979, cut-off date and, if desired, also the geographic description "Bering Sea (including bays, sounds, estuaries, and water of the state) north of 56° north latitude." In fact, it would be possible to accomplish the apparent purpose of proposed CSHB 590 by this means alone, omitting Section 1 and Sections 2(a) and (c).