

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 86 / 2

1581 SHESS HB 279 - HB 313

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 279
 Title Relating to state aid for school construction
 Requested by House Health, Education & Social Services Committee Date 3/6/81

II. FISCAL DETAIL

Agency Affected Department of Education
 Program Category Affected General Fund
 BRU, Program, or Subprogram(s) Affected _____

(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)

→ MILLIONS ←

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC. 80% Portion		83.0	50.6	51.4	45.8	30.7
20% Portion		20.8	+ 12.7	12.9	11.4	7.7
TOTAL		103.8	63.3	64.3	57.2	38.4

Handwritten notes:
 20.8
 12.7
 33
 32.5 million
 effect in FY83

FUNDING (Thousands of Dollars)

→ MILLIONS ←

GENERAL FUND		103.8	63.3	64.3	57.2	38.4
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill would have the state pay 100% of local debt service related to school construction as well as cash payments made for construction. Payments would be accelerated to the year after, vs. a two year lag as it is now.

Above includes bond issues outstanding as of 12/31/80 only and does not include cash payments that may have been made unrelated to debt service as they are unknown. FY 82 includes FY 80 and FY 81 amounts for "catch-up"; FY 83 shows debt service paid for FY 82, etc. The "80%" portion is as the current law is written; the "20%" portion shows the incremental effect of this bill. No future bond issues have been factored in as they are indeterminate.

Signature: Anselm C. Staack

IV. DATE March 24, 1981 PREPARED BY Anselm C. Staack, Treasury Comptroller
 AGENCY Dept. of Revenue/Treasury
 PHONE 465-2351

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

Signature: Steve Hole
 Steve Hole, Administrator
 Dept. of Education, 465-2884

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

HAS 279 file
JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811

June 10, 1981

The Honorable Charles Parr
Chairman
Senate Health, Education and
Social Services Committee
Room 209 - Capitol Building
Juneau, Alaska

Dear Senator Parr:

Re: CS for House Bill No. 279 (Finance) am

CS for House Bill No. 279 (Finance) am, an Act relating to school construction and transferring the administration of the school construction grant program from the Department of Transportation and Public Facilities to the Department of Education, was upon first reading in the Senate on June 3, 1981 referred to the Senate Health, Education and Social Services and Finance Committees.

For the consideration of the Senate Health, Education and Social Services Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Anselm Staack, Treasury Comptroller, Department of Revenue concerning the Committee Substitute.

Sincerely,



R. D. Stevenson
Special Assistant

RDS/rdh

cc: The Honorable Don Bennett
The Honorable M. E. Dankworth
Co-Chairmen
Senate Finance Committee

Joseph K. Donohue
Deputy Commissioner
Department of Revenue

Anselm Staack
Treasury Comptroller
Department of Revenue

FISCAL NOTE (APPROPRIATION OF DEBT SERVICE PAYMENTS)

I. REQUEST

Bill/Resolution No. CS FOR HOUSE BILL NO. 279(Fin)am
 Title Relating to school construction payments and administration of program
 Requested by Senate Health, Education and Social Services Date 5/29/81
 Committee

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected Revenue Collection and Management
 BRU, Program, or Subprogram(s) Affected Treasury Management
 (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)

—————→ Millions ←————

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		65.3	66.3	59.2	40.4	40.4

TOTAL

—————→ Millions ←————
FUNDING (~~Thousands~~ of Dollars)

GENERAL FUND		65.3	66.3	59.2	40.4	40.4
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill would change payment of debt service payments for school construction made by borough, city or school districts to the current year v. the previous two-year lag, from June 30, 1981 on for bonds issued both prior to 6/30/81 and after, at a 100% level v. 80% prior rate. No reduction for state tobacco tax collections is made. This bill would not pick up debt service payments already made in FY 80 and FY 81.

Above represents 100% of debt service payments currently. No new bond issues after 6/30/81 are included. Above includes the debt service to be paid in each year currently with addition for tobacco tax previously offset in prior years.

See separate fiscal note for administrative costs.

Anselm C. Staack

IV. DATE June 8, 1981 PREPARED BY Anselm C. Staack, Treasury Comptroller
 AGENCY Department of Revenue/Treasury Division
 Original: Legislative Finance PHONE 465-2351
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

FISCAL NOTE (ADMINISTRATIVE COSTS)

I. REQUEST

Bill/Resolution No. CS FOR HOUSE BILL NO. 279(Fin)am

Title Relating to school construction payments and administration of program

Requested by Senate Health, Education and Social Services Date 5/29/81
Committee

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, or Subprogram(s) Affected Treasury Management

(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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		55.4	60.9	67.0	73.7	81.1
200 TRAVEL		5.0	5.5	6.1	6.7	7.3
300 CONTRACTUAL		15.0	16.5	18.2	20.0	22.0
400 COMMODITIES		2.0	2.2	2.4	2.7	3.0
500 EQUIPMENT		6.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		83.4	85.1	93.7	103.1	113.4

FUNDING (Thousands of Dollars)

GENERAL FUND		83.4	85.1	93.7	103.1	113.4
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		2	2	2	2	2
PART TIME						
TEMPORARY						

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

Sec. 8 of this bill transfers responsibility for payment direct to bond trustees to the commissioner of revenue.

Above includes personal services for an Accounting Technician II and I (ranges 14 and 12). Travel as necessary for contact with trustees. Contractual services for legal agreements with boroughs, districts, cities and trustees. Equipment for new positions.

IV. DATE June 8, 1981

PREPARED BY Anselm C. Staack, Treasury Comptroller

AGENCY Department of Revenue/Treasury Division

PHONE 465-2351

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)



JUNEAU, ALASKA

Alaska State Legislature
House

HESS

MESSAGE TO THE SENATE

DATE June 4, 1981

MR. PRESIDENT:

The House adopted the following letter of intent on CSHB 279(Fin)am (school construction and transferring the administration of the school construction and transferring the administration of the school construction grant program from the Department of Transportation & Public Facilities to the Department of Education; eff. date):

LETTER OF INTENT FOR CSHB 279(FIN)am

It is the intent of the Alaska Legislature that any increase in allocated payments to an organized borough or a city which is a school district as a result of Sections 7 and 8 of CSHB 279(Fin)am be passed on as local tax reductions to those local taxpayers who would otherwise have been paying such costs.


Chief Clerk of the House

Sec. 14.14.060. Relationship between borough school district and borough.

(e) The borough school board is responsible for the design criteria of school buildings. To the maximum extent consistent with education needs, a design of a school building shall provide for multiple use of the building for community purposes. Subject to the approval of the assembly, the school board shall select the appropriate professional personnel to develop the designs. The school board shall submit preliminary and subsequent designs for a school building to the assembly for approval or disapproval; if the design is disapproved, a revised design shall be prepared and presented to the assembly. A design or revised design approved by the assembly shall be submitted by the board to the department in accordance with AS 14.07.020(11). (am § 11 ch 147 SLA 1978)

Effect of amendment. — The 1978 amendment added the last sentence of subsection (e). As the rest of the section was not affected by the amendment, it is not set out.

Sec. 14.14.100. Bylaws and administrative rules.

Applied in *Skagway City School Bd. v. Davis*, Sup. Ct. Op. No. 1216 (File No. 2265), 543 P.2d 218 (1975).

Sec. 14.14.105. Sick leave bank. A local school district board, or the board of a regional educational attendance area may establish a sick leave bank to enable a teacher, because of unusual circumstances, to draw not more than twice the number of days of sick leave the teacher has accumulated before the first day of school in any school year, or 24 days, whichever is greater. The board may establish and administer the sick leave bank independently or jointly with teachers. (§ 1 ch 76 SLA 1971; am § 1 ch 142 SLA 1976)

Effect of amendment. — The 1976 amendment substituted "a regional educational attendance area" for "directors of the state-operated school system" near the beginning of the first sentence and added "before the first day of school in any school year, or 24 days, whichever is greater" to the end of that sentence.

Sec. 14.14.107. Sick leave and sick leave transfer. (a) Every school district shall allow its certificated employees one and one-third days of sick leave a month with unlimited accumulation of sick leave days.

(b) A certificated school district employee who changes employment from one school district to another district, or from a school district to

ALASKA
STATE LEGISLATURE
STANDIN

accounting. However, the assembly, with the consent of the borough school board, may by ordinance delegate to the borough school board the responsibilities of the accounting system.

(c) The borough school board shall submit the school budget for the following school year to the borough assembly by April 1 for approval of the total amount. Within 30 days after receipt of the budget the assembly shall determine the total amount of money to be made available from local sources for school purposes and shall furnish the school board with a statement of the sum to be made available. If the assembly does not, within 30 days, furnish the school board with a statement of the sum to be made available, the amount requested in the budget is automatically approved. By May 31, the assembly shall appropriate the amount to be made available from local sources from money available for the purpose.

(d) The borough assembly shall determine the location of school buildings with due consideration to the recommendations of the borough school board.

(e) The borough school board is responsible for the design criteria of school buildings. To the maximum extent consistent with education needs, a design of a school building shall provide for multiple use of the building for community purposes. Subject to the approval of the assembly, the school board shall select the appropriate professional personnel to develop the designs. The school board shall submit preliminary and subsequent designs for a school building to the assembly for approval or disapproval; if the design is disapproved, a revised design shall be prepared and presented to the assembly.

(f) The borough school board shall provide custodial services and routine maintenance for school buildings and shall appoint, compensate, and otherwise control personnel for these purposes. The borough assembly through the borough administrator, shall provide for all major rehabilitation, all construction and major repair of school buildings. The recommendations of the school board shall be considered in carrying out the provisions of this section.

(g) State law relating to teacher salaries and tenure, to financial support, to supervision by the Department of Education and other general laws relating to schools, governs the exercise of the functions by the borough. The school board shall appoint, compensate, and otherwise control all school employees and administration officers in accordance with this title.

(h) School boards within the borough may determine their own policy separate from the borough for the purchase of supplies and equipment. (§ 8 ch 118 SLA 1972)

Applied in *Arco Pipe Line Co. v. North Slope Borough*, Superior Court, 4th Jud. Dist., C.A. No. 73-336 and C.A. Nos. 73-294 to 73-306 (1973).

History of public education in Alaska. — See *Hootch v. Alaska State-Operated School Sys.*, Sup. Ct. Op. No. 1154 (File No. 2157), 536 P.2d 793 (1975).

P.O. Box 174
Tapper Creek Ak.
99688
March 4, 1981

Rep. Donald E. Clocksen
Porch
Juneau, Alaska 99811

Dear Rep. Clocksen:

Please note for
H. B. 279. Because we really
do need a school there are a
lot of cracks in the walls.
There is one crack that goes
right up the wall. The
door opens about 50 times
in just one portable a day.
We walk in slush to go to
different classes.

The 4th 5th 6th graders
both girls and boys share
one bathroom with the
staff. When all the bathrooms
go out we all share a outhouse.
When we break down we
share the 1st 2 3 graders bathrooms.
We need a bathroom for girls
and boys. We get bothered
when the phone rings and

the teachers teaching, has to
go to the phone to answer
it.

We also have a heater
that clicks off and on every
day. We hardly have any
room to put our things.
This is why we need a
new school.

Sincerely yours Trent Long
Fifth grade

MSG 81-00019671 PRY 1 06/03/81 17:33:03 ORIG: LMOO IN=0014 OUT=0070
FROM: MARTIE/MATSU TO: JUNEAU INFORMATION PAGE 0001
TARGET: LJH2 SUBJ: P.O.M.

TO: SENATORS KERTTULA AND PARR

FROM: WILETTA STEHLIK, PO BOX 784, PALMER 99645

I WOULD LIKE TO REQUEST THAT HB279 BE AMENDED TO PROVIDE FUNDING FOR SWIMMING POOLS.

TO: SENATORS KERTTULA AND PARR

FROM: CAROL KUHN, BOX 642, PALMER. 99645

PLEASE AMEND HB 279 TO PROVIDE FOR SWIMMING POOLS.

TO: SENATORS KERTTULA AND PARR

FROM: AILEEN MARRIOTT, PO BOX 3403, PALMER 99645

I REQUEST THAT HB279 BE AMENDED TO PROVIDE FOR SWINNING POOLS.

TO: SENATORS KERTTULA AND PARR

FROM: BRUCE CAPE, BOX 1982, PALMER 99645

RE: HB 279

I REQUEST HB 279 BE AMENDED TO PROVIDE FOR SWIMMING POOLS.

TO: SENATORS KERTTULA AND PARR

FROM: ARLENE BOWMAN, BOX 380, PALMER 99645

PLEASE AMEND HB 279 TO PROVIDE FOR SWIMMING POOLS.

TO: SENATORS KERTTULA AND PARR

FROM: BETH CAPE, BOX 1982, PALMER 99645

I WOULD REQUEST HB279 BE AMENDED TO PROVIDE FOR SWIMMING POOLS.

TO: SENATORS KERTTULA AND PARR

FROM: PATTY HAUGOM, PO BOX 314, PALMER 99645

I WOULD REQUEST THAT HB279 BE AMENDED TO PROVIDE FUNDING FOR SWIMMING POOLS.

4

MSG 81-00019671 PRTY 1 06/03/81 17:33:03 ORIG: LMOO IN= 0014 OUT= 0098
FROM: MARTIE/MATSU TO: JUNEAU INFORMATION
TARGET: LJH2 SUBJ: F.O.M. PAGE 0006

TO: SENATORS FARR, STIMSON, COLLETTA, FISCHER AND KELLY

FROM: ELSIE O'BRYAN, SR BOX 2727, WASILLA 99687

I WOULD LIKE TO ENCOURAGE YOU TO PASS HB279 AS SOON AS POSSIBLE WITHOUT
FURTHER AMENDMENTS. I COMMEND THE HOUSE FOR LIMITING CONSTRUCTION COSTS
TO EDUCATION ESSENTIALS. IF WE ADDFRILLS WE SHOULD BE WILLING TO PAY FOR
THEM.



JUNEAU, ALASKA

Alaska State Legislature
House

HESS

MESSAGE TO THE SENATE

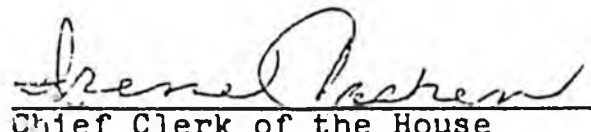
DATE June 4, 1981

MR. PRESIDENT:

The House adopted the following letter of intent on CSHB 279(Fin)am (school construction and transferring the administration of the school construction and transferring the administration of the school construction grant program from the Department of Transportation & Public Facilities to the Department of Education; eff. date):

LETTER OF INTENT FOR CSHB 279(FIN)am

It is the intent of the Alaska Legislature that any increase in allocated payments to an organized borough or a city which is a school district as a result of Sections 7 and 8 of CSHB 279(Fin)am be passed on as local tax reductions to those local taxpayers who would otherwise have been paying such costs.



Chief Clerk of the House

SENATE AMENDMENT

By _____

To: _____ SENATE BILL No. _____

To: CS _____ HOUSE BILL No. 279 (Fin) am

PAGE: 2 LINE: 28

between the words "a" and "school" insert:

"Municipality which is a".

Page 3, Line 1:

delete the words "the school board" and insert:

"its governing body".

Page 3, line 7:

between the words "the" and "school" insert:

"municipality which is a".

Page 3, line 13:

between the words "a" and "school" insert:

"municipality which is a".

Page 3, line 19:

between the words "a" and "school" insert:

"municipality which is a".

Page 6, line 10:

delete "(3)" and insert "(2)"

Page 7, line 21:

delete "(3)" and insert "(2)"

4

MSG 81-00019671 PRTY 1 06/03/81 17:33:03 ORIG: LM00 IN= 0014 OUT= 0098
FROM: MARTIE/MATSU TO: JUNEAU INFORMATION
TARGET: LJH2 SUBJ: P.O.M. PAGE 0006

TO: SENATORS FARR, STIMSON, COLLETTA, FISCHER AND KELLY

FROM: ELSIE O'BRYAN, SR BOX 2727, WASILLA 99687

I WOULD LIKE TO ENCOURAGE YOU TO PASS HB279 AS SOON AS POSSIBLE WITHOUT
FURTHER AMENDMENTS. I COMMEND THE HOUSE FOR LIMITING CONSTRUCTION COSTS
TO EDUCATION ESSENTIALS. IF WE ADDFRILLS WE SHOULD BE WILLING TO PAY FOR
THEM.



Official Business

Alaska State Legislature

Senate

Office of the Secretary

Pouch V
State Capitol
Juneau, Alaska 99811

May 11, 1981

TO: Senator Parr
Chairman
Health, Education and
Social Services Committee

FROM: *Peggy Mulligan*
Peggy Mulligan
Secretary of the Senate

The following Governor's appointee for legislative confirmation of appointment to the position noted has been referred to your committee:

STATE PHYSICAL THERAPY BOARD

E. Budd Simpson, Juneau, term expiring 9/1/84

A resume on the above individual is attached.



STATE OF ALASKA
 OFFICE OF THE GOVERNOR
 Pouch A
 Juneau, Alaska 99811

BOARDS AND COMMISSIONS RESUMÉ

INSTRUCTIONS

A separate application is required for each position for which you apply. Complete and specific answers will aid in rapid and accurate processing of your resumé. The initial determination of whether you qualify for the position specified will be based on this application.

Please type or print legibly in ink. Forward to the above address. Be sure your answers are true. A willfully false answer may result in your disqualification or removal from office if you are appointed.

Position for which I am applying:

State Physical Therapy Board

Please list any other Board or Commission on which you serve:

None

Name E. Budd Simpson		Previous Name applied under
Mailing Address 130 Seward Street, Suite 411	Residence Address 800 F Street, #E-2	
City, State and Zip Code Juneau, Alaska 99801		
Home Telephone 586-6433	Business or Message Telephone 586-2890	

REPORT ADDRESS AND TELEPHONE CHANGES PROMPTLY

AS 39.05.100 requires that a person appointed to a board or commission be a registered voter before the last general election:

Are you a registered voter? YES NO

Voter Registration Number (Optional) 02916484 04 003 Social Security Number (Optional) 547-74-0216

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years? YES NO

If "YES", explain the circumstances on a separate sheet of paper and attach it to this application. A conviction is not necessarily grounds for disqualification. The number of convictions, nature, recency and relationship to the board position applied for will be evaluated and a determination will be made after a review of all relevant facts.

A policy in the Governor's Office pertaining to boards and commissions is that a member attend at least 75% of the meetings. Are there any circumstances in either your professional or personal life which would prevent you from participating at the required authorized meetings? YES NO

If "YES", explain on a separate sheet of paper and attach to this application.

This position may require that the member travel to either urban or rural (or both) areas. Are there any circumstances which would prevent you from participating? NO.

CONFLICTS OF INTEREST: Certain Boards and Commissions require full disclosure of personal financial data under AS 39.50.010. If required for the Board or Commission for which you are applying, are you willing to do so? YES NO

Could you or any member of your family be affected financially by decisions to be made by the Board or Commission for which you have applied? YES NO If "YES", explain. I have two in-laws who practice physical therapy in the state of California. I do not believe my appointment to the Alaska State Board would affect them financially.

The Office of the Governor will not discriminate against an applicant for a Board or Commission based on Sex, Age, National Origin, Marital Status, Pregnancy, Handicap, Religion or Parenthood.

TRAINING & EXPERIENCE: (If résumé attached, it is not necessary to complete items A-D)

A. List any professional licenses, certifications, or registrations and dates obtained that may be used as qualifying criteria:

Active Member: Alaska Bar Association (1977)
California Bar Association (1976)

B. List both formal and informal education and training experiences: (Use additional paper if necessary)

Juris Doctor, University of California, Hastings College of Law, 1976.
B.A., California State College, San Bernardino, 1973

C. List any community service positions, municipal government positions, state positions held, and list any awards received. These include both compensated and uncompensated positions (for example, president of a service organization or a mayor). Also include length of time served in the positions.

Scoutmaster, Boy Scout Troop #12, Juneau, 1977-1979

D. Employment work history: paid, unpaid or voluntary: (Use additional paper if necessary)

1977 - present: Attorney, Birch, Horton, Bittner, Monroe, Pestinger &
Anderson, 130 Seward Street, Juneau, Alaska 99801

The Office of the Governor and the State of Alaska have an Affirmative Action Equal Employment Opportunity Program. To assist in the program, you are asked to voluntarily answer the following questions to provide the information necessary for reporting purposes. Under State and Federal law, the information you provide will not be used to illegally discriminate against you.

SEX

ETHNIC BACKGROUND

Male White Black Hispanic Alaska Native Asian or Pacific Islander American Indian

Female

Date of Birth
2/21/51

Military Service (If applicable, give dates)

CERTIFICATION: I swear that the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates or I may be removed from the position. I agree that the Office of the Governor may contact present or former employers or other persons who know me to obtain additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Signature in Ink

S. Budd Simpson

Date

April 22, 1981

H B

3 1 3

COMMITTEE REPORT
SENATE

5/21/81

FURTHER: Resources and Finance

Date: 4-14-82

Mr. President:

The Committee on HEALTH, EDUCATION & SOCIAL SERVICES has had CSHB 313(Fin)

Alaska Fisheries Center and appropriations to that center

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:

CHAIRMAN

North Pacific Fishery Management Council

Clement V. Tillion, Chairman
Jim H. Branson, Executive Director

Mailing Address: P.O. Box 3136DT
Anchorage, Alaska 99510

Suite 203 West 4th Avenue
Post Office Ball Building

Telephone: (907) 274-4563
FTS 271-4064



April 27, 1981

Honorable Terry Gardiner
House of Representatives
Pouch V
Juneau, AK 99811

Dear Terry:

Clem has asked me to respond on behalf of the Council on your proposal for a fisheries center in Alaska. The Council discussed your concept at length at its meeting last week and asked me to convey their endorsement and appreciation for your efforts. More and better research into the fishery resources of Alaska is definitely needed, and the idea of a center to coordinate the approach of the State and Federal governments, the North Pacific Council, the University, and the numerous other entities that become involved in research in this area is very desirable.

The Council felt that it would be desirable to avoid creating another organization to do so, however, and suggested that a center could be developed using one or more of the existing State entities as the parent organization. It could be specifically designed to accommodate the research activities of other organizations in one complex with a very heavy emphasis on coordinating existing activities. That approach would not only improve the efficiency of the work for which we already have funding, but would make it much easier to identify work that needs to be done and to distribute that work where appropriate.

Don Rosenberg is chairman of the Council's Scientific and Statistical Committee. He has kept the Council informed on the progress of your proposal. The Council is very much in favor of the concept and will work with you in any way they can to assist.

Sincerely,

A handwritten signature in cursive script that reads "Jim H. Branson". The signature is written in dark ink and is positioned above the typed name and title.

Jim H. Branson
Executive Director

cc: Don Rosenberg

**THE REPORT OF THE
ALASKA FISHERIES CENTER STUDY GROUP
TO THE
STATE OF ALASKA**

February 1982

ALASKA FISHERIES CENTER STUDY GROUP

MEMBERS

- Chairman** Mr. Donald H. Rosenberg, Director
Office for Fisheries
University of Alaska
- Vice-Chairman** Mr. S. A. ("Stan") Moberly, Special Assistant
Alaska Department of Fish and Game
- Dr. D. L. ("Lee") Alverson
Natural Resource Consultants
- Mr. James W. Brooks, Deputy Director Alaska Region
National Marine Fisheries Service
- Mr. Douglas B. ("Bart") Eaton, Fisherman and Council Member
North Pacific Fishery Management Council
- Dr. Keith Jefferts, President
Northwest Marine Technology
- Senator Robert Mulcahy
Alaska Legislature
- Mr. Rodger Painter, Executive Director
United Fishermen of Alaska
- Mr. John G. Peterson, President
Ocean Beauty Seafoods
Alternate: Mr. Rick Lauber
- Ms. Kathryn ("Kay") Poland, Director
Office of Commercial Fisheries Development
Alaska Department of Commerce and Economic Development
- Mr. John Sund, Esq., President
The Waterfall Group
- Representative Eric Sutcliffe
Alaska Legislature

STAFF

- Mr. Thomas J. Lane, Executive Director
Ms. Dcena K. Hale, Administrative Assistant

OFFICE OF THE GOVERNOR

- Mr. W. I. ("Bob") Palmer
Special Projects Coordinator

ACKNOWLEDGEMENTS

Special thanks are due to the following who actively assisted the Study Group in its deliberations:

Dr. Ronald O. Skoog, Commissioner
Alaska Department of Fish and Game

Dr. Donald E. Bevan
University of Washington

Dr. Robert D. Burkett
Alaska Department of Fish and Game
Alaska Council on Science and Technology
American Fisheries Society

Dr. Richard Straty
National Marine Fisheries Service
Alaska Council on Science and Technology

Dr. Bruce Wing
National Marine Fisheries Service
American Institute of Fishery Research Biologists

Contractor (Dames and Moore with Miller and Associates)

Mr. James E. Hemming
Mr. Mark I. Hutton
Mr. Wallace G. Miller
Mr. Stephen T. Grabacki
Mr. Ronald James Costello
Mr. Kenneth Middleton
Ms. Pamela M. Knode

Others who provided much assistance were Steven Pennoyer, Director and John Clark, Chief of Research, Commercial Fisheries Division (ADF&G); Dr. John H. Helle, District Director, American Institute of Fishery Research Biologists; Dr. James B. Reynolds, President, Alaska Chapter, American Fisheries Society; and Dr. Frank O. Perkins, Virginia Institute of Marine Science.

The Study Group's work was facilitated greatly by the staff of the Governor's Special Projects Office, particularly Ms. Suzanne Mullen, and by Ms. Karen Slack, Special Assistant to the Governor.

Alaska's fisheries, both marine and freshwater, constitute the state's most valuable renewable resource. The use of this resource for recreational, subsistence and commercial purposes plays a major role in the lifestyle and economy of the state.

The purpose of this study was to evaluate the need for and feasibility of the State of Alaska developing an expanded program of fisheries research. The Governor appointed a 12-member study group to undertake this evaluation and to report their findings to the state.

Three specific needs relating to Alaska's fisheries resources are identified:

1. An urgent public need for increased economic, social and biological knowledge and understanding concerning Alaska's fisheries.
2. A need to strengthen the capabilities of Alaska's fisheries management program.
3. A critical need for improved communication and coordination among Alaska's fisheries resource users and researchers.

The benefits to the state of establishing a well organized research program as well as the consequences of taking no action are identified.

Various alternatives, ranging from an increase in activities within existing agencies and institutions to the establishment of an independent state research agency, are analyzed. The recommendation represents a consolidation of various components from several of these alternatives.

The Study Group recommends that the State of Alaska establish a fisheries research center with the goal of providing the information and a foundation upon which fishery management programs can be developed and executed. The center's principal activities will be the acquisition and dissemination of information and the development of methodology required for wise management. The center, in addition to its own research staff, must develop cooperative research efforts with existing fisheries groups and agencies.

The center should be established under the University of Alaska with a Board of Trustees providing policy and planning guidance. The Study Group also recommends two advisory committees, one representing users and the other the scientific community.

The staffing of this center will consist of approximately 40 professionals requiring 70,000 square feet of office and laboratory space. The projected facility costs are \$21.7 million and when fully operational, the annual operating costs are estimated at \$14.7 million.

A schedule of implementation is provided. Costs for the first year are \$525,000. During the second year, \$2.0 million are required to establish research activities.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	iii
INTRODUCTION	1
NEED	1
ALTERNATIVES ANALYZED	2
Existing Agency Alternative	2
Research Park Alternative	3
Cooperative Institute Alternatives	3
Research Center Alternative	3
Other Considerations	4
RECOMMENDATION	4
Establishment of a Fisheries Research Center	4
Goal	4
Scope of Activities	4
Organizational Structure	5
Administrative Structure	5
Advisory Committees	6
Staffing and Facilities	6
Cost	7
Location	7
LEGISLATIVE CHANGES	8
IMPLEMENTATION	8
APPENDIX	9

Alaska's fisheries, both marine and freshwater, constitute the state's most valuable renewable resource. The use of this resource for recreational, subsistence and commercial purposes plays a major role in the lifestyle and economy of the state. The challenge to the state is to provide for the long-term viability of this resource while continuing economically sound use. Currently there is insufficient methodology and data upon which to base decisions to maximize the benefits to Alaska as well as to preserve the long-term viability of the resource.

This document is the report of the Alaska Fisheries Center Study Group to the Governor of Alaska and to the Alaska Legislature. The report presents the findings of an investigation of Alaska fisheries research needs and recommends a program for the state to satisfy those needs. The Study Group, in developing these findings and recommendations, was assisted by a report prepared by Dames and Moore entitled "Fisheries Research Alternatives for the State of Alaska."

The purpose of this study was to evaluate the need for and feasibility of an Alaska Fisheries Center as the principal entity for conducting fisheries research in the state. As a part of that assessment, the Study Group determined the optimal direction and organization of fisheries research in Alaska and the most appropriate level of state involvement.

The Study Group addressed the following questions:

1. What should be the State of Alaska's goals in fisheries research and what benefits will Alaska derive from an expanded fisheries research program?
2. What are the current fisheries research activities in existing agencies and institutions?
3. What additional capability is required and what is the appropriate means of providing additional capability?

During the 1981 Legislative session, a bill (HB 313) was introduced in the Alaska House of Representatives to establish an Alaska Fisheries Center. The center was to be the principal agency in the state for conducting fisheries research, gathering and disseminating information on fisheries resources, and improving coordination and communications among agencies and groups involved in fisheries research. A nine-member board of trustees appointed by the Governor was to manage the center and representatives from specified fishery-related agencies were to serve as advisors. The bill passed the House and is currently under consideration by the Alaska Senate.

The bill was introduced because of concern that insufficient support was being provided for fisheries research in the state, and that the research was dispersed through a variety of agencies, and not always well-coordinated. In addition, much of the research on Alaska's fisheries was conducted by agencies located in other states. While there was general support for the objectives of the proposed legislation, many felt that the concept of a center for fisheries research required further evaluation. As a result, the Legislature requested that the Office of the Governor conduct a study of the need for and feasibility of such a center. The Governor established an Alaska Fisheries Center Study Group and appointed 12 members with a wide variety of fishery-related backgrounds. The Study Group met in September, 1981 to formulate a plan of action and agreed that there was a need for increased fisheries research in the state. The Study Group hired an executive director and retained a team of consultants (Dames and Moore) to assist in the evaluation of methods for providing increased fisheries research.

This report contains the findings and recommendations of the Study Group's investigation.

The importance of Alaska's fisheries resources to the citizens of Alaska is impossible to fully quantify. Alaska's fisheries resources support a very important segment of the state's recreational and tourist industry. Commercial use of these resources maintains

NEED

one of the state's major industries. Moreover, a large portion of the state's population depends upon these resources for its principal source of subsistence.

The State of Alaska, by constitutional mandate, must provide for the utilization, development and conservation of these fisheries resources for the maximum benefit of the citizens of the state. Appropriate management will be required in order to satisfy increasing demands on these resources while allowing for important subsistence needs.

During the next decade these resources will experience increasing demand for their use and major conflicts will develop between user groups. Increases in tourism and recreation will require greater allocation of these resources and expansion of the state's commercial fishing industry is expected.

The Study Group has reviewed the current status of state, federal and other research activities which are providing information to mitigate these demands. Three specific needs have been identified:

1. An urgent public need for increased economic, social and biological knowledge and understanding concerning Alaska's fisheries to provide for appropriate development and conservation.
2. A need to strengthen the capabilities of Alaska's fishery management programs in order to contribute to the wise utilization, conservation and development of Alaska's fisheries resources and to provide the maximum economic and social benefits to the citizens of the state.
3. A critical need for improved communication and coordination among Alaska's fisheries resource users and researchers in order to make optimum use of scientific and financial resources.

The benefits the state will derive from a well organized fisheries research program are:

1. The capability to continue high quality recreational fisheries, a choice not open to many states and foreign countries who have neglected their resources.
2. The assurance of the availability of fisheries resources for subsistence.
3. The continuation of a healthy, competitive commercial fishery that provides the state's major private employment.
4. The capability to develop and manage new fisheries; doubling the current employment and increasing fish production by 500 to 1,000 percent.
5. The opportunity to develop management techniques which encourage efficiency in the industry.

The implication of not addressing these needs could be severe. Some possible consequences of taking no action are:

1. Continuation of loss to the industry and the state from fishery disasters.
2. Continuation of reliance on non-Alaskan fisheries researchers and institutions.
3. Continuation of under-achievement of harvest.
4. Continuation of inefficiencies and duplication in fisheries research.

ALTERNATIVES ANALYZED

Existing Agency Alternative

The Study Group determined that an enhancement of fisheries research capabilities of the state is required. Various alternatives to provide those enhanced capabilities were developed and analyzed. Primary analysis of these alternatives was undertaken by the contractor. A review of the contractor's analyses and the Study Group's findings follow.

The initial assumptions in this alternative were that the basic organizational structure of agencies involved in fisheries research would remain intact and that increased funding for fisheries research would be passed directly to those agencies. In order to

accommodate an enhanced research program, however, changes were recommended in:

1. The internal organization of some agencies.
2. Interagency coordination and cooperative agreements.
3. Procedures for setting goals and objectives.
4. Information dissemination.
5. Standardization of research methods and reporting.

This alternative includes the creation of an Alaska Fisheries Research Steering Committee in the Office of the Governor. The steering committee would not modify the authority or responsibility of any agency, but would provide advice to the legislative and executive branches and would review research programs and proposals on a cooperative basis. Additional changes include:

1. The creation of a Fisheries Research Division in Alaska Department of Fish and Game (ADF&G).
2. A central fisheries research library.
3. The establishment of a fisheries journal.
4. Fisheries conferences and workshops.
5. New research facilities for ADF&G.
6. Expansion of the National Marine Fisheries Service Auke Bay Fisheries Laboratory.
7. Implementation of the University of Alaska's fisheries plan.

This alternative would provide an enhanced research capability with a minimum of disruption to the status quo, but would also offer the highest risk of a fragmented effort. The Study Group believes that increasing fisheries research funding to existing agencies would not be productive without substantial changes in agency structure.

This alternative would provide common support facilities and services to agencies performing fisheries research. Increased funding for fisheries research would be provided directly to the agencies. A board of trustees would manage the research park, establish institutional goals, publish reports and develop criteria for facilities use.

Research Park Alternative

The Study Group feels that this alternative could provide the means for closer contact between agencies but would not be conducive to the long-term stability and coordination of fisheries research in the state.

This alternative would involve the creation of an institute, in addition to existing agencies and facilities to augment the state's fisheries research capability. The institute would be housed in a state agency and would be under the direction of a board of trustees. The institute would maintain a research staff and facilities and would emphasize cooperative interagency research programs. Research goals and priorities would be set by the institute rather than by individual agencies. Research and user committees would advise the institute.

Cooperative Institute Alternative

The Study Group feels that this alternative would provide for long-term fisheries research and required long-term institutional stability.

The center proposed under this alternative would be associated with either the University of Alaska or the Alaska Department of Fish and Game. It would be managed by a director reporting to the president of the University of Alaska or the commissioner of the Department of Fish and Game. The center would have its own

Research Center Alternative

research capabilities while also providing for cooperative research activities. Policy committees would make recommendations to the center's director.

The Study Group feels that the organizational relationship to a parent agency would assure long-term stability but that the close association with the parent agency would impede cooperative programs.

Other Considerations

In addition to the above alternatives, the Study Group considered an independent fisheries research center which would be responsible for all fisheries research functions in the state. The Study Group concluded that such an approach would disrupt fisheries management and academic programs and would be counterproductive.

RECOMMENDATION

The Study Group reviewed the report of the contractor, including the background information concerned with existing fisheries research efforts. It is important to note that the alternatives developed were designed to provide the State with a capability for undertaking the more fundamental research needed to improve the management and conservation of the living marine and freshwater resources in and adjacent to Alaska.

To achieve this goal, the Study Group determined that a new institutional arrangement is required to protect the researcher from the pressures associated with resource management agencies and to provide a research environment attractive to the scientific community. The program of research will require a guidance mechanism to insure that it conforms to the fisheries research needs of the state and does not duplicate programs of existing state and federal research agencies. Finally, the capacity of the center to serve as a focal point for state, national and international seminars and to assist in the coordination of state and federal fisheries research efforts was considered important in influencing all recommendations.

The Study Group feels that these features and needs are partially met in all of the alternatives evaluated. However, no single alternative was considered adequate to meet the required goal. The Study Group's recommendation has, therefore, combined components from several of the proposed alternatives.

Establishment of a Fisheries Research Center

In order to further address the state's responsibility to its citizens to provide for proper and wise utilization, development and conservation of the fisheries resources both within and adjacent to the state, the Study Group recommends the establishment of a Fisheries Research Center.

Goal

The goal of the Fisheries Research Center will be to provide information and a foundation upon which fishery management programs can be developed and executed which will provide for the wise utilization, development and conservation of Alaska's fisheries resources.

Scope of Activities

The principal activities of the center will be the acquisition and dissemination of information and development of methodology required for the wise management of Alaska's fisheries resources. The center should not duplicate the research activities of existing agencies and groups. It should not be involved in the collection and analysis of information required for immediate management nor the collection of fishing statistics.

The center will develop cooperative research efforts with existing groups and agencies. Research will be directed toward development of fundamental approaches to fisheries management, filling basic gaps in our knowledge about the resources in-

cluding biological, social and economic data required for sound management programs. The center's activities should also include research that leads to an understanding of the problem of "multiple use" of the fisheries resources and the effects of various natural and man-made impacts.

The center must provide an environment to encourage excellence in fisheries research. Involvement of renowned visiting fisheries scientists to address specific research problems is essential to that environment. Association of Alaska's scientific and academic community with visiting scientists will encourage excellence in performance and serve as a unique "in-service training" program.

Additionally, the center should provide for improved coordination and communication among members of the scientific and management communities, fishermen, processors and the public by providing a forum (workshops and conferences) for discussion and information dissemination.

The Study Group recommends that the Fisheries Research Center be established under the University of Alaska. Establishment of the center under the University of Alaska would maximize the center's ability to attract top scientific personnel. This arrangement would be most conducive to providing for the long-term stability of the center's research activities and would provide maximum protection of the center's activities from immediate management pressures. Additionally, this arrangement would provide for a direct interaction between the center's research and information activities and the university's academic and public service programs.

The Study Group recognizes that it is exceedingly important that the center's activities support the needs of the primary management agencies. The proposed administrative structure and funding mechanism will reduce any tendency of the center to be solely influenced by the university environment.

Organizational Structure

Administrative Structure

Board of Trustees

The Study Group recommends that the principal policy and planning body for the center be a Board of Trustees. The board would provide policy and program guidance for the center. At a minimum, membership should include:

1. Commissioner or representative, Alaska Department of Fish and Game.
2. President or representative, University of Alaska.
3. Alaska Regional Director or representative, National Marine Fisheries Service.

Other members of the board will be appointed by the President of the university based upon recommendations from the Governor.

Other board members should be selected for their ability to represent the research needs of all fisheries interests. Membership of the board should not exceed seven and the majority of members should be Alaskan residents.

The duties of the board shall include but not be limited to:

1. Establishment of institutional goals and objectives for the center.
2. Review and approval of selection of the center's Executive Director.
3. Review of the programs of the center to insure that they are providing meaningful contributions and are responsive to the institutional goals and objectives.
4. Active encouragement of the development and support of cooperative research programs.

Executive Director

An Executive Director will be the principal scientific and administrative officer for the center. The Executive Director will be responsible for all activities and personnel of the center. The Executive Director will serve as a non-voting member of the Board of Trustees.

Other administration

Further refinement of the administrative structure of the center will depend upon the magnitude of the activities. These could include a research program director, a cooperative program director and an information services program director. Additionally, as the center grows, an administrative manager will be necessary to oversee the day to day administrative functions.

Advisory Committees

The Study Group recommends that the Fisheries Research Center have two advisory committees, a research advisory committee and a user advisory committee.

Research Advisory Committee

The Research Advisory Committee will advise the board of trustees and the executive director on the scientific activities of the center. The committee will play a major role in the scientific evaluation of the center's programs. The committee will prepare for the Board of Trustees periodic reports on the need for research to solve fisheries problems. The committee will make recommendations on and encourage the development of cooperative research programs within the center. Membership on the committee will be by appointment by the Board of Trustees. Principal membership is expected to be from primary state and federal fisheries management agencies (ADF&G, NMFS) and universities but it is noted that membership should also include scientific staff from user groups.

Balance should be maintained between scientific disciplines with the majority of the membership representing fisheries science, marine science and the economic and social sciences as applied to fisheries resources.

User Advisory Committee

The User Advisory Committee will advise the Board of Trustees and the Executive Director on information needs of the various fisheries resource user groups. The committee will play a major role in the development of the center's institutional goals and objectives and in the review of the center's progress toward the attainment of those goals and objectives. The committee will prepare for the Board of Trustees periodic reports on the need for new information on fisheries. The committee would actively encourage cooperative programs within the center between user groups and scientific personnel.

Membership on the committee will be by appointment by the Board of Trustees. Membership will be from the principal fisheries user groups and the public at large. Balance should be maintained between these groups.

Staffing and Facilities

In considering the staffing requirements for the center the Study Group determined the following:

1. It is unlikely that any additional fisheries research effort will be provided by the federal government.

2. It would be physically impossible to fulfill all of the state's fisheries research needs.
3. To be most effective a critical level of staff must be provided.
4. If a single company or individual had exclusive rights to Alaska's fisheries resources, it would likely spend as much as \$100 to \$200 million on research and development.

The Study Group recommends that the center be staffed, when fully developed, with approximately 40 professionals. The Study Group feels that this level of staffing will make major contributions toward providing information upon which effective fisheries management programs can be developed and executed.

The Study Group recommends that facilities be developed to support the center's activities including sufficient space to allow cooperative programs. The facility should contain approximately 70,000 square feet.

Based upon the contractor's analysis, the Study Group estimates the following capital and operating costs for the center:

Cost

Capital Costs

Facilities (70,000 sq. ft.)	\$21,000,000.00
Equipment	
Data Processing	200,000.00
Library Collections	300,000.00
Audio-Visual and Copy	100,000.00
Office	110,000.00
Total Capital Costs	<u>\$21,710,000.00</u>

Annual Operating Costs

Management/Technical Services	2,019,000.00
Professional Staff and Programs	<u>12,700,000.00</u>
Total Operational Costs	<u>\$14,719,000.00</u>

Funding for the center and its activities must be by line item within the University of Alaska's budget. Principal funding for all center activities should be provided by appropriation from the state. Funding of the center should be considered independent of the other program requirements of the university. Existing management and research programs should not be reduced to fund this program.

The Study Group recommends that the following criteria be considered by the University of Alaska in recommending the location for the Fisheries Research Center. The criteria are ranked in order of importance.

Location

1. Accessibility, proximity, and relationship to the major state, federal, and educational agencies and institutions with resource management and research responsibilities.
2. Proximity to existing research and support facilities.
3. Communication and transportation linkages, both domestic and international.
4. The attributes of the location that would aid in attracting highly qualified professionals.
5. The capability to host statewide, national, and international meetings.

LEGISLATIVE CHANGES

After evaluating House Bill 313, the Study Group has included a modified version in the appendix of this report. This modified version would implement the recommendations in this report.

IMPLEMENTATION

The Study Group recommends that the Fisheries Research Center be immediately established. Acquisition of staff and facilities should be undertaken in a phased manner to be completed within eight years.

The university should undertake the following activities during the center's first year:

1. Appointment of Board of Trustees
2. Appointment of advisory committees
3. Appointment of Executive Director and initial support staff
4. Phase planning for facilities acquisition
5. Planning for research programs and staff acquisitions
6. Development of cooperative arrangements
7. Initiation of conferences and workshops and information services

It is estimated that the first year of activities will cost \$525,000.

During the second year the center should establish research activities using existing state, federal and university facilities. The state must plan on funding these research activities at a level of approximately \$2 million. The state should plan on increasing program funding by \$2 million annually until full funding is reached.



Alaska State Legislature

House of Representatives

Committee on Resources

Terry Gardiner, Co-Chairman
Fred F. Zharoff, Co-Chairman
465-3715

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: The Honorable Senator Parr
Chairman, HESS Committee

FROM: Representative Gardiner *T.G.*

DATE: 27/May/1981

RE: CS HB 313 - technical amendments

CS HB 313 has been referred to your committee. On review of the bill after it had passed from the House Finance Committee and across the floor, there was an inadvertent drafting error made in some of the transitional language. I would appreciate it if your committee would consider the following amendment.

The intent of the bill was to provide for a Board of Trustees which would consist of nine (9) members. See page 2, line 29. The Board is to be divided in three (3), groups of three (3) - each to serve three (3) year terms on a staggered basis. The language which provided for the staggering of the terms was provided in the bill in *Sec. 6, page 8 under transitional duties. An amendment to Section 6 to provide that the first Board of Trustees would only sit for one (1) year while putting together the plan for presentation to the legislature during the 1982 session deleted the language which provided staggered terms for the permanent Board. The following language would take care of that problem.

Page 8, line 16. Add new Section 6.

"Sec. 6. APPOINTMENT OF THE BOARD OF TRUSTEES OF ALASKA'S FISHERIES CENTER. The governor shall designate the terms of the members of the Board of Trustees of the Alaska Fisheries Center appointed under AS 16.12.030, and shall appoint the first members of the Board within thirty (30) days of the effective date of this Act. Of the nine (9) members first appointed

- (1) three (3) shall serve a term of one (1) year;
- (2) three (3) shall serve a term of two (2) years;
- (3) three (3) shall serve a term of three (3) years."

Page 8, line 16. Delete the word "FIRST", replace with the word "Transitional".



Alaska State Legislature
House of Representatives

POUCH V
JUNEAU, ALASKA 99811
OFFICIAL BUSINESS

December 16, 1980

MEMORANDUM

TO: INTERESTED PARTIES

FROM: HONORABLE TERRY GARDINER
SPEAKER OF HOUSE OF REPRESENTATIVES

RE: SEAFOODS: ALASKAS LIVING RESOURCE

I have been increasingly concerned regarding the future of the fishery resources. We as a state have an obligation to the future generations to use the common property resources in a wise manner and not destroy or irrevocably damage them.

The pressure to harvest increasing amounts of our common property resources will continue to increase. During the next 45 years world population is expected to increase and for much of the world, fishery products are the only or major source of animal protein. In addition, real income of the world, and particularly the U.S., Europe, Japan and the communist block countries, can be expected to grow. Therefore, the demand for fishery products will continue to increase. Studies by FAO, 1979, predict that MSY's of world fishery production will be reached in the early 1980's. When this happens, aggregate supply essentially becomes fixed. The major impact of a fixed supply is accelerating price increases on the world market as demand increases. Rising demand will lead to continuing pressure to exploit the common property resource and may well threaten its very existence.

Intelligent decisions will be required. Decisions based on hard factual knowledge of the resource and the entire industry. The decisions will primarily be made in an atmosphere of demands for short term benefits, both in terms of increase production of food and crises economics for the industry. The long term survival of the species will be left up to the biologist to defend with inadequate or inconclusive information. If history is a teacher then the lesson is that the short term demands usually win. Most of the viable marine resources in the world have been decimated. Knowledge of the resources takes time to gather, organize and distribute. Although we are doing a little now it is vital that we increase our efforts immediately.

The attached proposal outlines one way a approaching the challenge that lays ahead of us. Please give it your serious consideration. Send your comments to my office in , Juneau.

ALASKA FISHERIES CENTER

The objective of this document is to describe in summary form, some of the primary considerations which have led to the conclusion that an Alaska Fisheries Center is critically needed in Alaska. Other factors also briefly addressed in this document include descriptions of some of the characteristics of the proposed Center.

The Need/Opportunity For an Alaska Fisheries Center

The Alaska Constitution, Article VII, Section 2, states, "The legislature shall provide for the utilization, development and conservation of all natural resources belonging to the State, including land and waters, for the maximum benefit of its people." The question is, what actions should the legislature take to assure this constitutional mandate is being carried out for its fisheries?

We believe the establishment of an Alaska Fisheries Center would be a major step toward meeting this constitutional obligation. In addition, we believe the establishment of such a Center would provide an effective means for carrying out Article VII, Section 5, which states, "The legislature may provide for facilities, improvements and services to...assure fuller utilization of the fisheries, wildlife and waters.

In addition to the constitutional requirements placed upon the legislature, it is also important to recognize the tremendous size and value of the Alaskan fisheries resource. In terms of value in 1979 the 900 million pounds of Alaskan commercial landings had a value of almost 600 million dollars. The value of this catch was 26.7 percent of the total U.S. harvest. By way of comparison the states with the next highest harvest values were: California \$227.5 million; Louisiana \$198.5 million; Massachusetts \$175.5 million; and Texas \$160.2 million.

If both the domestic and foreign harvest in Alaskan waters were added together, the 1.6 billion metric tons harvested in 1978 would rank Alaska 15th among the nations of the world in commercial landings.

The U.S. fishing industry employs over a quarter of a million people and provided in 1979 a \$7 billion contribution to the U.S. Gross National Product. Alaska's fishery provides a substantial contribution to this important sector of the U.S. economy.

Other countries such as Japan and the Soviet Union invest heavily in fisheries research and provide a wide variety of financial incentives to support their fisheries. In the United States a limited amount of research is provided and financial incentives are generally limited to boat and gear loans. A recent study indicates that \$24.6 million was spent in 1979 on Alaska fisheries research. Of that amount \$8.5 million was spent on research by organizations not located in Alaska.

Partly, because the fishery is a common property resource, and partly because the structure of the U.S. fishing industry does not lend itself to long-term investments in fisheries research, more knowledge and better management tools are needed, if Alaska is to provide for the effective utilization, development and conservation of its fisheries resource for the maximum benefit of its people.

The best weapon Alaska has in reducing intervention by outsiders is to know more about its resources and how they should be managed than anyone else.

Goals for the Alaska Fisheries Center

1. Gather, organize and disseminate information about Alaska fisheries which will encourage the wise utilization, development and conservation of these resources for subsistence, commercial and recreational purposes.
2. Provide for improving coordination and communication among members of the fisheries scientific and management communities, fishermen, seafood processors and the public.
3. Improve the long-term economic viability of the Alaska and U.S. seafood industry.
4. Encourage the development of Alaska's fisheries resources to help meet the world's need for protein.
5. Conduct and coordinate the research activities necessary to accomplish the above purposes.

Scope of Alaska Fisheries Center

1. The Center shall encompass the renewable marine and freshwater fishery resources including groundfish, aquatic plants, shellfish and salmon.
2. Two general types of functions would be carried out at the Center. These are:

A. Prime Functions

- Basic Research (research directed at a specific research goal)
- Applied Research (research directed at a specific resource goal)

- Stock enumerations and habitat surveys
- Management research
- Industry technology
- Fishery food sciences
- Market and economic research
- Aid to fisheries education

B. Support Functions

- Data processing center
- Library (including A/V and communications)
- Support facilities (including Center, research vessels, etc.)

Location of the Alaska Fisheries Center

The primary criteria for selecting the Center location should include the following:

1. The location must provide a pleasing professional environment which will aid in attracting highly qualified professionals.
2. It should have excellent communications and transportation facilities for domestic and international linkages and travel.
3. It should be centrally located and reasonably accessible from the various fishing areas.
4. The location should have the capacity to host state-wide, national and international fisheries meetings.

Management of the Alaska Fisheries Center

One of the following alternative forms of management could be employed in managing the Center.

1. Governance by a Board of Directors who may be composed of a majority of Alaskans with others appointed based upon their recognized expertise in the national and international fisheries scientific community. A Technical Advisory Board composed of representatives from research and management organizations (see attached list of potential sources of Advisory Board members) would be established to serve in an advisory capacity to the Board of Directors. An Executive Director would be appointed by the Board of Directors to carry out the executive duties and responsibilities of the Center.

2. Governance could be provided by a User Group committee comprised of representatives from Alaska fishery research and management organizations identified in the attached list.

3. The Center could also be operated along the lines of a research park in which many different organizations would use the facilities. Coordination could be formally achieved through the appointment of interagency committees and informally through such shared facilities as the cafeteria, library and data center.

STATEMENT FROM REP. TERRY GARDINER
FISH CENTER HB 313

House Bill 313 establishes a fishery center. We have spent many years searching for goals and objectives to guide us in the renewable resource area, but I think it would be more productive to instead focus attention on the means for achieving those goals.

One of the key elements which has been missing is a coordinated technical development and research effort. Perhaps the most important means for ensuring greater coordination, would be the establishment of a comprehensive joint fisheries facility, encompassing technical development and research.

Alaska produces as much as 80% of the nation's groundfish resources, it the largest producer of salmon and is a major source of shellfish, Alaska should have a major center for fisheries activities.

THE NEED

The need for a consolidated Alaskan Fisheries Research Facility is based upon four major factors.

1. There is a need to have a scientific and research basis to provide the technical support to state and federal agencies which have the responsibility to manage the Alaska fishery.
2. The State of Alaska and the federal government both have a legitimate interest in protecting and developing the Alaskan fisheries resource. Knowledge gained through research can provide the state and the federal government with the capability to develop improved regulatory practices aimed

at more effectively achieving the desired balance between allowable harvest levels and stock protection.

3. By any standard Alaska's fishery resource is enormous.

Consider these statistics:

- * Alaska's 1978 harvest of 80 million salmon amounted to 85 - 90% of the entire U.S. harvest and about 40 - 50% of the world harvest of salmon.¹
- * The 1978 harvest of Alaskan shellfish (shrimp and crab) of 300 million pounds amounted to approximately 40% of the entire U.S. harvest of these species.¹
- * The annual harvest level of 3 to 4 billion pounds of bottomfish within the North Pacific Fisheries Conservation and management zone places Alaska in the top 12 among countries in world production of fisheries resources.¹
- * Currently the combined annual wholesale value of all Alaskan fisheries resources exceeds 2 Billion dollars. By way of comparison this level of sales would rank the Alaskan fishery among the top 150 of the fortune 500 corporations.

¹ Contractor estimates developed with assistance of NMFS personnel and fisheries information.

4. A substantial amount of Alaskan fisheries research is currently being largely independently conducted by a number of different organizations including:

The Alaska Department of Fish and Game
The National Marine Fisheries Service
The University of Washington
The University of Alaska
The U.S. Fish and Wildlife Service
Alaska Fisheries Development Corporation
The U.S. Forest Service
The North Pacific Management Council
Alaska Sea Grant Program
Alaska Office of the Governor (Fisheries Council)
Alaska Seafood Foundation
Alaska State Legislature
Private Non-Profit Aquaculture

Notwithstanding the significant involvement of Alaska organizations in conducting research on Alaskan fisheries, a significant portion of the research staffing and expenditures are not being made in Alaska. The economic benefits from this employment and expenditures accrues to other states and it is expected that less than full benefit is received by Alaskan's from this off-site research activity.

There is a need. But for whom should research be done and what directions will the technical and research work take? These are the difficult questions.

An analysis of the make up of the industry may shed

some light on the subject. There are approximately ten major elements to the fishing industry, some larger and more complex than others. But lets examine the progression of a fish through the industry.

First the resource, under the scope and purview of nature generally, and ADF&G is assigned to monitor natures progress and report back. In some cases ADF&G cautiously intrudes into the natural cycle with a fish hatchery, enhancement program, or fertilization. But for the most part reacts to natures whims. We spend almost 90% of ADF&G's budget on this monitoring effort.

The second element is marine survival. This is an area we know little to nothing about. Since it seems to be the area where the greatest loss of the resource occurs, even a small improvement would have a tremendous impact on the harvest.

The third element is the allocation of the resource. There are two areas: one, the resource itself, to ensure sufficient brood stock survival, secondly allocation amongst user groups. It seems that most of the problems are in this area. We are all aware of most of these issues so I won't dwell on them. Except to point out that the greater the pressure on user group allocations, the more the need for accurate, reliable information is realized.

The fourth state is the actual harvest. Both the methods of harvest and the time and place is set by the government. But again, the policy decisions are based on the technical data regarding the resource.

The fifth element is the onboard handling of the resource. Only lately has much attention been paid to this area. This is the first time in the process that the resource comes under 100% control of people. Although we expose quality control and preservation of quality we have done very little. The assumption is that from the minute the fish is removed from the water it starts to deteriorate. That process of deterioration must be slowed down as much as possible until the product is consumed in order to maximize its value.

Again, one of the goals is to develop and improve the economy of the industry and one good way is to increase the value of the product.

There are very few places where ice is available to fishermen outside of Southeast Alaska. Boat design for efficient handling of fish on board can be improved.

This is an area which can use a lot of help.

The sixth element is transporting the fish from the harvesting site to the processing facility. Again the goal is to increase the value of the product and decrease the cost of delivery. To deliver a higher quality product at a lower cost. This is particularly true in the fresh fish market. A timely efficient delivery is essential.

Basically, the elements are handling, storage and delivery time. The rising costs of energy is a major factor in the transportation portion.

The seventh element is processing the product for consumption. Generally, this is the highest capital investment in the industry. Innovations in the area are urgently needed.

In the groundfishery, there is a need for machinery to handle the smaller size pollock. New techniques for preserving the fresh fish quality for a longer period. New product forms for different markets need to be developed. And many more challenges exist.

The eight element is storage of the processed product, either fresh, frozen or canned, controlled atmosphere.

The ninth, tenth, and eleventh are transportation to market, marketing, and actual consumption. The average American ate 13.3 pounds of edible meat in 1979, down from 13.6 pounds in 1978.

I only want to go through this process to emphasize the diversity of the fishing industry. It seems only too often, we only look at the resource and allocation issues and not at the economic values.

The problem we are challenged with is to help develop a coordinated effort to effectively interact with the industry.

WHERE DOES A FISHERIES CENTER FIT IN

If the State were to proceed with a plan to establish a fisheries facility, a logical concern is, who would manage the facility?

There are several alternative management plans which could be implemented.

The center could be an independent entity, or operated by a State agency (ADF&G), a federal agency (NMFS), or the University of Alaska. Each agency (federal & state) who assigns research personnel to the research center, would be

responsible for paying and providing benefits to their own employees. Space assignments, priority use of laboratory equipment could be resolved by a operations officer or committee composed or representatives from the various agencies performing research at the center. Research policies and programs under this concept would be subjected to the review and approval of a Research Policy Committee.

These issue and others need to be discussed and thoroughly evaluated. To be successful the center must have a close coordinated role with the Department of Fish & Game, the University of Alaska, the industry, and the federal government.

It is my intention to hold hearings on this bill and use it as a vehicle to discuss the issue of research and development in the fisheries area.

MEMORANDUM

February 4, 1980

TO: Dereck Poon
Floyd Heinbuch
Robert Burkett
Curt Kearns

FROM: Wallace G. Miller *WGM*

SUBJECT: Subcommittee Report on Fisheries Research Facility

In our report to the Aquaculture Policy Study Group, Mr. Wilkerson and I recognized the need to have an improved and expanded research program for an Alaskan Fisheries Resource Development Program as one means for ensuring that the legitimate state interests in protecting and developing its fisheries resources are met.

In addition to an improved and expanded fisheries research program, we further recognized the need to improve the coordination among federal, state and others involved in fisheries research in Alaska, not only to avoid duplication of effort but also to establish coordinated fisheries research priorities and programs.

In recognition of these needs the report suggests that, "Perhaps the most important means for ensuring greater coordination of research would be the establishment of a comprehensive joint fisheries research facility in Alaska." While the report discusses several additional means for securing a coordinated fisheries research program, the report recognized the importance that federal, state and tribal fisheries scientists and biologists in Washington attached to an expanded and more coordinated fisheries research program in that state.

In Washington State a \$16.0 million fisheries research facility to house federal, state and tribal fisheries researchers is currently being designed with construction scheduled to begin later this year.

The report makes the argument that in as much as Alaska, produces as much as 80% of the nation's bottomfish resources, is the largest producer of salmon and is a major source of shellfish, Alaska should have a major center for fisheries research activities.

During the past several months I have reviewed the new Washington State Manchester Laboratory plan and have provided some general design and program information to you. In addition, I have attempted to compile staffing and budget information on organizations involved with fisheries research with a particular emphasis on identifying those organizations who perform the work at a location outside of Alaska.

Attached is a preliminary "prospectus" which discusses various aspects of an Alaskan Fisheries Research Center. In accordance with our earlier discussions about maintaining a minimum level of contact on this plan until additional review can be performed, I have limited my discussions to include only individuals who have information regarding the Manchester Lab and fisheries research expenditures and staffing.

I hope you can review the attached prospectus which I have purposely kept brief pending your further recommendations regarding this matter.

A PROSPECTUS FOR A CONSOLIDATED ALASKA FISHERIES RESEARCH FACILITY

The Need

The need for a Consolidated Alaskan Fisheries Research Facility is based upon four major factors.

These are:

1. There is a need to have a scientific and research basis to provide the technical support to state and federal agencies which have the responsibility to manage the Alaskan fishery.
2. The State of Alaska and the federal government both have a legitimate interest in protecting and developing the Alaskan fisheries resource. Knowledge gained through research can provide the state and the federal government with the capability to develop improved regulatory practices aimed at more effectively achieving the desired balance between allowable harvest levels and stock protection. Through research the state can continue to develop such artificial propagation techniques as lake fertilization for salmon as well as other new propagation techniques for other species. Research in such areas as stock enumeration, reproduction, growth rates, genetics, disease, nutrition, and habitat are but a few of the areas in which increased knowledge would provide the information necessary to ensure that the state's and federal government's interests in protecting and developing the Alaskan fisheries resources are realized.
3. By any standard Alaska's fishery resource is enormous. Consider these statistics:
 - * Alaska's 1978 harvest of 80 million salmon amounted to 85 - 90% of the entire U.S. harvest and about 40 - 50% of the world harvest of salmon.¹
 - * The 1978 harvest of Alaskan shellfish (shrimp and crab) of 300 million pounds amounted to approximately 40% of the entire U.S. harvest of these species.¹
 - * The annual harvest level of 3 to 4 billion pounds of bottomfish within the North Pacific Fisheries Conservation and Management Zone places Alaska in the top 12 among the countries in world production of fisheries resources.¹

¹Contractor estimates developed with assistance of NMFS personnel and fisheries information.

*Currently the combined annual wholesale value of all Alaskan fisheries resources exceeds 2 billion dollars. By way of comparison this level of sales would rank the Alaskan fishery among the top 150 of the Fortune 500 corporations.

4. A substantial amount of Alaskan fisheries research is currently being largely independently conducted by a number of different organizations including:

- The Alaska Department of Fish and Game
- The National Marine Fisheries Service
- The University of Washington
- The University of Alaska
- U.S. Fish and Wildlife Service
- Alaska Fisheries Development Corporation
- The U.S. Forest Service
- The North Pacific Management Council
- Alaska Sea Grant Program
- Alaska Office of the Governor (Fisheries Council)

Notwithstanding the significant involvement of Alaskan organizations in conducting research on Alaskan Fisheries, a significant portion of the research staffing and expenditures are not being made in Alaska. The economic benefits from this employment and expenditures accrues to other states and it is expected that less than full benefit is received by Alaskan's from this off-site research activity.

Alaskan Fisheries Research

Listed below in Table I is an approximation of the expenditures for Alaskan fisheries research for selected organizations. The Table does not include research expenditures made by regional aquaculture associations or for various studies (i.e., A.D. Little, Earl Coombs, etc.) performed by private contractors and others.

Table I
Alaskan Fisheries Research Expenditures

<u>Organization</u>	<u>Research</u>		<u>Total</u>
	<u>In Alaska</u>	<u>Outside Alaska</u>	
Alaska Dept. Fish & Game	\$3.5	-	\$3.5 (1)
Nat'l Marine Fisheries Service	3.2	\$7.4	10.6 (2)
University of Wash.	-	1.0	1.0 (3)
University of Alaska	7.3	-	7.3 (4)
U.S. Fish & Wildlife Service	.2	.1	.3 (5)
Alaska Fish. Develop. Corp.	1.3	-	1.3 (6)
The U.S. Forest Service	.1	-	.1 (7)
The North Pacific Mgmt. Council	.5	-	.5 (8)
TOTAL	\$16.1	\$8.5	\$24.6

(1) Alaska Dept. of Fish and Game estimate; approximately 50 employees.

(2) 1979 NMFS Budget. Research in Alaska includes \$3.1 million for Auke Bay and other southeast facilities and \$.1 million for a project at Kodiak. The \$7.4 million in Seattle is for an estimated equivalent of 100 employees performing research on Alaskan fisheries.

(3) Recently announced \$1.0 million federal grant to conduct an 18 month study of Washington salmon harvested in Alaskan waters. Information regarding other Alaskan related research projects not available.

(4) University of Alaska Fisheries Research Budget includes:

<u>(U of A 1980 Budget)</u>		
Institute of Marine Science	111*	5.1
Sea Grant Program	27	1.6
Juneau Fisheries Program	6	.3
Other	2	.1
Subtotal	<u>146</u>	<u>7.1</u>
Cooperative Fisheries Res. Unit**	4	.2
TOTAL	<u>150</u>	<u>7.3</u>

* Includes only full-time positions.

** Fresh water fisheries research program for arctic and interior areas.

- (5) Includes approximately 5 employees in Alaska and 4 in Washington.
- (6) Recently announced grant to conduct bottomfish research and test program.
- (7) U.S. Forest Service (Forest Service Laboratory-anadromous fish habitat study; 2 employees).
- (8) North Pacific Mgmt. Council estimate; primarily contract funds and one (1) full-time staff.

As the preliminary expenditure data indicates, the aggregate, current expenditures for Alaskan fisheries research is approximately \$25.0 million, with over 1/3 of the research expenditures and staffing not located in Alaska.

If all Alaskan related fisheries research were performed in Alaska the total number of people employed would be over 300.

In addition to the research activity, the National Marine Fisheries Service operates two research vessels, the Miller Freeman and the Oregon whose primary function is research and related activities in Alaskan waters. The Miller Freeman has a shipboard crew of 24 and a \$990,000 annual operating budget. The Oregon has a shipboard crew of 5 and an annual operating budget of \$467,000.

Table 2
Types of Alaskan Fisheries Research Conducted Outside of
Alaska

Resource Surveys
Data Analysis
Fishery Oceanography
Survey Technology Development
Fisheries Habitat Investigations
Marine Mammals Conservation
Economics and Commercial
Fisheries Statistics

Availability of Research Funding

Research funding for fisheries research activities in Alaska is for the most part provided by the federal and state government. Because research programs are considered discretionary, as opposed to mandatory, research budgets tend to be reduced in tight budget periods. Fisheries research budgets could, however be substantially increased in the United States given the increased emphasis on fishing resulting from the enactment of the 200 mile territorial limit on fisheries. Another potential source for increased fisheries research funding is from the dedicated import tax receipts imposed by the Saltonstall Kennedy Act. Estimates indicate receipts to this dedicated fund could annually exceed \$100 million during the decade. Notwithstanding the predicted increase in fund receipts, congressional action may be necessary to remove expenditure ceilings imposed on the fund by the Office of Management and Budget.

A Consolidated Fishery Research Facility²

The National Marine Fisheries Service in cooperation with the University of Washington and other federal and state agencies are in the process of designing a \$16.0 million fisheries laboratory at Manchester, Washington. It is intended that this new facility be used for both interdisciplinary cooperative research programs and individual research projects in fisheries and marine science relating to the protection and management of the marine resource.

²A program concept for the Manchester Fisheries Laboratory, April 1979, Kramer, Chin & Mayo, Inc.

The new laboratory is intended to house 30 resident research scientists, technical assistants, visiting scientists and 10 resident postgraduate researchers. The primary research themes will be aquatic animal and plant husbandry, nutrition, physiology and reproduction, breeding and health.

The new facility will provide a 35,890 gross square feet building and 24,340 square feet of outside experimental areas.

The anticipated annual operating and maintenance cost excluding scientific and other technical laboratory personnel is estimated to be \$704,800.

Fishery Research Facility Management Options

If the State of Alaska, were to proceed with a plan to establish a multi-jurisdictional fisheries research facility, a logical concern is, who would manage the facility?

There are several alternative management plans which could be implemented.

A state agency (ADF & G) or a federal agency (NMFS) could be assigned the responsibility for the general maintenance and operation of the research center. Each agency (federal and state), who assigns research personnel to the research center, would be responsible for paying and providing benefits to their own employees. Space assignments, priority use of laboratory equipment could be resolved by an operations officer or committee composed of representatives from the various agencies performing research at the center. Research policies and programs under this concept would be subjected to the review and approval of a research policy committee.

Another less bureaucratic approach to the management of a multi-jurisdictional fisheries research facility could be based upon a "research park" approach which is similar in concept to that of an industrial park in which businesses with different ownerships, organizations and products independently pursue their own businesses while sharing some common buildings, other space and services.

A fisheries research park developed and operated by independent research organizations would individually pay for their capital equipment, maintenance and operations. Under this concept research policies and programs would be "coordinated" and not subjected to committee review and approval.

Fishery Research Facility Location

No attempt has been made to identify specific sites where fisheries research facilities might be located. It may be desirable to have several research facilities, at different locations, each of which specializes in some aspect of the fishery. (For example, a shellfish/bottomfish research center might be located at Kodiak, while the salmon research center might be located elsewhere).

Fishery Research Facility Cost & Source of Funds

In order to provide the State of Alaska with the fisheries research capability proposed for the new \$16.0 million Manchester Laboratory, an expenditure of \$20-25 million would be required given the higher construction costs in Alaska. Additional costs could result from specialized facilities for shellfish and bottomfish not included in the Manchester facility.

The State of Alaska and the federal government singularly or under a joint agreement could finance the capital construction costs.

Alternatively the State of Alaska could finance the capital construction of the laboratory and ask the federal government to provide research funds to the new center equivalent to those being expended outside of the State of Alaska. The state could continue to provide for state funded fisheries research through ADF & G.



Alaska State Legislature

House of Representatives

Committee on Resources

Terry Gardiner, Co-Chairman
Fred F. Zharoff, Co-Chairman
465-3715

Pouch V
State Capitol
Juneau, Alaska 99811

Memorandum

TO: The Honorable Senator Parr

FROM: Representative Gardiner *T.G.*

DATE: 29/ May 1981

RE: CS HB 313 - Testimony

The following people are prepared to testify on CS HB 313 at such time as you hold a hearing on the bill.

Representative Gardiner, sponsor of the legislation

Don Rosenberg, University of Alaska

Stan Moberly, Alaska Department of Fish and Game

Roger Painter, United Fishermen of Alaska

There is also a letter of support for the legislation from the North Pacific Management Council.



Alaska State Legislature

House of Representatives

Committee on Resources

Terry Gardiner, Co-Chairman
Fred F. Zharoff, Co-Chairman
465-3715

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: The Honorable Senator Parr
Chairman, HESS Committee

FROM: Representative Gardiner *T.G.*

DATE: 27/May/1981

RE: CS HB 313 - technical amendments

CS HB 313 has been referred to your committee. On review of the bill after it had passed from the House Finance Committee and across the floor, there was an inadvertent drafting error made in some of the transitional language. I would appreciate it if your committee would consider the following amendment.

The intent of the bill was to provide for a Board of Trustees which would consist of nine (9) members. See page 2, line 29. The Board is to be divided in three (3), groups of three (3) - each to serve three (3) year terms on a staggered basis. The language which provided for the staggering of the terms was provided in the bill in *Sec. 6, page 8 under transitional duties. An amendment to Section 6 to provide that the first Board of Trustees would only sit for one (1) year while putting together the plan for presentation to the legislature during the 1982 session deleted the language which provided staggered terms for the permanent Board. The following language would take care of that problem.

Page 8, line 16. Add new Section 6.

"Sec. 6. APPOINTMENT OF THE BOARD OF TRUSTEES OF ALASKA'S FISHERIES CENTER. The governor shall designate the terms of the members of the Board of Trustees of the Alaska Fisheries Center appointed under AS 16.12.030, and shall appoint the first members of the Board within thirty (30) days of the effective date of this Act. Of the nine (9) members first appointed

- (1) three (3) shall serve a term of one (1) year;
- (2) three (3) shall serve a term of two (2) years;
- (3) three (3) shall serve a term of three (3) years."

Page 8, line 16. Delete the word "FIRST", replace with the word "Transitional".

Testimony Concerning HB 313

Senate Health, Education and Social Services Committee

March 10, 1982

Persons Testifying:

Donald H. Rosenberg
Office for Fisheries, University of Alaska

Dr. Keith Jefferts
President, Northwest Marine Technology

Dr. Ronald O. Skoog
Commissioner, Alaska Department of Fish and Game

Bob McVey
Director of the Alaska region for the National Marine Fisheries
Service and representing the Northwest and Alaska Fisheries
Center in Seattle

Jack Helle
District Director for Alaska of the American Institute of
Fishery Research Biologists

Don Bevan
Director of School of Fisheries, University of Washington

Representative Terry Gardiner
Alaska State Legislature

George West
Vice-President for Academic Affairs, University of Alaska

Testimony Concerning HB 313
Senate Health, Education and Social Services Committee
March 10, 1982

Testimony of Donald H. Rosenberg, Director, Office for Fisheries
University of Alaska

Don Rosenberg - My name is Don Rosenberg. I am with the University of Alaska, Director of the Sea Grant Program. I'm here today as chairman of the Alaska Fisheries Center Study Group. The Study Group was assembled at the request of the Legislature through the Office of the Governor for the purpose of examining the fisheries center proposed in HB 313, for feasibility and to propose a structure of such a fisheries center. In the audience, there are some of the Study Group members; not all of them could be present. Stan Moberly, representing the Department of Fish and Game is here; Mr. James Brooks, of the National Marine Fisheries Service [is present]; Mr. Keith Jefferts, a private businessman, is here; and Mr. Tom Lane, our Executive Director, is present. What I will do today is just briefly summarize the findings and recommendations of the Study Group. Our findings and recommendations are presented in a report, which I believe you have, and supported by a rather extensive study that we had done by the consulting firm of Dames and Moore. I believe that it is very clear to those of us who are involved in the Alaska fisheries that the fisheries resources of this state, both those within our state waters and within our land mass and those that lay adjacent to our state, are very important to this state and its economy. We attempted to quantify the importance of that and found that that is really an impossible task. These fisheries resources really play an important role in not only the economy of the state but also in the livelihood of many of our citizens. They support a large recreational industry, tourist industry, and a very large commercial industry and they also represent a source of food for a good portion of our population. Most Alaskans, we find, expect to be able to experience the opportunity to go fishing with their children as a recreation. The very large commercial industry expects the resource to be available each year for harvest and a good portion of rural population expects to go out and harvest this food and put it directly on their table. Truly, the Study Group found that the state does have a responsibility to insure that these fisheries resources are present and utilized wisely and provided in a conservative manner which insures their continuing existence for generations to come. The demands we find on these resources are becoming greater and greater. There is an increased tourist industry being encouraged. We are encouraging an expanding commercial fishery and as the local resources come back more and more of our citizens are looking to the resources for subsistence. We find major conflicts beginning to develop between these various users and the resource's ability to support those various users as they develop. The Study Group reviewed all

of the state and federal programs and university programs which are providing information and techniques which the state and the federal government are using to mitigate these increasing demands and conflicts. We have identified three specific needs: First, we find that there is an urgent public need for increased economic, social and biological knowledge and understanding about these fisheries resources so that both the public and governmental sectors can develop appropriate development and conservation programs. Second, there is a need to increase the knowledge and understanding of, and to strengthen our state's ability to manage these resources properly. And third, there is a need that exists to expand the communication and coordination between all the users of these fisheries resources. To address these identified needs, the Study Group analyzed various alternatives, all of which were designed, to some degree, to address and solve these identified needs. These alternatives ranged all the way from expanding and reorganizing existing research capabilities in the state to the establishment of a fully independent fisheries research center. I want to make it clear that this analysis of these alternatives was done in light of the existence of an inventory of research groups; that we did not look to destroy what already exists in the state. From this analysis the Study Group selected for its recommendations combinations of pieces of alternatives which we felt would best serve the state and which most effectively and economically addressed those identified needs. Our recommendation is that the state establish a fisheries research center with a goal to provide the information and to build a foundation upon which fishery management programs can be developed and executed. You will note that the Study Group's recommendations limits the scope of activities from what is in the original House Bill 313. The scope of the center's activities are to be related to the acquisition and dissemination of information in the development of methodology required for wise management of our fisheries resources. The Study Group feels that the immediate management needs for collection of fisheries statistics are already being handled by our department of Fish and Game and NMFS and our other resource management agencies. Likewise, the research and training which will be a necessary ingredient for Alaska to expand its commercial fishing industry will be carried out under the newly formed Fishery Industrial Technology Center of the University. The research center that the Study Group recommends is designed to fill an important gap in our structure: that of providing fundamental approaches to fisheries management to fill basic information gaps and to understand the problems of multi-use of these resources and the impact of man on these resources. Once again, I would like to stress that this research center and its funding, from the Study Group's perspective, must come over and above the existing agencies, both from their budgets and their programs. The activities of these existing agencies must be maintained and expanded as required by the mandates of those agencies. Additionally, the Study Group did not find that there was a great lack of coordination among the existing research

agencies but instead we find that a great deal of coordination does exist. Our recommendation, very quickly, is that (1) the center should be established and that that center should be administratively assigned under the University of Alaska; (2) that it be administered by a board of trustees; (3) that it should have two advisory-type groups (first, one which represents the users of the resource and second, one that represents the scientists of the state); (4) that when this center is fully operational, we estimate that its size should be that of being able to support approximately 40 professionals plus an associated support staff. We estimate that this will cost around 14-15 million dollars annually. As to a location of any of the capital facilities that might come along with such a center, the Study Group has recommended a series of criteria to be used by the agency to which the center is assigned, (in this case we are recommending it to be the University of Alaska) when they develop the plans for such a capital facility. I think with that I would be happy to answer any questions that the committee has.

Sen. Fischer - In the packet is something entitled Alaska Fisheries Center Study Group recommended substitute.

Don Rosenberg (D.R.) - Yes, in the back of our report we do recommend a substitute bill which takes into account our recommendations.

Sen. Fischer - I note that the principle change is that nothing is within in Department of Administration. What other changes are there between the two?

D.R. - Limiting the scope somewhat and spelling out the advisory committees. That is principally all the changes.

Sen. Fischer - I note that the fiscal note is larger for the University operation than what was estimated for the State operation. The FY83 [costs] would be 526 [thousand dollars] under the University instead of the 436 through the Department of Administration.

D.R. - We did not review the original estimate. I think that original estimate was to do some of what the Study Group has done in the first year under the Department of Administration bill. In other words, to look at a structure to recommend locational criteria, and so forth.

Sen. Fischer - Did that provide for an interim board?

D.R. - Yes. And I think that is what that funding was for.

Sen. Fischer - Yours is directly for an operational program?

D.R. - Yes, although the first year is to initiate 1) the start of an administrative structure, and 2) to get the program planning under way.

Sen. Fischer - How much less money could you do it with?

D.R. - As chairman of the Study Group or University of Alaska representative?

Sen. Fischer - As a realist. Forget it.

Sen. Parr - Mr. Rosenberg, I would like to start way down on ground zero. To my knowledge there is some sort of fisheries center in the state and federal as well out at Auke Bay; there was a bill through here last year about some fisheries technology center in Kodiak; there is something down in Seward. I assume, but I'm not sure, the Department of Fish and Game has some research going on; I'm not sure where that is conducted. I wonder if you could define for us what each of these facilities is now doing, whatever facilities they are and, I guess, in essence what [their functions are]?

D.R. - OK, out here at Auke Bay there are really two facilities: There is a federal laboratory, the NMFS Laboratory; and there are people in the room that can address those programs out there better than I can.

Sen. Parr - I would just like you to give me a brief summary. I'm sure the Study Group must have taken into consideration what is already being done.

D.R. - Yes. That center is directed towards fisheries research for mandated type programs.

Sen. Parr - What kind of research?

D.R. - They do basic fisheries research. Most of it is biological out there. It is an arm of a much larger center which is located in Seattle called the Northwest and Alaska Fisheries Center. It does provide, including the Seattle Center, fisheries research, information, fisheries data that is necessary under the Magnuson Fisheries Management and Conservation Act, which is better known as the 200 mile limit [act], for management of the fisheries resources off from 3 miles to 200 miles.

Sen. Parr - That is not biological.

D.R. - It is biological, social and economic. The second entity out of Auke Bay is the University of Alaska School of Fisheries Sciences. This is an educational program, primarily teaching programs designed for providing bachelor and master level individuals for employment either in the state management agencies or in the private industry. It does have a research component, most of which is primarily funded either through my program, the Sea Grant Program, or grants or contracts with the Alaska Department of Fish and Game.

Sen. Parr - What kind of research are they doing?

D.R. - They do primarily biological research and with that there is already an oceanographic research center at Seward. Here they carry out research that is directed towards understanding the ocean environment. Some of that research does lean toward understanding the ocean environment as it relates to fishery resources of the state.

Sen. Parr - But not specific to fisheries research?

D.R. - It is not specific to fisheries. The bill which was before you last year and which is now in reality, has now created a fisheries industrial technology center in the University whose primary facilities will be in the community of Kodiak, [and which] was designed to address the technology, education, and research and development needs of the fishing industry itself, to allow the fishing industry to expand, to undertake the development of the fisheries which are currently harvested by foreign nations off our coast. Its research is not directed towards any management; it's aimed at processing and harvesting the fish.

Sen. Parr - The Department of Fish and Game research sites?

D.R. - The Department of Fish and Game research has selected sites around, [with] no concentrated efforts, as I understand it, in any one place. They do operate some basic research labs such as their stock separation laboratory which is used to determine various populations of a particular species of fish. Their main research emphasis is directed towards gathering and analyzing information necessary to make the day-to-day decisions of management.

Sen. Parr - In other words you are talking about opening, closing seasons and gear limits and things like that?

D.R. - That's right. There is some limited effort on their part to do long-term research but their main emphasis is directed towards what is needed today to make those decisions.

Sen. Parr - Are there any other fisheries research sites around the state besides ones that we mentioned?

D.R. - There are certain field stations that support certain rather important programs in this state. For example, Little Port Walter Field Station here in Southeast is very important to the state's salmon enhancement program. The University of Alaska is currently operating what is called the Kasistna Bay Biological Laboratory. It is a NMFS laboratory and is designed for shellfish type research; and the NMFS operates, at Kodiak, a resource utilization laboratory and their basic shellfish management type people are there. There is one other important component that should be mentioned here (the fishery research units that support Alaska) and that is the University of Washington. Through their Fisheries Research Institute, they spend a tremendous amount of effort in Alaska.

Sen. Parr - I guess it was my understanding that the center proposed in this bill would both coordinate research and also do some of its own.

D.R. - What we would look forward to with this center is that it would provide for a cooperative type effort in research whereby researchers which are already in existence, either in these existing laboratories or elsewhere in the nation, or the world for that matter, could be brought together to address identified problems that require long-term type research. By long-term I mean where we may require funding for two, three, four or five years.

Sen. Parr - I guess I didn't make my question clear. My understanding was that this center was going to have a two-fold mission: [the first one is that it would] act as a coordinating agency to research that is already going on, and the other one is that it would act as a research agency just like the rest of these research agencies.

D.R. - If you establish it in the manner it's proposed with the board of trustees, the coordination and the advisory groups, the coordination would take place, that's correct. As I said earlier in my testimony, the Study Group didn't find that the coordination doesn't exist. Many of the individuals in this room, my colleagues here, meet almost daily or weekly to coordinate and carry out planning of joint research. What the center would do is enhance that through this board of trustees and advisory groups and it would then provide a mechanism for carrying out some of this research which we now can identify but which we have not resources to undertake. I don't think it was a real plan of the Study Group that the center should have a large permanent staff that lasted indefinitely and went on through the whole tenure process.

Sen. Parr - What are we talking about, 40 researchers?

D.R. - We believe that the optimum number that the state should be looking toward is about 40 professionals working on various problems at any one time.

Sen. Parr - I guess the reason for my line of questioning is just to try to find this out: if we have the number of agencies (and it looks like we do) already doing numbers of kinds of research and they are already coordinating their activities, as you said before (that was the note I made); so, I guess why do we need a coordinating agency if they are already coordinated? The second thing is, if the center is going to be doing its own research, then what are the gaps in research that are not being taken care of? We are researching, essentially (I'm using layman's language) how to catch fish and how to process them. We are doing biological research--basic research going on at Auke Bay. We have got research on salmon enhancement, oceanographic stuff (not specific to fisheries but on which fisheries research is based). We have research towards management. We have a resources utilization lab, and that's not counting what the University of Washington does. So where are

the gaps in our research not now being addressed that this institute will see get addressed?

D.R. - I think the Study Group's feelings on this was that the order of the magnitude (and in our report this is covered): the State, the Federal and the universities are spending about 30 million dollars annually on research.

Sen. Parr - Let me interrupt a moment, just to make sure I understand. The universities, the State and the Federal government are spending 30 million dollars on research which is directed to Alaska?

D.R. - Yes, directed to Alaska. The Study Group feels that that is really insufficient; not anywhere near the order of magnitude that is required to properly provide for protection of the resources. To make sure of their long-term viabilities to the state, we feel that there is a need for an expanded effort in fisheries research.

Sen. Parr - You need more than 30 million dollars a year just for fisheries research? Is that what you are saying?

D.R. - I think that if you put this in perspective of the magnitude of the value of the resource to the State and what it provides in the way of employment, you will find the State's investment in the basic research as used for management is pretty dismal, pretty small. There is a House Research Agency report that was just released on the Alaska fishing industry (and this only dealt with the commercial industry; it did not deal with the recreational or subsistence type of industry). It points out that the State of Alaska is only funding about 2.6 cents per dollar of value of its commercial fisheries resource towards the management, research (and investment in that management and research) of its fishing resource, whereby states such as Oregon and Washington are magnitudes greater. And I can't remember the figures exactly but Washington was something like 47 cents per dollar and Oregon was something like 30 cents.

Sen. Parr - In a range like that you start to wonder whether it pays off or not. I mean after all it isn't all profit. The State of Alaska invests an awful lot of money into their fisheries right now. I don't know how much goes to research but an awful lot of money is going into fisheries and has been ever since I've been down here.

D.R. - Not nearly as much as the magnitude of the industry that is built on it or that could be built on it.

Sen. Parr - Here is something that you should take a look at. I have seen a report not too long ago. I'll dig it out...

D.R. - It's a very good report..

Sen. Parr - I don't mean the report you are talking about, it's another report done that shows the cost benefit ratio to the fishing industry as far as the State is concerned.

Sen. Stimson - I'm curious about the decision to shift the center from the Department of Administration to the University of Alaska and maybe you could explain how you envision the board of trustees functioning within the University structure.

D.R. - The board of trustees was recommended as a principal policy and planning body for the center because we felt that you really had to have those people who are responsible for the management of the resource be giving the policy and program guidance. This will be something new to the University--having such a board that would report say to the President--and I think the University may wish to speak officially to that; I don't think I should. We have a University representative here.

Sen. Stimson - Well that's fine, I'll address my questions to them.

Sen. Colletta - Mr. Chairman, I've got a couple of questions. I think the first one is how come we have the bill in HESS? [inaudible]. tongue in cheek...but anyway, I notice on the both of these fiscal statements the Executive Director sure took a jump in a hurry. \$4500/month to \$6000/month.

D.R. - I suspicion that some of that is a result of when they somewhat changed the scope of the activity and I was not involved in the first fiscal note which was developed. This recommended budget has come not from the University but [was] by the Study Group from their contractors report, although I do believe it is probably within closer [range] to what it would cost. The reason for the very high salary for the Executive Director is you certainly want someone who is a world class leader.

Sen. Colletta - I don't have any quarrel with the amount of money that ... the change in six to seven months makes different interpretations as to what the center wanted to do. But on this new one that was prepared by you... I'm still confused. It goes with what the Chairman was suggesting: what are you going to do? I envision without [reviewing] the bill in detail, that this would become a depository for all the research activities going on, and probably, putting it together in some reasonable order. It seems that you said they are going to do that; and in addition to that you have got 15 researchers, and then each of those researchers have some additional technicians with them and then, on the contractual level you are going to have some more researchers budgeted some \$200,000 for each of the scientists that you contract with. To do what?

D.R. - This operational research budget is to support research projects to gather information. It is literally to address certain

problems dealing with the information needs of the resources. Let me give you an example of the type of research problem that might be addressed by this center. Apparently the herring resources of Bering Sea are increasing, becoming a very important part or segment of the economy of western Alaska. And yet our State's ability to manage those is fairly weak. They do the best they can with their knowledge of that resource. We have no idea whether they are separate stocks of herring out there; whether this is an artificial high we see coming; or that the thing is going to crash in two to three years. We know very little about that resource. So what you might see is that the board of trustees would define a five year program to look at that resource to develop better techniques for management which our management agencies, whether it be National Marine Fisheries Service or Alaska Department of Fish and Game, can use to manage that resource. And then that is what this money would be spent for, to use for scientists coming in to address just that type of problem. The values, the dollar amounts that are here are based on the experience of the existing management agencies and existing research agencies. They were developed by our consultants based on the experience primarily of the Northwest and Alaska Fisheries Center.

Sen. Colletta - I still find a missing ingredient because you enumerated all the different agencies that are doing some type of research and now you have offered a specific case at hand, currently. I guess that would be just special projects as they arose.

D.R. - They would be the long-term type of research that would be identified that is needed. That is only one of a list that we could list off here that would fill a book. Just the separation, for example, of the stocks of king salmon off the coast of Southeast Alaska is very important: management decisions are going to be made with very limited research ongoing on that. Just why did the king crab resources go down--can we expect this to happen every five or ten years?

Sen. Colletta - So if we fund this, literally we might be in a position to reduce Fish and Game's budget?

D.R. - No, I do not believe so at all. As a matter of fact, as the fisheries expand as a result of either encouragement of increased tourism or an encouragement of increased commercial fisheries, you are going to need to expand your management agencies' programs. And those are the people that are going to have to make those year-by-year decisions and use this information that this type of center would provide.

Sen. Colletta - Yes, but that is my understanding that they currently were engaged in accumulating that very type of information.

D.R. - They do not have the man-power or the money to address those problems that I have laid out, such as long-term type of things. They are restricted by their budget constraints and by their personnel constraints to having to deal with research that is on a really short-term basis to gather this information, analyze it and hope they did the right thing.

Sen. Parr - Wouldn't it make more sense, then, to, if that's the case, to beef up the budget of Fish and Game and let them do this job? They would be just as capable of coordinating the operations of other agencies. I understand there was a great deal of discussion in the Study Group where this center should be located and I don't know what the overriding consideration was in saying that it should be with the University. After all, the Fish and Game has the responsibility to the Governor and to the people for the fisheries. What would be... why not just give them more money so they can do the kind of research on the Southeast salmon stocks that you were talking about?

D.R. - I think it better that I don't really try to answer that one. I think there is a representative, Commissioner Skoog is here, who can address that question.

Sen. Parr - Let me ask you one more question then that would be in your bailiwick for sure: What is going to be the relationship between the board of trustees and the Board of Regents/President? This draft bill says that the trustees will provide policy and planning guidance to the University. So, does that mean that they are strictly advisory and that the Regents or President may override their guidance and make their own decision?

D.R. - Obviously, the Regents have definitely and (the president being their chief employee) certainly do have the right to override any decisions that any organization that is under the University would have. That is the intent. That is why (if placed there) there is a feeling that the board of trustees should administer the center for the University.

Sen. Parr - I see. Have the Regents gone along with that?

D.R. - This has not been brought to the Regents. It has been brought to the University's Administration and they are prepared to talk to that.

Sen. Parr - OK. Is someone here to speak from the University?

D.R. - Dr. West is here.

Sen Parr - Then there could be something said for doing away with the board of trustees and simply having a director for the center (who would then have advisory committees, of course) and then the director of the center would get his orders from the President?

D.R. - That actually was one of the alternatives that we looked at--to have a center under Fish and Game or the University of Alaska that had just a director. It was the feeling that, for this center to be fully supportive of the resource management agencies, the Commissioner of Fish and Game and the Regional Director of National Marine Fisheries Service needed to have a very strong say in the direction that the center took, and it was the Study Group's recommendation that that strong say be done through such a thing as the board of trustees or board of governors.

Sen. Parr - Thank you Mr. Rosenberg. Mr. Jefferts.

Testimony of Dr. Keith Jefferts, President, Northwest Marine Technology

Keith Jefferts (K.J.) - Mr. Chairman. My name is Keith Jefferts. I am President of Northwest Marine Technology, Inc. and I serve on the Governor's Study Group for this study. I would like to speak very briefly to matters of investment and research from the thesis that the investment in research in fisheries in Alaska at the present time is inadequate, in spite of the fact that a lot of money is being spent for that. Dr. Rosenberg just made one point already, which is clear (and out of one of your studies which he quoted): the State of Alaska reinvests only about three percent, less than three percent, of the values of its fisheries landing in fisheries research. Three percent is a lot of money--one can't fault that--but by looking further south, in fact, one notes that the State of Washington reinvests forty-three percent of the values of its fisheries landings in research associated with management of fisheries and the State of Oregon about twenty percent. I'm not about to suggest to you that they are doing it right, but at least there are a lot of wise people down there who seem to think that the factor of ten or twenty larger reinvestment is justified than is being carried out here. That at least should be food for thought and I would like to proceed on the matter a little bit. I contend that fisheries management is a high technology industry in the sense that it is characterized by large marginal rates of return on the investment. That is not only so apparent in the positive sense that you can spend another dollar and get thirteen back but it's absolutely true in the negative sense, and I would like to follow on one of Dr. Rosenberg's example and tell you a little more about herring in another place, not so long ago: There is another herring resource about the same size as the one in the Bering Sea but it's in the North Sea and it's an old and well understood fishery that is exploited by eleven member nations under the auspices of the International Commission of the Exploration of the Sea. They proceeded to harvest that stock, they have done it historically for over five hundred years, and they harvested it intensively in the early 1970's essentially without enough information. They didn't do their research. Well, even that needs to be qualified, there were experts around who knew the truth but they couldn't speak clearly enough in the political arena to make it heard. And what they did simply was to overharvest the resource by a factor of two for about five years. They ate their seed potatoes. The result, predictably, was that the resource collapsed. They had to terminate the fishery on it. The economic hardship was large, large numbers of fishermen went home and went on welfare with the balance of them setting off on other kinds of fishing efforts. That fishery is still closed. It is now five years later. Is the fishery recovering (and one must state that there is no guarantee that the fisheries will recover after such a mistake)? In this case it is. The fishery is recovering, and probably next year a commercial fishery will resume. The broadest

sense that one can suggest is that it will proceed at about half the optimum level for the next five years. As one turns the envelope over and writes down the numbers that stem from that scenerio, you discover that mismanagement of that fishery to that community costs no less than a billion dollars--and probably in excess of that. A billion dollars is a conservative estimate for the failure to do that job right. That scenerio has been repeated in some sense or other in every well developed marine fisheries in the world and I suggest to you that the Bering Sea resource that Dr. Rosenberg referred to is a very likely candidate for some more. The price being that of inadequate research which means gathering of knowledge to manage correctly. That is the negative sense of large marginal rate of return. If you don't do it, you lose your resources and there is no guarantee that you will recover after that kind of an ...

I have to qualify my remarks a little bit: I'm not a fisheries biologist, I used to be a research physicist and I turned to investing in research, successfully, I might add, to the point where I can now afford to do things like sit on the Governor's Study Group for things like this. I do that by reinvesting something like twenty percent of the gross income of the corporation in research. The point is, you don't do it for your motherhood or any broad social virtues; the point [is that] ultimately the State expects to make a profit or at least to avoid a loss. And that fact is overriding. You make an investment because you want something back from it and there is every reason to expect that you get it. I can support this whole idea of a fisheries center most intensely from that point of view. There is inadequate investment of that kind being made here. There is incredible opportunity to make it and this is the time it needs to be carried out. That's the essence of my comments. I'd be happy to answer any questions that I can.

Sen. Parr - Let me ask one question. We just got this House Research Agency report you referred to and I haven't had time to go through it except here in the summary of findings in the front. That forty three percent it says is on management programs for every dollar of wholesale fisheries value. It doesn't say for research. Washington is forty three percent and Oregon is nineteen percent, but the way this is worded here, it's for management programs and not research. Are we talking about two different things?

K.J. - Well, no I don't believe we are, sir. I believe we are talking about the same thing: that boiled down to gathering adequate information to carry out catch limitations to manage the catch of stocks at an optimal level. The bulk of that problem is the one of gathering information. And that I certainly lump into research. You really need two kinds to manage a simple stock and one of them is the biological information that relates to the rate at which creatures grow and multiply and the other one is the size of the stock out there so you can control the catch at an optimal level. So you can eat the surplus but not the seed potatoes.

Sen. Parr - What is your estimate, Mr. Jefferts, as to how much we should be spending on research? I mean there is thirty million on research devoted to Alaska related fisheries, what should that figure be?

K.J. - Well, I'm in agreement with my colleagues on the Study Group's board. I think, if anything, the proposal is a lower limit of a wise investment in Alaskan fisheries. There is another example that one can state: If a single corporation owned the Alaskan fisheries resources, I think that one could make powerful arguments that they would invest no less than ten percent and probably twenty percent of the value of the landing of the resource, because they expected to get their money back quickly. And that translates to one hundred million to two hundred million dollars a year. I'm not suggesting that I think that's a good idea, but that argument is still valid.

Sen. Parr - So you'd invest ten percent of the value of the landings?

K.J. - Yes sir.

Sen. Parr - Are there any more questions for Mr. Jefferts? OK, thank you. Commissioner Skoog.

Testimony of Dr. Ronald O. Skoog, Commissioner, Alaska Department of Fish and Game

Comm. Skoog - Mr. Chairman, I'm Commissioner Ron Skoog, head of the Alaska Department of Fish and Game. I'm not sure, coming in late, exactly what you have covered or what you wish to cover, but I would like to speak in support of this concept that's presented here: this idea of establishing a fisheries research center. I am in full accord with its being established, as proposed, attached to the University of Alaska. I think that is the best environment for the fisheries institute. I presume that a lot has already been said about the value of our fisheries and I will not repeat that. In looking ahead now--the reduced revenues we are facing now and (I presume) in the future--certainly the State is going to depend a lot more, in the future, upon our renewable resources of which most of the commercial fisheries are going to be the mainstay. We have a great potential in Alaska, offshore, for developing a lot of fisheries that haven't even been touched yet. The potential revenue there is very great and I think we need, as best we can, to maintain an aggressive and effective management program to insure that these stocks will be perpetuated, as well as to use those stocks in the most effective manner possible for the best cost benefit ratio we can attain. What we have been lacking over the years is ... good biological information about the various fisheries stocks that we have been harvesting. The coasts of Alaska, the many streams that we can utilize, as well as the vast offshore area, are simply too great for us to cover adequately in being able to assess what those populations are and particularly what the various population dynamics are that control the population. All of which is basic to establish an optimal type of harvest for fisheries. The kind of research that the department is involved in is short-term, immediate type of research, for the most part: the kind of assessment that we need to manage our fisheries on a day-by-day or week-by-week basis. We determine what might be coming back next year or what is happening this particular season. There is a need for a longer term kind of research that can answer some of those gaps in the knowledge that we haven't been able to address. For instance, ocean survival or productivity of some of our lakes in production of the red salmon smolt. There are a lot of these areas that we just don't have the knowledge on and can only get through intensive research programs. I think this kind of research best sits in a university environment, apart from the Department of Fish and Game. I think the Department needs to stress the management responsibility that we have; providing the fishermen whatever we can of the surpluses that are available and be sure that they are not overharvested. We do need a short-range, short-term research capability as well, which really isn't research in my mind, it's more assessment, investigation and this kind of thing. The proper arena for longer term research and the answer to some of these problems, is what is being proposed now as the fisheries research center. I think

the State ... obviously this State has made its fishery really [the best] in the world when you come down to it. The potential is there and certainly, I think it warrants an extensive fisheries program in the University of Alaska as well as a fisheries research institute to go beyond what is the academic side of fisheries education. As I view this, this proposal really sets up a basic facility for the institution as well as a core staff of administrative and service staff, including data processing, library facility and so forth, with a core group of scientists that will be permanent to the institute. Presumably a lot of work will be done by visiting scientists from a variety of universities or disciplines that would come through the institute supported by various kinds of grants that would be outside State appropriations--some from Federal grants and private grants from industry or wherever they may be identified. I think the bulk of your effort would probably be related to a standing program that would incorporate the large... of scientists. I guess that's all I have to say, Mr. Chairman.

Sen. Parr - Commissioner, a key question that was asked before you came, I suppose, which no one wanted to answer until you got here: You are responsible to the Governor who, in turn, is responsible to the people for the management of fish and game for the State of Alaska; so one of the key questions might be why the additional funding required for research which is not now being done shouldn't be properly placed in your department? What you said is what you are presently doing is short-term research, you are not doing long-term, you are doing short-term for the management decisions essential to us. But what would be the reason that your department could not handle longer term research well and why shouldn't it be in the Department instead of the University?

Comm. Skoog - I think one good reason in my mind for being attached to the University is simply the availability of the kinds of resources at a university, including a variety of good help from the various disciplines that might be involved. You've got an array of different kinds of professors at a university, that can help you in the program. It is a good idea to be able to consult the people on the spur of the moment, so to speak, when you are discussing these ... involved with a lot of research problems. The academic environment is a little better environment, I think, for more pure research than what the Department is involved in. I think there is a much broader facility, generally, at the university environment, including the very extensive data processing capability the University has. All of these kinds of things provide a great incentive for such a research [center]. It could be within the Department, but then I doubt whether we would be able to staff it in the same manner that the University can. The University can draw a higher caliber scientist simply because a lot of these scientists are oriented towards academia as opposed to a line agency. There is a certain resistance among a lot of academic scientists to a management department. It doesn't have the same attraction. Also I doubt whether, fiscally, the Legislature would

be able to support it. We would have a lot of additional requests. We would have to have data processing capacity, more than we have now, I think, as well as other kinds of facilities. In view of the Legislature's attitudes in trying to reduce government, this would be [seen as] trying to increase our Department. I doubt whether we have the right climate for it. As one of the Department's divisions, Division of Research, let's say, it would also be competing with the rest for funds in the Department, and I know that if it ever comes to a crunch, our priorities nearly always have to go towards management. Our feeling is that our priority responsibility is to maintain the resource, and a large part of that effort is simply trying to manage the fishing activity so we can prevent overharvesting and make sure that the ... What we will find, I think, with such a competing arrangement is research will always suffer when it comes to making the final decision. I don't know, does that answer your question?

Sen. Parr - [Inaudible]... Now the prime fishery is salmon and that's a migratory fish. Do we have an arrangement with Washington and the rest of the ...? They do extensive research activity and, I suspect in this case, with each fish. Do we exchange this information with state agencies?

Comm. Skoog - Oh yes. We have a close relationship with the University of Washington. Dr. Bevan over here, has been an awful lot of help to our people in Alaska and takes part in a lot of analysis that goes on in our fisheries in Alaska. We have utilized their modeling technology...

Sen. Parr - Thank you Commissioner Skoog. Mr. McVey.

Testimony of Bob McVey, Director of the Alaska Region for the National Marine Fisheries Service and also representing the Northwest and Alaska Fisheries Center in Seattle.

Bob McVey - Mr. Chairman, I'm Bob McVey, Director of the Alaska Region for the National Marine Fisheries Service, and I'm also representing the Northwest and Alaska Fisheries Center in Seattle which [operated] fisheries research facilities here in Alaska and we spend something like eighteen million dollars annually on Alaska fisheries research. I'm also a member of the North Pacific Fisheries Management Council. We received our new 200 mile law just a few years ago, the Magnuson Fisheries Conservation Act, and we were immediately put into the position of developing fisheries management plans in accordance with that law. The law required that we use the best available scientific information. As soon as we embarked on that effort, we could see that there were many information gaps in our knowledge about fisheries. And so, we were immediately impressed with how short we were in the kind of information we needed to develop good fishery management plans. Those gaps occurred not only in the biological area; but also, under the law, we were required to consider economic and social effects; and some of our greatest gaps were in the areas of economics and sociology. The gap was critical in many cases and funds were squeezed out or bootlegged to carry on short-term studies, (that other agencies couldn't) in attempts to fill, on a very short-term basis, critical needs. In no sense was the full requirement of the act or the full intent of the act fulfilled with regard to a factual basis on which fishery management plans should have been developed. In addition to the gaps that were evident then, funds for federal fisheries research had been either level-funded over a period of years or in some cases reduced. At this time, of course, in accordance with the present budget proposals, there are prospects for substantial additional cuts to federal fisheries research. One example is the Auke Bay Laboratory here in Juneau. The cuts now proposed in the present budget proposal contemplate a reduction of 74% of the laboratory funding and would require elimination of 60% of the professional staff. The outlook is poor for additional federal funds to come into fisheries research and help fulfill those information gaps we see relative to our 200 mile law... [END OF FIRST TAPE]... and to help fulfill those information gaps that we have all been so aware of in recent years. It would upgrade coordination. We have all agreed, in discussing the study report that coordination has not been nearly as bad as indicated in the report. Really, our researchers are in regular and steady contact with one another; so, coordination between researchers is excellent. Many times the public is not aware of the research that is under way; the center would assist the public in knowing what research is going on. So, it is not just coordination between researchers but also with the public. The center would also allow better prioritization of research. There would be a lot of people, agencies, involved in those deliberations and discussions between those participants.

We would end up with a better priority listing of what the needs are for research. We've had a fair amount of discussion about long-term and basic and I think that in the State's arena that there is almost no long-term basic research under way. There is some by our agency, National Marine Fisheries Service, and some by the Fisheries Research Institute but it's very specific and narrow in scope. Some examples of long-term basic information that we lack: We really cannot identify the larval stages of some of the important species, especially in our ground fish stock. We really don't know what a larval cod looks like or some of the rock fish. We know very little about the relationship of one species to another. That's a ball park that would be extremely helpful in formulating fishery management plans. We simply lack that information and it would be a major research undertaking to obtain it. Our management now is basically single species management. We see the glimmerings of relationships between species but our management really isn't based on it because we don't have the information that would be required. Those are some of the long-term basic types of information that the center would help us achieve. We endorse the concept of the fisheries center as proposed by the Study Group and we'd be willing and eager to assist in any further development of that concept. Mr. Chairman, I'll try to answer any questions.

Sen. Parr - Thank you. Any Questions? Mr. Helle.

Testimony of Jack Helle, District Director for Alaska of the American Institute of Fishery Research Biologists.

Jack Helle - My name is Jack Helle and I'm here representing the American Institute of Fishery Research Biologists and I'm the District Director for Alaska. Our organization has 75 Alaskan members. Personally, I have been involved in long-term research in Alaska for about twenty-four years. I just want to be very brief and say that we strongly support the concept of this Alaska Fisheries Research Center and we think it's needed very badly and I think that most of the things that I might say might be duplications that Mr. McVey has said and others before me. But I would like to say a couple of things that are pertinent: One is that we're seeing at the present time some very incredible returns to our fisheries resources, particularly our salmon. And this is due to two things: due to good management but also due to a favorable marine environment at the present time. And, in spite of good management, if your marine survival start going down, you are not going to see the kinds of runs that you have. Now is the time when you should be doing research on this resource. I don't have to tell most of you that the life cycle of a king salmon is about seven years. That's long-term to just get one life cycle study on king salmon; chums have four years; sockeye six years; and so on. This is long-term research. For genetic research on these populations you certainly need more than one cycle to look at. That is definitely long-term research. Most of the agencies that have been involved in long-term research up here, are now changing their roles and are becoming more responsive to immediate management needs of the 200 mile limit. I think the Auke Bay Lab, in particular, is one who's role is changing. I would just like to end this by saying that I think that research is a very strong investment in the future and I think that now the time is right to do it. I'd be glad to answer any questions.

Sen. Parr - What did you mean, Mr. Helle, when you said that salmon runs are good now and it depends on two things, management and also better marine environment? What did you mean by good marine environment?

Jack Helle - Well, I oversimplified this, but the management of our resources has definitely been getting better. No question we've learned more on how to manage our resources, the State's been doing a good job. On top of this, we are presently seeing extremely warm marine conditions in the North Pacific Ocean and this is, I feel, one of the major reasons we are seeing such an incredible survival coming back to certain areas like Bristol Bay. Prince William Sound has had three record years of returns. They are expecting the all time record return this year. Southeastern is expecting a huge amount of pinks especially in the southern area and this primarily due to the very favorable marine conditions. But, of course, you can have favorable marine conditions and if

you don't have the fish going out you won't have the fish coming back. So, management is a very strong part of it. I have been involved in long-term research on the effects of marine environment on the survival of salmon and some of the data that I've been looking at indicate that we are starting to slide off of this warm period and we may be going back to a period of more austere survival.

Sen. Parr - You are saying that, in layman's terms, that when the ocean is warmer you get better survival rates and when it's colder you get worse survival rates. And we have both cycles from warm to cold; so, even if we did the best job we could, we would have a drop in runs if it turned colder?

Jack Helle - Yes, but management can help compensate for that.

Sen. Parr - I am oversimplifying a great deal. Any questions you want to ask Mr. Helle? Thank you sir. Mr. Bevan.

Testimony of Don Bevan, Director of the School of Fisheries, University of Washington.

Don Bevan - Thank you Mr. Chairman. My name is Don Bevan and I am a member of the North Pacific Fisheries Management Council and Director of the School of Fisheries and Professor of Marine Studies at the University of Washington. I would like to share just a few words with you based on my experience of about 35 years of doing research in Alaska and being a part of the University Center such as the one that they have proposed. As you might guess, I happen to be a strong advocate of something that I've spent my life at. I believe in that approach. I don't think there is any question more pointed than yours: Couldn't we take the money and put it in the Alaska Department of Fish and Game and do a better job? Again,...

Sen. Parr - I don't think I said a better job. I asked why we shouldn't do it.

Don Bevan - I think we could. We could put some more money in the Auke Bay Laboratory and do a better, more effective job for the State of Alaska. We could send some more money down to the University of Washington and we would do a better job. I think that is the first point we all recognize, that there is a lack of resources on these problems. I don't think we are going to add much in the way of money to the Alaska Department of Fish and Game. I think they made their case before this body (not this particular committee, but certainly appropriate committees here). I suspect it's like my own state fisheries department. They have their own responsibilities. The statement with them [is that they] support some of best that they can. I want to be careful in choosing my words in what I say about the University of Alaska because I don't want to be overly critical but I have to be a little critical because the State of Alaska has not devoted resources in making the University of Alaska a fisheries research institution. I guess I can charge that the University can do things, not everything obviously, universities do some things very poorly; however, I think Commissioner Skoog made a very good point that there are certain kinds of people that we have around universities that we can take advantage of. I will give you a couple of examples: the whole basis for forecasting most of our pink salmon runs in Alaska is based on the simple little hydraulic tool that samples eggs in the gravel, which was developed (I remember very well--I was there when it happened around the lunch table in the faculty club) because there was a hydraulic engineer interested in catching steelhead. He had an idea about sampling eggs in the stream. That kind of interaction probably wouldn't take place in a fishery agency that would be charged with solving the sort of next fire fighting problem that comes in because some fishery has gone wrong. I don't want to dwell on that in any great length. I would like to add one other comment in regard

to trustees and regents. I have a visitors committee made up of people around the country, a number of them from Alaska, who tell me how best we ought to do our research program. They are not my boss. They give me advice and counsel. The president of the University and the regents certainly are my boss. They give me direction on policy and they tell me how much resources I'm going to have to work with. But I don't think in any university, the regents are going to tell you how to teach or how to do research. So, I think there is really no conflict there: the regents are charged with running the organization and they do, but I don't know of any institution where there would be a conflict between setting a program and the kind of overall university policies and resources you need to carry that out. One thing that I think is clear: while I can always say that coordination is always important, I don't think that we should set up a center of this kind because there isn't a very good job being done; because I think there is. But, I think there are additional things that need to be done and the University is a very fine place to do some of those things. Coming out on Mr. Jeffert's point: How much investment are you going to put into this? I guess that's the decision only you gentlemen can make. I can't help but make that my point of view: investment and research and the opportunities for development of Alaska fisheries are minimal at best. If there are any questions, I would be happy to answer them.

Sen. Stimson - Do you have a structure similar to what is proposed here with a board of trustees within your University?

Don Bevan - We don't have a board of trustees, we have what is called a visitors committee, that's made up of the Director of Game of the State; the Director of Fisheries; Mr. Walt Yonker head of the Seafood Processing Association in Seattle; Mr. John Peterson who is a member of this Study Group and President of Ocean Beauty Seafoods; Mr. Ken Olsen who is the head of the Fishermen's Union--Much the same kind of board that is being suggested here. I think it's a bit larger. I think mine is ten or eleven.

Sen. Parr - Dr. Bevan, I raise this question to make sure, because for example, the Geophysical Institute of the University of Alaska has had a visitors group of some sort like you are talking about for as many years as I've known anything about it. They don't swing any weight because they give an outside evaluation of how well the institute is doing... That's quite a different thing from having trustees unless you discuss, really, what their scope of authority is. What is the budget of, you are Head of the School of Fisheries I believe, what is the annual budget of that school of Fisheries?

Don Bevan - School of Fisheries budget at the present time is about seven million. About 15% from the State of Washington, mostly federal but some private industry and some from the states of California and Washington.

Sen. Parr - Fifteen percent of that comes from the State, roughly-- of that seven million?

Don Bevan - Yes, and that's including our teaching program as well.

Sen. Parr - Do you offer ... what degrees do you offer?

Don Bevan - We offer Bachelor of Science in Fisheries, BA with a major in Fisheries, BA of Science in Food Science, a Master of Science in Fisheries and a PhD in Fisheries. I'd be happy to provide you with a copy of our annual report, if that would be of use to you.

Sen. Parr - It certainly would, sir. We are looking at a real cost of three and three-fourths million dollars the second year and almost eleven million the year after that. The way the price of oil is going down, I think we are going to have to take a very careful look because when the pie is a certain size, the dollar that goes in that part of the pie is not going in the other part of the pie. Ideally, in the ideal world, when you have all the money to invest in research that is needed--it's ideal. We are, unfortunately, not living in that ideal world. So anything that would be available to me from you would be much appreciated.

Don Bevan - I think it's anticipated and I haven't been a part of the Study Group and as I read their report, certainly they have a willing volunteer from our side that would be enthusiastic about taking part in a center of that kind, much as we do with the WAMI project that the University cooperates with.

Sen. Parr - Is any money contributed to your school by the ... you said one of the members of your board of your visitors committee was the head of the fishing division, I believe...

Don Bevan - The industry supports presently about a level of three hundred thousand dollars a year. My personal research on Kodiak Island is supported, continually since 1948, by seafood processors. I would have to go back and add up the numbers but I suspect we are getting close to two million dollars over that period of time.

Sen. Parr - In this typical seven million budget you are now getting three hundred thousand from the processors? Are you getting anything from the fishermen themselves?

Don Bevan - Yes. There have been some contributions along with the industry from the Bristol Bay. Sorry, I don't remember the exact details about that.

Sen. Parr - How about the fishing industry of Washington?

Don Bevan - I think the only contribution from fishing in the State of Washington is for scholarship funds, not for research.

Sen. Parr - Any more questions? Thank you very much. That is all the names I have listed of people who want to speak. Rep. Gardiner.

Testimony of Representative Terry Gardiner.

Rep. Gardiner - Mr. Chairman, I would like to testify on this bill. It was introduced last year and came over from the House. I think the report that's been done and a lot of the details that have been worked out probably provide a much better framework to implement what was originally envisioned in HB 313. It's been subject to comment and research by a lot of different people and I think they've come up with a pretty good product that I'm very supportive of. To some extent a big difference is reduction in scope and that is probably more appropriate and accomplishable. One of the things I've been interested to see [is the concensus] on this. Fisheries is like many interest group areas in the sense that you bring up an idea and half the people are for it and half the people are against it. Another half are undecided. I know you can't have three halves but sometimes it seems that way with fisheries. This idea, as it has become more developed and some of the details have been worked out, seems to spark a very universal support from many quarters. It's pretty spontaneous from various agencies that might otherwise have some interest in having it in their bailiwick, or what have you, or other political jurisdictions; but, I've been pleasantly surprised to see the unanimous support that has grown up from different people looking at ideas, contributing their efforts towards this and refining the idea to support something that is more workable. I think the process will continue because these people have volunteered their time and their agencies' efforts to be involved and it's resolved some of the questions that were brought up last year and that are being brought up here now.

In terms of my own support for the concept--it grows out of looking at the world fisheries scene and the American fisheries scene. And one of the things that we have spent a lot of time in the State (myself included) giving a lot of political rhetoric about is this great fisheries resource off the coast of Alaska that is being harvested by foreign countries and why aren't we out there and, of course, we thought of political solutions. We have a political solution now but we are still not out there. In looking personally at the fisheries in Northern Europe and in Japan, I was surprised to see quite a bit different effort. There is a very fundamental support of the industry (the industry, its processors and the fishermen and other people involved in the industry), at the research and university level. Basically, looking at this State, I find that absent. I don't find the fishing support through the University or through the research entities that you find in other jurisdictions. In looking at the great fishing powers of the world, you find that their industry, as a total makeup of all the components of it, differs from ours, in that we do not have any real fisheries program in our University, education, or fundamental institutions that do basic research. I think that is why we are partially faced with the problem of somebody else capturing our resource and I think until we give the support to industry and management of this kind we are not

going to be in the same league as these other countries and other states and provinces. To do this, to some extent, we will be [playing] out another act of maturity of becoming a state. We, as a State ... before we were a state we didn't have all that much to do with the fisheries. We took over the management and we have increased our efforts in management much more than what they were when we took over statehood. They have shown many signs, and actual dollar returns, of successes. I think we have to do the same thing with our University and research efforts. One of the things I think is a real positive reason for having this in and associated with the University is that the University has the desire; and I think many people in the Legislature expressed it over the years about it: why isn't the University doing more about fisheries? Why do we have fisheries as a big industry and the University of Alaska isn't renowned throughout this country or any place else as a big place to go to get a fisheries education or any kind of degree in fisheries? We do not have that reputation. I think many people hoped for that and we plowed money into the beginnings of programs in the University and in the last couple of years the University has put a lot of planning efforts into trying to come up with this. I think we could proceed ahead with this but I think we will be much more successful if we have the type of high level and first class fisheries research center within and associated with the University. I think we could argue over the details of the most efficient relationship between that [and other institutions], but I think you will see a lot of back and forth [movements] as you do in other university research systems between the university and research center graduate students working over there, professors here, teaching over there and people moving back and forth between the research scene and the education scene or being involved in both. I think that is going to be real important in terms of developing a good university fisheries program to have this type of research institute and I think we only have to look at our sister states and other foreign jurisdictions to see this kind of relationship. They have organized it in different technical ways but the fundamental components of research and education have been there and have been intertwined in their efforts to generate information to help us wisely utilize our resources. One of the issues that I think is appropriate, it has sort of come up here, and I want to answer that question: What is this thing going to do that isn't being done now? There are some real fundamental problems that a lot of us are aware of that are involved in the fisheries from maybe different aspects, and some of these may involve our fisheries agencies themselves. Some of these involve economics of fishermen beyond biological things because there really are ... it's hard to separate things a lot of times. An example I would give is in a fisheries I'm familiar with (and I use it because I'm more familiar with the details): In Southeast Alaska we have a lot of mixed stock fisheries and these are mixes not only of the same species headed to different streams--there are 2,000 or more salmon streams in Southeast--but they are mixes of different

species of salmon. So, there are some real fundamental management problems (no matter how good the data is) on how many fish are out there, and how much fish the fishermen are catching, and how many got up the stream, and how much we need up the stream, about how to effectively get the right amount of fish into each stream and not wipe out one stock or one species while you are doing it. I think we need to devote some fundamental research efforts figuring out better management systems to do that. I think that kind of thing needs this type of agency or program to do it, though I think it's pretty hard for the Department to do in terms of their day-to-day activities of trying to do the job. Also, there may be the question of conflict of interest, in that, maybe, part of their present management policies are the problem and an independent agency could help them see the solution better than they could from the inside themselves. I think you will find a lot of the other examples may have the same aspect to it, because somebody in some agency is managing every fishery--not to say the reason that we are setting up an independent agency is to analyze every other agency, but I think an independent effort with support from all the agencies and involvement through the University could supply those elements of objectivity. Again, I see another issue that this Legislature, at least the House Finance Committee, is wrestling with: What is the appropriate role of State involvement in supplemental production of salmon? We have the FRED Division that is out, through direct State funds, building hatcheries; and other developmental and supplemental programs for salmon. We have a system of regional, private non-profit hatcheries. There is a lot of debate over what is the best economical system for the State: [whether] to do this; and who should run what; and what have you. Again, I think this is the kind of thing that has some economic questions to it, some financial questions to the State, as well as biological and management considerations that all have to be looked at to help the State policy makers draft the best answers to that question; and we are involved in that question now. We really haven't had any high level group or people (that may require something besides biologists or financial aid from the Legislature) to figure out the answer. This kind of institution we could turn to to help us find the answer to that rather than having to feel our way through with some budget ... filler or that kind of approach. I think those are some of the examples that I would see; and maybe I have more of a little bit of a [particular outlook], being a fisherman type--some of the people from the biology and management side might put a little bit different emphasis than that on some of the types of problems. But, the basic thing is to provide that information, [and furnish everybody] with an equal ability to make better decisions. I think this has been the best suggestion as to where to put it [the center] to do that. I'd be happy to answer any questions.

Sen. Parr - Anyone else want to speak on this?