

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 86/2

1837 HRES HB 199. - HB 281

41

MSG 81-00015188 PRTY 1 05/01/81 19:38:54 ORIG: LA02 IN= 0005 OUT= 010
FROM: MARCIE, ANC INFO TO: POM, JUNEAU INFO
TARGET: LJH2 SUBJ: POM PAGE 000

TO: ALL MEMBERS OF THE HOUSE OF REPRESENTATIVES
FROM: 1) MELVIN GILLIS, 847 EAST 74TH, ANC 99502 (344-8589)
2) ALLEN PILTO, SR BOX 3514, ANC 99502 (345-3450)
3) FAT ETEN, 9499 BRAYTON DRIVE # 3, ANC 99507 (349-3065)

I AM IN FAVOR OF HOUSE BILL 199 SINCE IT PROVIDES A MEANS FOR THE STABILITY OF THE GUIDING INDUSTRY AND IN NO WAY AFFECTS RESIDENT HUNTER: IT WILL REDUCE THE NUMBER OF NON-RESIDENT HUNTERS. EXCLUSIVE GUIDE AREA PROMOTES CONSERVATION OF THE RESOURCE BY THE HONEST GUIDES.

MSG 81-00015185 PRTY 1 05/01/81 19:00:37 ORIG: LA00 IN= 0003 OUT= 010
FROM: MARCIE, ANC INFO TO: POM, JUNEAU INFO
TARGET: LJH2 SUBJ: POM PAGE 000

TO: ALL MEMBERS OF THE HOUSE OF REPRESENTATIVES
FROM: DENNIS AND CHERYL HARMS, BOX 71, CHUGIAK 99567 (688-2484)

IMPORTANT TO PASS HOUSE BILL 199 AND MAINTAIN GUIDE AREAS.

61
MSG 81-00015144 PRTY 1 05/01/81 17:42:53 ORIG: LA02 IN= 0001 OUT= 0070
FROM: ROBERTA TO: JUND INFO
TARGET: LJH2 SUBJ: POMS

PAGE 0004

TO: ALL LEGISLATORS

FROM: RAYMOND CVETICANIN, 825 E 8TH, ANC 99501; 272-5113

I AM IN FAVOR OF HB 199. IT PROVIDES MEANS FOR THE STABILIZATION OF THE GUIDING INDUSTRY. IT IN NO WAY AFFECTS RESIDENT HUNTERS. THE EXCLUSIVE AREA CONCEPT PROMOTES CONSERVATION OF THE RESOURCE.

41

MSG 81-00015358 PRTY 1 05/04/81 16:07:44 ORIG: LA02 IN= 0004 OUT= 0058
FROM: ROBERTA TO: JUND INFO
TARGET: ILJH2 SUBJ: POMS PAGE 0004

TO: ALL MEMBERS OF THE HOUSE
FROM: HOWARD HEADLEY, SRA, BOX 460, ANC 99507; 345-2525
RE: UB 199

I FEEL IT IS ESSENTIAL TO PASS THIS BILL INTACT WITH THE EXCLUSIVE
GUIDE AREAS. THIS IS THE ONLY WAY TO REQUIRE GUIDES TO MANAGE THESE AREAS
IN A VIABLE MANNER. THIS WAY THE YOUNG FELLOW COMING ALONG WILL HAVE A
CHANCE TO GUIDE IN THE FUTURE.

u

MSG 81-00015572 PRTY 1 05/05/01 16:25:29 ORIG: LA02 IN= 6002 OUT= 0084
FROM: ROBERTA TO: HIND INFO
TARGET: LHM2 SUBJ: POMS PAGE 0001

TO: ALL LEGISLATORS
FROM: NELSON HAUTANEN, 3157 W 64TH, ANCHORAGE, AK 99503; 243-5400
RE: HB 199

I AM A LIFELOVING ALASKAN AND REGISTERED GUIDE AND IN SUPPORT OF HB 199
WITH THE FOLLOWING EXCEPTIONS: 1. SEC. 00.54.045 - SPECIAL GUIDE LICENSE
SHOULD BE DELETED; 2. SEC 23 AK 00.54.200 - PARAGRAPH C, SEC. 7 SHOULD
READ THE NUMBER 2 WHERE IT READS NUMBER 1.

61

MSG 81-00015506 PRTY 1 05/05/81 12:53:31 ORIG: LA00 IN= 0012 OUT= 0046
FROM: CAROL, ANCH. TO: JUNEAU INFO
TARGET: LJH2 SUBJ: PUBLIC OPINION MESSAGE PAGE 0002

TO: ALL LEGISLATORS
FROM: KIRK GAY, BOX 6583, ANCHORAGE 99502 243-6758

I URGE YOUR SUPPORT OF HB 199. THE GUIDE BILL AND THE EXCLUSIVE
GUIDE AREA REGULATION IS THE BEST CONCEPT TO HELP ENSURE A CREDITABLE
GUIDING BUSINESS TOGETHER WITH A HEALTHY RESOURCE.

61

MSG 81-00015536 PRTY 1 05/05/81 15:07:52 ORIG: LA00 IN= 0015 OUT= .0050
FROM: KATHI TO: JNU INFO
TARGET: LJH2 SUBJ: P.O.N. PAGE 0001

TO: ALL LEGISLATORS
FROM: JOANNE TACKETT
P.O. BOX 4-1273, 99507
349-1961

I SUPPORT HB 199, CONCERNING THE STATE GUIDE BOARD, AND WOULD
LIKE TO SEE IT PASSED.

MSG 01-00015536 PRTY 1 05/05/01 15:07:52 ORIG: LA00 IN= 001% OUT=.0050
FROM: KATHI TO: JNU INFO
TARGET: LJM2 SUBJ: P.O.N. PAGE 0001

TO: ALL LEGISLATORS
FROM: JOANNE TACKETT
P.O. BOX 4-1293, 99509
349-1961

I SUPPORT HB 199, CONCERNING THE STATE GUIDE BOARD, AND WOULD
LIKE TO SEE IT PASSED.

61

61

MSG 81-00015506 PRTY 1 05/05/81 12:53:31 ORIG: LA00 IN= 0012 QUT= 0046
FROM: CAROL, ANCH. TO: JUNEAU INFO
TARGET: LJH2 SUBJ: PUBLIC OPINION MESSAGE PAGE 0002

TO: ALL LEGISLATORS

FROM: KIRK GAY, BOX 6583, ANCHORAGE 99502 243-6758

I URGE YOUR SUPPORT OF HB 199. THE GUIDE BILL AND THE EXCLUSIVE
GUIDE AREA REGULATION IS THE BEST CONCEPT TO HELP ENSURE A CREDITABLE
GUIDING BUSINESS TOGETHER WITH A HEALTHY RESOURCE.

Guide Bill Comments

Kristine



Alaska Professional Hunters Association, Inc.

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Phone (907) 276-6914

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Sterling, Alaska
ED SHAVINGS SR
Mortuary, Alaska

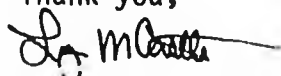
To: House Resources Committee

Ref: APHA Testimony on H.B. 199, submitted March 16, 1981 by Lynn Castle

I should like to correct a portion of my testimony which involved my answer to Representative Barnes's question about the APHA membership:

I was asked if Ron Hayes had been, or is a member or on the board of directors of the association. I replied that he had been, but had resigned his membership upon indictment of certain charges pending at this time. This information is incorrect. Ron Hayes did not renew his membership in either 1979, nor in 1980 or 1981. He was a member for several years prior to 1977. During the period that he was a member in good standing his guiding record showed no arrests, convictions or other pending legal problems associated with guiding activity insofar as the association could determine.

It should be noted perhaps, that at the annual meetings of APHA in December, 1980 the APHA Board of Directors unanimously adopted a resolution, which subsequently received widespread approval from the membership that, "in the event one of the association members is indicted for one of the following major game or guiding violations: 1 - Hunting same day airborne, 2 - Waste of a wild food animal (waton waste), 3 - Hunting in an area closed by State law or regulations, 4 - Hunting during a closed hunting season, and 5 - Hunting in another guide's exclusive assigned area; that his membership be automatically suspended pending adjudication of the alledged violation by the courts."

Thank you,

Lynn M. Castle
President, APHA



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RAY McNUITT
Seward, Alaska
ED SHAVINGS SR
Mukwonago, Alaska

To: House Resources Sub-Committee on House Bill 199 (Guide Bill)

Ref: Recommended amendments from the Alaska Professional Hunters Association

page 1, lines 19 & 20 -- Delete (Not more than), and require that Three members of the board shall be..... etc.

page 2, line 4 -- Add after license, or assignment and/or modification of an exclusive guide area.

page 2, line 25 -- Delete (limit), change word to determine.

page 2, line 28 -- Delete (limiting), and change word to determining

page 3, lines 21 & 22 -- Delete words (shall), and change word to may

page 5, line 23 -- Change to read, (3) a licensee has been convicted of any two of the following violations within

(remark: this is one of the changes we are MOST interested in seeing made. The bill is tight enough already without mandatory revocation upon conviction of only one violation. We would concur with language which provided a 'may' option for one violation, and a 'shall' option for two of the major violations as listed under sub-section (3) of this section.)

page 7, lines 19 & 20 -- Delete entirely

(remark: this requirement is no longer necessary now that Guide Board has successfully eliminated sub-contracting of areas, only works as a hardship on many guides, particularly those involved in boat crew operations such as walrus hunting, and/or lodge ownership. An alternative to this deletion would be adoption of the Advisory Committee's recommendation for changing the qualifications for a Class A Assistant Guide license. APHA would support either approach, but we do NEED one or the other.)

page 8, lines 21, 22, & 23 -- Delete sub-section (B) as written, and insert, includes the providing and/or contracting to provide for packers, camp helpers, temporary camps, hunting equipment or other services in the hunting area to non-resident hunters for monetary or material remuneration. Nothing in this definition shall preclude rental of permanent overnight cabins existing prior to July 1, 1981.

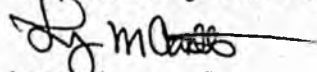
(remark: this definition would appear an equitable solution to the

problems identified during the House Resources Committee Hearing of H.B.199, March 16th, and APHA endorses such language.)

Remark: APHA has no conflict with any of the other proposed amendments submitted by the Guide Board Advisory Committee, however the association has taken no official stand on each of those amendments. We would like to see the deletion of requirements to possess a fishing license, as well as deletion to referral to violations of sport fishing regulations in the bill for fishing really has nothing to do with the guide bill. But we can certainly accept these items without hardship. I've tried to limit our recommended amendments to those items of particular concern to association and industry members.

Thank you for your consideration of our industry.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lynn M. Castle", written over a horizontal line.

Lynn M. Castle, President APHA



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Mokorya, Alaska

ALASKA GUIDING INDUSTRY FACTS

(Summary of data obtained from a sample of 133 returned questionnaires which were mailed to a total of 433 master and registered guides licensed during the 1977 and 1978 calendar years. Creditability of these figures is good as evidenced by comparing portions of sample data to Department of Revenue and Department of Commerce figures for this period. Data was originally obtained as part of an Alaska Professional Hunter's Association project to determine the dollar value of the guiding industry to the State of Alaska. Licensing figures were obtained from the Alaska Department of Commerce and Alaska Guide License and Control Board.

Since 1977-78 we have observed an increase in the number of guiding contracts (up 15 - 20%), however the average number of animals taken as result of each of these contracts has dropped markedly subsequent to increasingly restrictive and non-overlapping game seasons. For instance, August hunts for sheep have traditionally included caribou and/or moose; this is no longer possible as moose and caribou seasons do not open until September in most areas of the state today. The following figures have been projected from the 1977-78 data, conservatively assuming that guiding revenues within the overall state have remained relatively constant other than an inflation factor which appears to average between 40 and 60 percent. I've conservatively used a 40% factor to relate relative values for 1981.)

Number of Registered and Master Guides licensed in 1980 -- 366

Number of Class-A Guides licensed in 1980 -- 109

Number of Assistant Guides licensed in 1980 -- 575

Number of Registered/Master guides expected to file one or more guiding contracts (that is expected to be active) in 1981 year -- 220 to 260

Approximately 55% of active Registered/Master guides list guiding as full-time or major profession

Approximately 45% of active Registered/Master guides list guiding as part-time or secondary profession

Approximately 19% of guiding operations gross less than \$14,000 in 1980

Approximately 28% of guiding operations gross \$14,000 to \$35,000 in 1980

Approximately 28% of guiding operations gross \$14,000 to \$35,000 in 1980

Approximately 38% of guiding operations gross \$35,000 to \$105,000 in 1980

Approximately 15% of guiding operations gross more than \$105,000 in 1980

Average gross of all operations in 1981 -- \$65,261

Industry reports clients spend additional monies within state for travel, hotel, souvenirs, taxidermy preparation, etc. equal to approximately 28-30% of guiding fees (exclusive of license fees and travel to and from Alaska)

Each Master/Registered guide operation supports an average of 7.5 employees

Each Master/Registered guide operation supports therefor a total average of 31.6 Alaskans directly dependent upon guiding income for all or a portion of their livelihood (i.e. family members and dependents). Thus some 8,216 Alaskans receive direct benefit from the guiding dollar from within the guiding industry annually; questionnaires reflected comments which would place this figure somewhat higher than this figure, or approximately 12,000, however if we take into account that in any given year not all 'active' guides are active owing to the provisions of the guide law which allow a guide to be listed as 'active' if he hunts only every other year., Thus, the 8,216 figure more accurately represents an annual figure.

Estimated (conservative for we have used the lower inflation factor) dollars guiding industry brings into Alaska exceeds 22.8 million dollars (250 active guides in any given year times average gross income plus related expenditures reported at 28% of guiding gross)

License revenue dollars guiding industry brings into Alaska exceeds 1.5 million dollars. These figures are somewhat lower than the total non-resident license and tag revenues reported by the Department of Revenue figures owing to involvement by non-guiding, primarily air-taxi-guiding operations operating within the State.

(figures prepared by Lynn Castle and the board of directors of the APHA, with the help of the Anchorage office of the Guide License and Control Board, and Department of Commerce figures)



Alaska

Professional Hunters Association, Inc.

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Phone (907) 276-6914

March 12, 1981

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RAY McNUTT
Seward, Alaska
ED SHAVINGS SR.
Metlakatla, Alaska

Representative Fred Zharoff
Pouch V
Juneau, Alaska 99811

Dear Representative Zharoff,

I am writing in reference to the problem associated with the 'second degree of kindred' provision (Title 16, Fish and Game, Sec. 16.05.407), as we have previously discussed when I was in Juneau earlier this month.

The 'second degree of kindred' provision provides an exception to the legal requirement that all non-resident hunters for Dall Sheep and Brown and Grizzly Bear be accompanied by a licensed Master or registered guide; by allowing, quote "or who is personally accompanied by a resident Alaskan over 19 years of age who is the spouse or or is related by blood within and including the second degree of kindred."

I have been told that this provision came about in 1967 when then Senators Jay Hammond and Bill Waugaman were trying to get the existing guide law through the legislature. At that time Senator John Holmes of Fairbanks told Waugaman that his son was coming up to hunt sheep that fall and that unless he could do so without employing the services of a guide that he (Holmes) would fight the bill, as well as the ammendment establishing a mandatory guide law for sheep and big bears.

At that time the provision was probably somewhat reasonable, for there was enough game to go around, and permitted hunts and lottery drawing hunts were non-existent. More recently however, as more and more hunting in Alaska has gone to permits issued by limited registration or lottery drawings, this provision has resulted in an increasing amount of abuse and hardship on those Master and registered guides whose livelihood depends upon getting the appropriate permits for their clients.

The situation on Kodiak best illustrates the problem. In that area the Fish and Game Department issues a limited number of permits to hunt Kodiak bear. Of these, 40% of the permits are allocated to non-residents, and 60% to resident applicants. When this system first evolved the Guide License and Control Board, the Kodiak guides, and the Fish and Game office on Kodiak sat down together and evolved boundry lines which coincided with guide area assignments, thus effectively assigning each guide area a finite number of non-resident hunting permits. Thus a guide on Kodiak know exactly how many non-resident permits he has for

his area, and if he submits only those number of applicants, theoretically his clients will receive their permits.

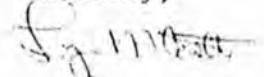
From the beginning unexpected 'second degree of kindred' permit applications have posed a hardship on the Kodiak guides, who never knew from one drawing to the next when they could expect to lose a permit(s) to such an application. Most recently there appears to be a marked increase in the number of non-resident applicants, who are presumably 'second degree of kindred' hunters, for they come neither from the guides nor in most cases will they answer a letter from the guides, who do not utilize their permits at all. In other words, there appears to be a concerted effort to 'save a bear' by tying up a permit by a bogus application by someone who has no intention of using the permit. This trend is supported by the Fish and Game statistics which show that some 35 non-resident permits went unused in 1980, yet the Kodiak guides report one of the lowest cancellation rates in Alaska. The point being that whether or not this trend does in fact represent an effort to 'save a bear' (this did happen with polar bear the last several years permits were issued - ads appeared in national preservationist magazines explaining how to go about tying up permits .) or not, that the net result does impose a very REAL hardship on the Alaska guide whose business and livelihood depends upon successfully obtaining the proper permits for his clients.

Another consideration is the abuse of the provision by 'bogus' non-residents claiming to be related to an Alaskan resident. No proof is required to be carried in the field of the supposed blood relationship, making enforcement effort all but impossible. Within the industry we are aware of numerous examples of this abuse, particularly as related to 'unlicensed' guiding operations.

There has been some talk within the industry to make the Kodiak system an exception to the 'second degree of kindred' provision. We have taken this question to the membership for comment, and the Association, which represents the majority of the ethical Master and Registered Guides actively engaged in professional hunting today URGES YOU TO REPEAL THIS PROVISION ALL TOGETHER, OR AT LEAST EXEMPT ALL PERMITTED HUNTS FROM THE PROVISION. The Kodiak system is but one example of the problem as it affects our membership and the guide industry, and as more and more permits are instigated the problem will only be compounded unless we can get your help and support to repeal this provision.

Thank you for your time and consideration in the matter.

Sincerely,


Lynn M. Castle, President
Alaska Professional Hunters Association

on behalf of the following APHA members and associates who have supported repeal of the 'second degree of kindred provision':

Lynn Castle
Ed Shavings, Sr.
Charlie Boyd
Jim Harrower
Vern Humble
Bernd Gaedeke
Bud Helermicks
Tom Kirstein
Dan Elliot
Rick Reakoff
Ben Forbes
Mel Gillis
Wayne Hans
Bud Branham
Karl Lane
Chuck Keim
Charles Roesbery
Park Munsey
Doyle Williams
Bruce Jamieson

Ray McNutt
Frank Pease
Stan Frost
Bill Waugaman
Eberhard Bruner
Ed Stevenson
Bob Gerlach
Ned Tuthill
Kirk Gay
M. Jacobson
Joe Want
Nelson Hautanen
Leon Francisco
Marcus Jensen
Jim Keeline
Scott Molby
Al Hill
Leonard Helgason
Hans Kuehne

Bill Pinnell
Doug Vaden
Dick Gunlogson
Slim Moore
Phil Driver
Hank Hankard
Dan Holleman
Dick Carlson
Gerald Yeiter
James Jacobson
Pete Buist
George Palmer
Howe I Knutson
Red Seeman
Dan Wetzel
Larry Roberge
Doug Hansen
Art Andries
Mike Branham

Morris Talifson
Gary LaRose
Keith Johnson
Dennis Harms
Bob Hannon
Clif Driscoll
Jim Baily
Clark Engle
Jim Bailey
Frank Ingledue
Mark Wartes
Kelly Vern
Charles Gray
Jim Rosenbruch
Chris Goll
Tom Adams
Steve Howard
John Harkey
David Y. Jamieson

HB

204

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

2/20/81

(11)

Date: 4/10/81

Mr. Speaker:

The Committee on RESOURCES has had HB 204

"An Act making an appropriation to the Department of Natural Resources for range surveys on the Seward Peninsula; and providing for an effective date."

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

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 204 same title
 new title
- and recommends DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

R. B. Bennett

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature]
cc - CHAIRMAN

Psd out Cmte Sub.

<u>Funding Information</u>	
General Fund	\$260,000
Other Funds	-0-
	<u>\$260,000</u>

Introduced: 2/20/81
 Referred: Resources and
 Finance

1 IN THE HOUSE BY FULLER AND ADAMS

2 HOUSE BILL NO. 204

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making an appropriation to the Department of
 7 Natural Resources for range surveys on the Seward
 8 Peninsula; and providing for an effective date."

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

10 * Section 1. The sum of \$260,000 is appropriated from the general fund
 11 to the Department of Natural Resources for range surveys in cooperation with
 12 the ~~Bureau of Land Management~~ *Soil Conservation Service, USDA* on the Seward Peninsula.

13 * Sec. 2. The unexpended and unobligated portion of the appropriation
 14 made by this Act lapses into the general fund on June 30, 1983.

15 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
 16 070(c).

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STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF AGRICULTURE

POUCH A
WASILLA, ALASKA 99687
PHONE: (907) 376-3276

April 3, 1981

APR 09 1981

Representative Jack Fuller
Pouch V
Juneau, AK 99811

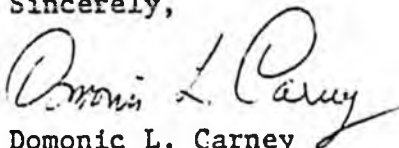
Dear Representative Fuller:

The State, with the cooperation of the USDA, Soil Conservation Service, has completed the first three years of a five year range survey program for the Seward Peninsula. Costs for the program are split between the Federal Government and the State.

Through an oversight, the legislature last year neglected to appropriate funds for the fourth (and fifth and final) year's survey efforts. The \$260,000 appropriation requested by HB204 will rectify that oversight, and we favor passage. If the supplemental appropriation is not forthcoming, the survey will be delayed for a minimum of one, and probably two years. Completion of the survey is vital to expansion of the reindeer industry in the area. Without the information it will provide, a sound range management plan cannot be formulated or followed.


We would suggest one revision of HB204. The appropriation is for surveys in cooperation with the Bureau of Land Management. We would suggest this be changed to the US Department of Agriculture, Soil Conservation Service. That agency has performed the first three year's survey, and has provided the matching staff and funds for the previous effort. I seriously doubt if the project could be completed by moving responsibility for its completion to BLM.

Sincerely,



Domonic L. Carney
Director

cc: Jeff Haynes
Wayne Long
Ross Schaff



KAWERAK, INC.

P.O. BOX 948 • NOME, ALASKA 99762

(907) 443-5231

November 24, 1980

Mr. Robert E. LeResche, Commissioner
Department of Natural Resources
Pouch M
Juneau, Alaska 99811

Dear Commissioner LeResche:

The Soil Conservation Service (SCS) range surveys on the Seward Peninsula will be limited and curtailed for the 1981 field season; because of HB 891 dying in its process, during the 1980 legislative session.

The Reindeer Herders' Association (RHA) needs your support in approaching the appropriate state legislators and committees in sponsoring and co-sponsoring a bill for a supplemental budget funding of \$130,000., for 1981 to accelerate the range survey program by expanding the current field effort and to support increased staff and logistic requirements of SCS.

The funding of range surveys and related activities have to be continuing; instead of on an annual basis, which have been the case in past. If a two (2) year funding for range surveys was appropriated for the amount of \$260,000.; it would guarantee the continuation and completion of the range surveys needed to develop coordinated range management plans. As stated in the Reindeer Herders' Association, "A Plan of Action for Alaska's Reindeer Industry", "... The range management plan provide the herders with the basis for comprehensive herd management plans, which propose acceptable stocking rates, grazing rotation systems, and travel routes to avoid conflicts with wildlife and other reindeer herds. Expediting the range surveys and range management plans would allow, the individual herd management plans to be completed earlier, providing a stable basis for industry development."...

The range surveys cannot be curtailed or limited, when they are approximately half completed. ..." These (management) plans will reflect the opportunities and constraints, both environmental and financial, of each herd owner and especially tailored to the herder's needs and objectives. Various agency mandates and land use plans will be taken into consideration during development of these plans to insure their compatibility with landowners."... Another excerpt from RHA's, "A Plan of Action for Alaska's Reindeer Industry". Commissioner LeResche as you can see, the formulative stage(s) of our reindeer industry is solely dependent on timely completion and intergration of these surveys, which is an essential step in the industry's

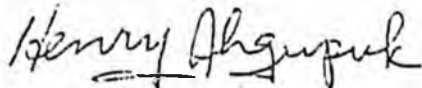
development of comprehensive reindeer herd and range management plans for the Seward Peninsula and the other reindeer herds in Alaska.

In behalf of the Reindeer Herders' Association members consisting of fifteen (15) reindeer herds on the Seward Peninsula and St. Lawrence Island; Tanaqusix Corp., Inc. who represents St. Paul Island, St. George Island and Umnak Island reindeer herds; Nunivak Island and Atka Island reindeer herds and the Reindeer Herders Association president, Larry Davis; I am formally requesting through your office, to initiate the legislative process of submitting a bill for supplemental funding of \$130,000, for 1981 range surveys and/or \$260,000 for the 1981/1982 field seasons.

Sitnasuak Native Corporation and Tom Gray, two(2) non-voting members, of Nome and Council, respectively, and the Togiak/Hagemeister Island reindeer herds stand to benefit and gain a great deal from the spin-off value of the range surveys being conducted on the Seward Peninsula and the expertise that the Reindeer Herders' Association have accumulated over the years of our administrative operations.

I want to thank you for any forth-coming and continuing support and assistance that you can give to the Reindeer Herders' Association.

Respectfully yours,



Henry Ahgupuk
Program Coordinator
Reindeer Herders' Association

CC: Larry Davis, President
Reindeer Herders' Association

Senator Frank Ferguson
Senator George H. Hohman, Jr.
Senator Bob Mulcahy
Representative John "Jack" Fuller
Representative Albert P. Adams
Representative Eric G. Sutcliffe
Representative Joseph Chuckwuk
Representative Tony Vaska

Mr. Weymeth E. Long
State Conservationist
U.S. Department of Agriculture
Soil Conservation Service

Mr. T.G. Smith, Director
Division of Forest, Land and Water Management
323 East 4th Avenue
Anchorage, Alaska 99501

files

Reindeer Range Surveys

In 1975, the Reindeer Herders Association and the NANA Regional Corporation asked SCS and BLM to work with them in developing range management plans for the Reindeer grazing permit areas in the NANA region. As a result of that request, field surveys of the range and soils were completed during the following year. Range plans were developed with individual herders in the region in 1977 using the information gathered in the range and soil survey. We are continuing to work with the reindeer herders and BLM in range investigations on the surveyed areas. To help understand vegetation responses to fire, reindeer grazing and wildlife, the following evaluations are being made:

Grazing Use Checks - Use checks are necessary to determine the amount of forage used by the reindeer. It is also important to evaluate soil erosion, water quality and possible problems with wildlife and waterfowl.

During the 1978 summer season, SCS and BLM checked winter and summer range units for the NANA corporation. Over 30 miles of transects were walked to check grazing use. Permanent photo plots have been established to record plant condition and the information has been permanently recorded. The plots will be checked as needed.

Wildfire and Range - The 1977 wildfire area between the Kugruk and Inmachuk is also being checked by photo plots. We are interested to know the rate at which lichens reestablish in a burn and how the other plants react to wildfire.

Planting Lichens - Burned areas and poor condition ranges which have potential to grow lichen, possibly can be planted to lichen. We are exploring the possibility of testing this procedure at the Plant Materials Center at Palmer.

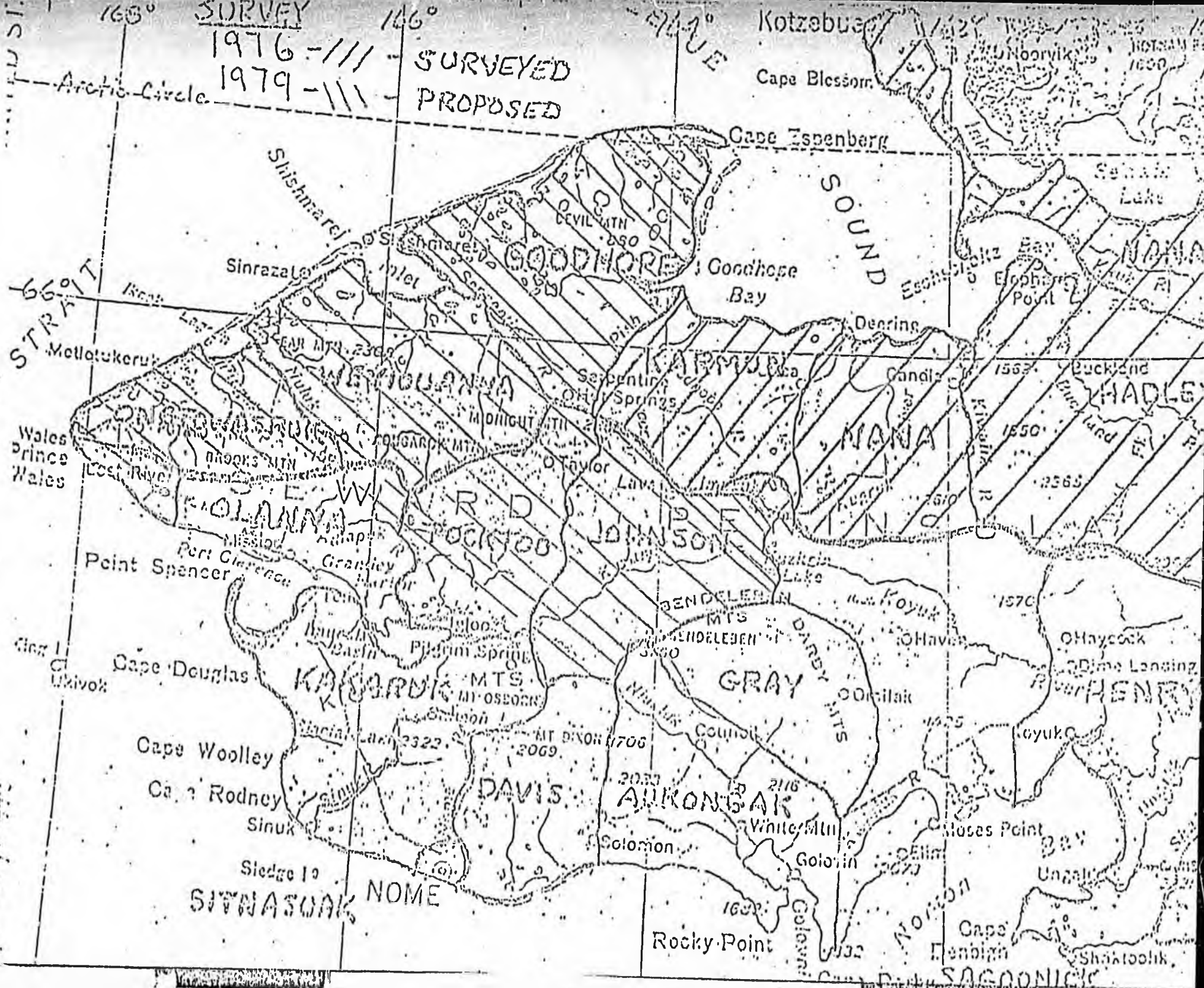
Snow Surveys on Reindeer Ranges - The winter range is one of the most limiting factors to reindeer management. Associated with the winter range is the snowpack with a variety of combinations of density, crusting, layering hardness, and depth. These varying snow conditions frequently make feed unavailable to the reindeer. Snow surveys to evaluate the relationship of reindeer foraging in different snow conditions have been started.

Present Survey Status

At present, we are coordinating plans with the NPS, BLM, Bering Straits Corporation, and State of Alaska to continue the Range and Soil Survey in the western portion of the Seward Peninsula. The proposed survey area for 1979 includes the Godhope, Weyiouana, Ongtowsruk, and part of Tocktoo, Olanna, and Johnson permit areas (attachment 1). Landsat imagery in combination with NASA color infrared photographs will provide a source for interpretation. Field crews collecting soil and plant production data will spend about six weeks with a helicopter to survey approximately 4 million acres. The information will be published as an interim report by May 1980, and will eventually be incorporated into a general soil survey report for the entire Seward Peninsula, to be completed in approximately five years.

T. G. Freeman
Soil Conservation Service

163° SURVEY 166°
1976 - III - SURVEYED
1979 - III - PROPOSED



Alaska Land Managers Cooperative Task Force
Reindeer Range Surveys and Range Management
on the Seward Peninsula Subcommittee

The Reindeer Range Surveys and Range Management Subcommittee met on October 17, 1978, at 9:30 a.m., at the SCS conference room in Anchorage. Those present were: Tom Schoder, Bureau of Land Management; Fran Mauer, U.S. Fish and Wildlife Service; Richard Stern, Alaska Division of Lands; Dan Karmun, Reindeer Herders Association; Alan Epps, Cooperative Extension Service; Ted Freeman, Soil Conservation Service; Dave Swanson, Soil Conservation Service; Wayne Long, Soil Conservation Service; Gerry Gilliland, Department of Interior; Paul Gates, Department of Interior; James Fisher, Department of Agriculture; Ray Kramer, Alaska Department of Fish & Game. Others who were invited but were not able to attend were: Alaska Federation of Natives, Alaska Division of Agriculture, National Park Service, and Bureau of Indian Affairs.

Mr. Long reviewed how and why the "Alaska Land Managers Cooperative Task Force" was established. He also discussed the reasons for setting up the "Reindeer Range Surveys and Range Management Subcommittee."

Mr. Gilliland said that the Land Managers Task Force operated on a consensus basis and that it was expected that all participants agree or the subject would not be pursued. It was recommended that the reindeer subcommittee operate on the same basis. Mr. Gilliland also stated that a purpose of the subcommittee is to help identify any problems early so there will be an opportunity to solve them before they become too large.

Dan Karmun reviewed the plans and goals of the Reindeer Herders Association to further the growth of the industry on the Seward Peninsula. Mr. Karmun discussed the need to continue the range and soil surveys that have been started in the area. Mr. Karmun briefly reviewed the conflicts of caribou herds on reindeer permit areas. He also distributed copies of resolutions passed at the recent Herders Association meeting in Shishmaref.

Each of the agencies attending gave a brief resume of their interests and concerns regarding reindeer on the Seward Peninsula. It was brought out that all of the present or proposed land management agencies, including BLM, NPS, F&WLS, and State of Alaska will permit reindeer herding.

Dave Swanson showed copies of the range and soil surveys that were carried out on the reindeer range in the NANA Regional Corporation area. The field work for those surveys was done during the summer of 1976 under the terms of a cooperative agreement among SCS, BLM, Alaska Soil Conservation District, and the NANA Regional Corporation. Mr. Swanson reviewed how the surveys are used to develop management plans with individual herders, and the procedure for making range evaluations to determine impact from grazing and wildfire.

There was unanimous agreement that the range and soil surveys need to be carried out on the remainder of the Seward Peninsula (approximately 15 million acres). It was also agreed that the survey methods used and format in which the information is presented are satisfactory.

SCS reported that plans are being made to conduct soil and range surveys again next summer in the area west of the present survey boundary. This is the priority area identified by the Reindeer Herders Association.

During the discussion of the scope of efforts the subcommittee should undertake, the following were agreed upon:

- 1) The subcommittee should identify the interest and objectives of agencies, Regional Native Corporations, and other land holders on the Seward Peninsula.
- 2) As ownerships change it will be important that the Land Managers Task Force and the Reindeer Subcommittee serve as a focal point to resolve problems as they may develop.
- 3) The subcommittee should assist in developing parameters for statewide policy formulation regarding reindeer management.
- 4) Other groups that may be concerned with reindeer grazing should be listed so they may be kept informed of the activities of the subcommittee. These would include the Alaska Rural Development Council and several Native Regional Corporations.
- 5) The committee should address biological parameters such as predator control and disease control as well as land use coordination.
- 6) The subcommittee should attempt to have the stipulations of National Reindeer Act implemented.

The next meeting of the Reindeer Subcommittee will be held on November 28, at 8:30 a.m. at the SCS conference room, 2221 East Northern Lights Blvd., Anchorage, Alaska. Agenda topics will include:

- 1) A report on the meeting held in Kotzebue on October 19 to be attended by NANA Regional Corporation, BLM, ADF&G, and SCS.
- 2) Report on plans for range surveys next summer.
- 3) Reports from agencies and corporations listing the areas of conflict and policies they have that may be a problem to the reindeer industry.

T. G. Freeman
T. G. Freeman
Subcommittee Chairman

H B

205

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST CSHB 507 (Res)
 Bill/Resolution No. _____
 Title An Act Relating to the Fishermen's Mortgage and Note Program
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Department of Commerce & Economic Development
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Division of Business Loans
 (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		253.0	278.3	306.1	336.7	370.4
200 TRAVEL		15.8	17.4	19.1	21.0	23.1
300 CONTRACTUAL		42.3	46.5	51.2	56.3	61.9
400 COMMODITIES		2.1	2.3	2.5	2.8	3.1
500 EQUIPMENT		13.6	15.0	16.5	18.1	19.9
600 LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	326.8	359.5	404.3	434.9	478.4

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	326.8	359.5	404.3	434.9	478.4
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	7	7	7	7	7
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CORRECTION

CORRECTION

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST CSHB 507 (Res)
 Bill/Resolution No. CSHB 507 (Res)
 Title An Act Relating to the Fishermen's Mortgage and Note Program
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Department of Commerce & Economic Development
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Division of Business Loans
 (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	F 85	FY 86
100 PERSONAL SERVICES		253.0	278.3	306.1	336.7	370.4
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500 EQUIPMENT		13.6	15.0	16.5	18.1	19.9
600 LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	326.8	359.5	404.3	434.9	478.4

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	326.8	359.5	404.3	434.9	478.4
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	7	7	7	7	7
PART TIME		-0-	-0-	-0-	-0-	-0-
TEMPORARY		-0-	-0-	-0-	-0-	-0-

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

Staff required to process loans. Fiscal note detail attached.

IV. DATE May 7, 1981 PREPARED BY David Massey, Deputy Director
 AGENCY Division of Business Loans, Dept. of Commerce
 and Economic Develop.
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 PHCNE 465-2970

FISCAL NOTE DETAIL

CSHB 507 -- An Act Relating to the Fishermen's Mortgage and Note Program

100 -	2 Loan Examiner III's @ \$2,837/mo. each (Anchorage)	68.0	
	1 Loan Examiner III @ \$3,260/mo. (Fairbanks)	39.1	
	1 Loan Examiner I/II @ \$2,455/mo. (Juneau)	29.5	
	1 Loan Closer I @ \$1,564/mo. (Anchorage)	18.8	
	1 Documents Processing Clerk III @ \$1,761/mo. (Fairbanks)	21.1	
	1 Accounting Technician I @ \$1,761/mo. (Juneau)	<u>21.1</u>	
	Total Wages	197.6	
	Standard Benefits (Wages x .1555)	30.7	
	Supplemental Benefits (Wages x .0613)	12.1	
	Health Insurance (Man Months x \$150)	<u>12.6</u>	
	TOTAL PERSONAL SERVICES		<u>253.0</u>
200 -	Travel to Close Loans:		
	36 Trips @ \$300	10.8	
	72 Days @ \$70/day	5.0	
			<u>15.8</u>
300 -	Telephone and Postage	23.1	
	Printing of Applications and Advertising	7.7	
	Office Space, Anchorage (2 x \$2,700)	5.4	
	Office Space, Fairbanks (2 x \$3,067)	<u>6.1</u>	
			<u>42.3</u>
400 -	Office Supplies		<u>2.1</u>
500 -	Equipment		
	7 Desks @ \$330	2.3	
	5 Credenzas @ \$470	2.4	
	2 Typists Extension @ \$455	.9	
	4 Executive Chairs @ \$190	.8	
	3 Secretarial Chairs @ \$150	.5	
	7 Side chairs @ \$100	.7	
	7 File Cabinets @ \$325	2.3	
	7 Calculators @ \$200	1.4	
	2 Typewriters @ \$1,000	2.0	
	7 Wastebaskets @ \$2.5	.2	
	1 Coat Rack @ \$70	<u>.1</u>	
			<u>13.6</u>
			<u>\$326.8</u>

10% inflation for Succeeding Years

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 205

Title Trails, Waterways, and Campsites System

Requested by House Resources Date 5/1/81

II. FISCAL DETAIL

Agency Affected Natural Resources - Parks

Program Category Affected NRMEC - Parks & Recreation

BRU, Program, or Subprogram(s) Affected Park Operations - Park Design/Development

(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		39.8	43.8	48.2		
200 TRAVEL		3.6	4.0	4.4		
300 CONTRACTUAL		3.1	3.4	3.8		
400 COMMODITIES		0.5	0.6	0.6		
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		47.0	51.8	57.0		

FUNDING (Thousands of Dollars)

GENERAL FUND		47.0	51.8	57.0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		1.0	1.0	1.0		
PART TIME						
TEMPORARY						

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

Costs associated with this bill would fall into two categories: administrative and operational.

Administrative costs are identified in lines 100 through 400 - a total of 47.0 for FY82. Those monies would fund a full-time Park Planner II position to function as "trails system coordinator" by working with municipal governments and State agencies in developing the system plan and the agreements necessary to implement the plan and to fulfill other duties, such as developing the marker system, working with the Department of Transportation and Public Facilities to incorporate trailheads and waterways access in the design and development of all State highway projects which affect the system plan, establishing regulations concerning distribution of operational funds to municipalities, and preparing and maintaining the five-year development plan and the annual report to

IV. DATE 5/8/81 OVER
PREPARED BY Hilton Wolfe *Hilton Wolfe*
AGENCY Natural Resources - Parks
PHONE 465-2421

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

the Legislature. This position would also insure, for example, that the State would be able to participate in the activities of the Iditarod Trail Committee, along with Federal agencies and private interests to insure that this world-class trail is legally recorded and managed for public use.

It is understood that the intent of the House Resources Committee is for the system plan to be developed in FY82 and that funding requests to implement and operate the system would be presented next session for FY83 and subsequent years. Consequently line 600 shows zero funds at this time; however, the fiscal note for the companion bill - CSSSSB 189 - does show 3,000.0 for FY82, based upon our understanding that the Senate Resource Committee did wish to fund selected priority units of the system as it becomes designated in FY82. A copy of the fiscal note for CSSSSB 189 is attached for informational purposes.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SSSB 189
 Title Trails, Waterways, and Campsites System
 Requested by Senate Resources Date 5/7/81

II. FISCAL DETAIL

Agency Affected Natural Resources - Parks
 Program Category Affected NRMEC - Parks & Recreation
 BRU, Program, or Subprogram(s) Affected Park Operations - Park Design/Development
 (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		39.8	43.8	48.2		
200 TRAVEL		3.6	4.0	4.4		
300 CONTRACTUAL		3.1	3.4	3.8		
400 COMMODITIES		0.5	0.6	0.6		
500 EQUIPMENT						
600 LAND & STRUCTURES		3.000.0	*	*		
700 GRANTS, CLAIMS, ETC.						
TOTAL		3,047.0	51.8	57.0		

FUNDING (Thousands of Dollars)

*Please see discussion below of operational costs.

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		3,047.0	51.8	57.0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		1.0	1.0	1.0		
PART TIME						
TEMPORARY						

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

Costs associated with this bill would fall into two categories: administrative and operational.

Administrative costs are identified in lines 100 through 400 - a total of 47.0 for FY82. Those monies would fund a full-time Park Planner II position to function as "trails system coordinator" by working with municipal governments and State agencies in developing the system plan and the agreements necessary to implement the plan and to fulfill other duties, such as developing the marker system, working with the Department of Transportation and Public Facilities to incorporate trailheads and waterways access in the design and development of all State highway projects which affect the system plan, establishing regulations concerning distribution of operational funds to municipalities, and preparing and maintaining the five-year development plan and the annual report to the

IV. DATE 5/8/81 OVER Hilton Wolfe *Hilton Wolfe*
 PREPARED BY _____
 AGENCY Natural Resources - Parks
 PHONE 465-2421
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Legislature. This position would also insure, for example, that the State would be able to participate in the activities of the Iditarod Trail Committee, along with Federal agencies and private interests, to insure that this world-class trail is legally recorded and managed for public use.

Given our understanding that the intent of the Senate Resources Committee is to have the system plan developed in FY82, to fund selected priority units of the system in FY82, and to consider a full funding beginning in FY83, a figure of \$3 million has been identified on line 600 for FY82 operational costs, although it is fully recognized that the level of funding for operational costs would be determined by the Legislature. At the present time, preliminary nominations for units to be included in the system would carry development costs of about \$55 million. Without knowing what additional nominations will be submitted and in the absence of a completed system plan with a recommended five-year development plan - all of which are required by this legislation - it is difficult to identify a reasonable or reliable figure for operational costs of the system. If the "trail system coordinator" is funded for FY82 (as identified in this note), a recommended five-year development plan for FY83 and subsequent years would be presented to the Legislature next session.

For FY82, \$3 million does seem to be a reliable base figure and represents the total of (a) the mid-level "mandatory" funding identified in AS 41.20.355-375 (the State "Trails and Footpaths" grants program, which has received no funding since 1978), (b) the past five-year average (adjusted for inflation) of appropriations identified in AS 41.22.010-030 (the "Outdoor Recreation, Open Space, and Historic Properties Development Fund," which received its only appropriation in 1976) and (c) the FY82 estimated levels of Federal monies for local recreational projects but which will not be available due to Federal rescissions and cuts.

About 95 per cent of whatever funds might be appropriated in FY82 or later years would go to municipalities, as provided in Sec. 41.20.080(f); the administrative cost for that distribution would depend upon the nature of the regulations established, as provided in Sec. 41.20.100 of this bill, and would be realized as a surcharge (probably in the range of 2 to 4 per cent) on the funds distributed.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. S.B. 189
 Title Trails, Waterways, and Campsites System and Local Assistance Program
 Requested by Sen. Vic Fischer Date 4/21/81

II. FISCAL DETAIL

Agency Affected Natural Resources - Parks
 Program Category Affected Parks & Recreation
 BRU, Program, or Subprogram(s) Affected Park Operations
 (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		39.8	43.8	48.2		
200 TRAVEL		3.6	4.0	4.4		
300 CONTRACTUAL		3.1	3.4	3.8		
400 COMMODITIES		0.5	0.6	0.6		
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		10,732.7	11,806.0	12,986.6		
TOTAL		10,779.7	11,857.8	13,043.6		

FUNDING (Thousands of Dollars)

GENERAL FUND		10,779.7	11,857.8	13,043.6		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		1.0	1.0	1.0		
PART TIME						
TEMPORARY						

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

Line 100 through 400 costs are for a full-time position to work with municipal governments and State agencies in developing the system plan and the agreements necessary to implement the system plan.

The line 700 monies are for the assistance program to local communities. A base figure is \$3,052.0, based upon the mid-level mandatory funding identified in AS41.20.355-375, the past five-year average (adjusted for inflation) of appropriations identified in AS41.22.010-030 (the "Outdoor Recreation, Open Space, and Historic Properties Development Fund"), and FY82 estimated levels of Land and Water Conservation Funds and Historic Preservation Funds available to local governments is those Federal grants had not been cut. The base figure is then revised to bring the backlog of community funding requests down to a minimum of a five-year funding program to implement community requests.

IV. DATE 4/29/81 PREPARED BY *Dan Robinson* Dan Robinson, Deputy Director
 AGENCY Parks
 PHONE 465-2421

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

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

WATER RESOURCES BOARD

323 E. 4TH AVENUE
ANCHORAGE, ALASKA 99501
PHONE: (907) 279-5577

April 6, 1981

The Honorable Terry Gardiner
Co-chairman, House Resources Committee
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Honorable Co-chairman:

Enclosed are two resolutions passed at our March 3-5, 1981, meeting in Juneau.

Resolution 81-2 supports HB 205, an act establishing a state historical, recreational and wilderness trails, waterways and campsite system. Maintenance of presently unmanaged, high use recreational areas along rivers and lakes is a topic of great concern to the Water Board members. Through our personal experiences and from presentations at recent meetings, we have become aware that if these medium-sized recreational areas are not managed and maintenance provided for, these areas, particularly in Southcentral Alaska, will become severely degraded, if they are not already so.

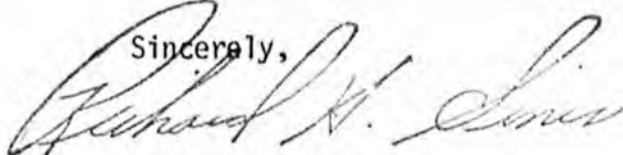
We have addressed this issue before. After our June 1980 meeting we sent a letter to Governor Hammond requesting that funds be provided for the cleanup of recreational areas and reiterated that request in December. It is our strong belief that adequate funding for maintenance is an essential ingredient for any park system, especially for those areas that will experience high use.

Resolution 81-3 urges creation of a state forest resource management system, as recommended by the Board of Forestry. Identification and reservation of suitable land to be managed under the multiple use/sustained yield concept will protect important watershed values throughout the state. Such a system should be established now while the options for the future use of state land are still open.

We urge that HB 205 be passed with adequate funding provided and that a state forest resource management system be established.

Thank you for your consideration.

Sincerely,



Richard H. Sims
Chairman

Resolution 81-2

WHEREAS SB 189 and HB 205 introduced in the Twelfth Legislature, first session, proposes to establish a state historical, recreational and wilderness trail, waterway and campsite system; and

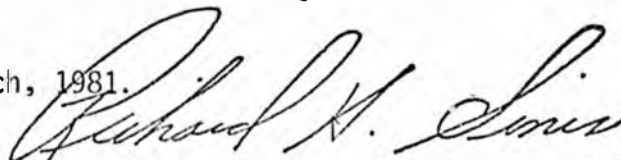
WHEREAS the existing state park system includes both large acreage parks and small waysides but does not include provisions for the waterways and trails and de facto campsites, usually near water, that experience the greatest recreational and wilderness use in Alaska; and

WHEREAS the use of these waterways, trails and campsite is so great that management and maintenance is of the utmost importance to ensure that these places are not spoiled for future use by Alaskans.

NOW THEREFORE BE IT RESOLVED that the Alaska Water Resources Board recommends passage of SB 189 (HB 205); and

BE IT FURTHER RESOLVED that the Board recommends a fiscal note be attached to SB 189 (HB 205) to enable adequate maintenance of the waterways, trails and campsite system established under this legislation.

Adopted this 5th day of March, 1981.



Richard H. Sims, Chairman

Resolution 81-3

WHEREAS the Alaska Board of Forestry has proposed creation of a State Forest Resource Management System; and

WHEREAS no state lands are currently managed for renewable resources under the multiple use/ sustained yield concept; and

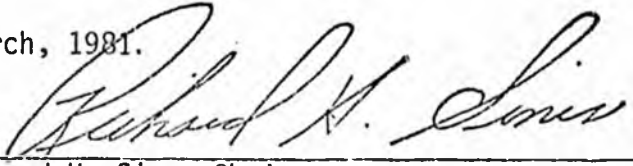
WHEREAS legislative designation of specific land to be managed to guarantee perpetual supplies of renewable resources will benefit state watershed values, including protection of public water supplies, fish and wildlife habitat, recreation and protection against flooding and erosion; and

WHEREAS the proposal by the Board of Forestry will create such a renewable resource management system and identify areas to be managed.

NOW THEREFORE BE IT HEREBY RESOLVED that the Water Resources Board supports the designation of multiple use resource management lands; and

BE IT FURTHER RESOLVED that the Water Resources Board supports the proposal of the Board of Forestry for a State Forest Resource Management System.

Adopted this 5th day of March, 1981.



Richard H. Sims, Chairman

STATE OF ALASKA

WATER RESOURCES BOARD

K. B. ...
APR 8 1981

JAY S. HAMMOND, GOVERNOR

323 E. 4TH AVENUE
ANCHORAGE, ALASKA 99501
PHONE: (907) 279-5577

April 6, 1981

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

Honorable Co-chairman:

Enclosed are two resolutions passed at our March 3-5, 1981, meeting in Juneau.

Resolution 81-2 supports HB 205, an act establishing a state historical, recreational and wilderness trails, waterways and campsite system. Maintenance of presently unmanaged, high use recreational areas along rivers and lakes is a topic of great concern to the Water Board members. Through our personal experiences and from presentations at recent meetings, we have become aware that if these medium-sized recreational areas are not managed and maintenance provided for, these areas, particularly in Southcentral Alaska, will become severely degraded, if they are not already so.

We have addressed this issue before. After our June 1980 meeting we sent a letter to Governor Hammond requesting that funds be provided for the cleanup of recreational areas and reiterated that request in December. It is our strong belief that adequate funding for maintenance is an essential ingredient for any park system, especially for those areas that will experience high use.

Resolution 81-3 urges creation of a state forest resource management system, as recommended by the Board of Forestry. Identification and reservation of suitable land to be managed under the multiple use/sustained yield concept will protect important watershed values throughout the state. Such a system should be established now while the options for the future use of state land are still open.

We urge that HB 205 be passed with adequate funding provided and that a state forest resource management system be established.

Thank you for your consideration.

Sincerely,



Richard H. Sims
Chairman

AMENDMENT

TO: Sponsor Substitute for Senate Bill No. 189

Page 5, lines 4:

After "facilities" insert "designed to serve local residents"

Page 5, line 10:

Insert a new subsection (d) to read:

"(d) Trails within a municipality which are part of, or connect with, statewide trails or regional trails, or are trails serving users from other areas, including tourists, are not considered to be trails designed to serve local residents, but rather of statewide significance and are to be part of the state system eligible for 100 percent state funding."

Renumber remaining subsection.

House Bill 205

This bill amends AS 41.20.070 to include historical and recreational to the trails system and adds waterways. And, the bill outlines those systems to be included as they may have been designated in section 0&0. DNR commissioner approves the systems.

Section 2 of the bill outlines what areas are to be considered inclusion in the system and how the selection process will be managed.

Section 3 requires the DNR to establish a uniform system of marking the historical recreation and wilderness trails waterways and campsites system including important info.

Section 4 requires DNR to promulgate regulations to implement the system. local government trail systems and the state must providing funding to local governments to ~~establish-se~~ carry out the requirements outlined in this chapter.

Section 6 requires DOT&PF to construct adequate trails.

Section 7 provides that the Division of Tourism shall provide informational materials to promote tourism in these specific areas.

And, the Division of Parks is required to prepare and present an annual report to the legislature outlining the designated areas.

CSSSSenate Bill 36

This bill establishes the citizen's advisory commission on federal management areas in Alaska.

The commission would be temporary/executive branch consisting of 16 members appointed to represent specific judicial districts. The commission must be made up of members who are representative of diverse users and uses of federal in the state. ~~Each~~ The bill sets out commission members' terms, which varies depending upon their appointing authority. The bill implies but does not specify that a member may serve only one term.

The bill provides that a member may be removed from the commission for cause or if the member misses three consecutive meetings.

Sec. 41.37.080 outlines the commission's duties.

090 allows the commission to establish advisory groups.

100 allows the commission to file suit against a federal official or agency if the commission determines is violating Act of Congress.

110 requires all state departments, boards and commission to aid in carrying out the commission's duties.

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** Mary Madore
Box 853
Delta Jct., Ak 99737
QB KIV 1529 channel 12

TO: Rep. Zharoff, Gardiner, Chuckwak, Barnes, Bettisworth, Grussendorf, Halford,
Hurlbert, Smith, Sutcliffe, Vaska, Moss
RE: HB 222

Please pass this bill

POW 5/4/81

** Jackie Lenon
4035 Iris Lane
Fairbanks, Alaska 99701
479-5952

TO: Rep. Zharoff, Gardiner, Chuckwak, Barnes, Bettisworth, Grussendorf, Halford,
Hurlbert, Smith, Sutcliffe, Vaska
RE: HB 222

Please pass this bill

** Carol Dufendach
Box 309
Delta Jct., Ak 99737

TO: Rep. Zharoff, Gardiner, Chuckwak, Barnes, Bettisworth, Grussendorf, Halford,
Hurlbert, Smith, Sutcliffe, Vaska
RE: HB 222

Please pass this bill

POM 5/4/81

** Robert E. Brown
Box 1063
Delta Jct., Ak 99737

TO: Rep. Zharoff, Gardiner, Chuckwuk, Barnes, Bettisworth, Grussendorf, Halford, Hurlbert,
Smith, Sutcliffe, Vaska
RE: HB 222

Vote yes on HB 222

** Esther Brown
3.5 Tanana Loop
Delta Jct., Ak 99737

TO: Rep. Zharoff, Gardiner, Chuckwuk, Barnes, Bettisworth, Grussendorf, Halford, Hurlbert,
Smith, Sutcliffe, Vaska
RE: HB 222

Please sign HB 222

** Nancy Brown
Box 711
Delta Jct., Ak. 99737

TO: Rep. Zharoff, Gardiner, Chuckwuk, Barnes, Bettisworth, Grussendorf, Halford, Hurlbert,
Smith, Sutcliffe, Vaska
RE: HB 222

please vote yes on HB 222

** Deborah Brown
Box 711
Delta Jct., Ak 99737

TO: Rep. Zharoff, Gardiner, Chuckwuk, Barnes, Bettisworth, Grussendorf, Halford, Hurlbert,
Smith, Sutcliffe, Vaska

RE: HB 222

Please vote yes on HB 222

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STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K-STATE CAPITOL
JUNEAU, ALASKA 99811

January 21, 1982

Pat Lawler
Administrative Assistant
House Natural Resources Committee
Alaska House of Representatives
Pouch V
Juneau AK 99811

Re: HB 231

Dear Mr. Lawler:

This will confirm our conversation earlier today regarding HB 231, "An Act relating to the the seizure of items used or in aid of fish and game violations."

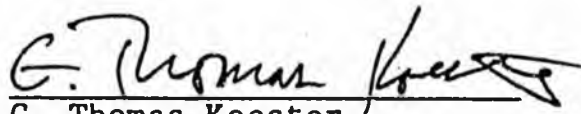
The Department of Law supports the position expressed by the Department of Public Safety on this bill. In particular, Public Safety's comments regarding the impact of this proposal on the criminal justice system cannot be overstated. Because of the time delays inherent in pursuing fish and game violations in remote areas, and the additional time delays inherent in the criminal justice system, virtually every instance in which an item is seized would require an appearance in court to seek a judicial extension of the seven day period the bill would permit law enforcement officers to hold the item. This, in turn, would divert both field officers and district attorney resources from more substantive pursuits (i.e., the apprehension and prosecution of other criminal violations). In addition, it would further crowd already crowded court calendars.

Summarizing, it is the Department of Law's position that HB 231 would have a severe detrimental impact on the enforcement of the state's fish and game laws. Please communicate our views to the Natural Resources Committee at your convenience. Thank you.

Sincerely,

WILSON L. CONDON

by:



G. Thomas Koester
Assistant Attorney General



STATE OF ALASKA
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Public Safety	Sponsor (Principal) Randolph, Abcod, Barnes Beirne, Bettisworth, Bvlsma, Fanning, Metcalf, and Montgomery	Bill Number HB 231
Department Position Oppose		
Division Director Colonel Robert J. Stickles	Date 03/10/81	Commissioner <i>William R. Nix</i> Commissioner William R. Nix
		Date 03/10/81

GOVERNOR'S OFFICE USE

Comments:

Position Noted

By

Date

SUMMARY

1. a) Related Bills (Similar or Conflicting) None	1. b) Other Agencies Affected by Bill Court System, District Attorney's Office
2. a) Organizational Support for Bill Unknown	2. b) Organizational Opposition to Bill Unknown

3. Program Effects of Bill

The position taken on this bill reflects the conclusion that there would be a severe detrimental effect on enforcement of all fish and game laws statewide.

4. Fiscal Impact: None Fiscal Note Attached

5. Amendments Proposed:

6. Comments:

- The wording of the first added section on page 1, lines 14, 15, 16 would seem to prohibit the seizure or retention of items used in the commission of a violation, as with a weapon used to take game out of season. The weapon would not be specific evidence of a violation but an instrument used in the commission of it, pointing to the complicity of an individual in the violation. Many times, however, such an instrument of a violation is essential in prosecuting any accused party.
- The wording of the second added section, page 1, line 29, and page 2, line 1, within seven days after the seizure unless an extension is approved by court order for cause shown may lead to several problems.
 - Due to distance from the nearest court and intervening weather much evidence

could not reach a court within seven days nor could the officer(s) involved get to court to present the reasons for a court order.

- b. In the case of an aircraft or vessel seizure a complete inventory is necessary to protect the owner of the equipment and the state, and is no doubt necessary for a court order for retention, but at times an inventory could not be completed in seven days.
 - c. If an item must be returned to the owner because, through communications problems or remoteness of the site no court order has been issued in time, the evidence value of the item is, in many cases, destroyed. This can result in prosecutable violations being dismissed for lack of evidence.
 - d. Requiring the return of the evidence within a seven day period places a burden on the state possibly very difficult to meet. If a Department of Public Safety aircraft or vessel is still enroute to the location of evidence storage or a court, and a court order has not been obtained for whatever reason (difficulty in reaching a magistrate or the necessity of showing the evidence to a court official), apparently despite weather or other considerations the Department aircraft or vessel must return to locate the owner who by now may be enroute elsewhere himself. The bill, as written, makes no provision for difficulty in locating the owner or for delay due to the person attempting to return the evidence becoming engaged in investigating other violations or engaged in work of an emergency nature such as a search and rescue mission.
 - e. Failure to return the evidence in the time allotted would apparently open the state to court suit.
 - f. Return of the evidence within a fixed time may sometimes involve great expense to the state such as when crab pots must be taken many miles by a large vessel in the Bering Sea and may cause serious disruption of a planned patrol effort.
 - g. The issuance of approximately 1,000 court orders per year, at a rate of about 5 per working day, will be a considerable burden on the court system requiring much more time devoted to fish and game violations than at present. This could possibly either disrupt the administration of justice in other areas, or frustrate the proper enforcement of fish and game laws.
 - h. Return of evidence, especially in the case of large items, could frustrate any later attempts by the state to have the item forfeited after the case was completed (a position suggested in the recent Alaska Supreme Court decision in the American Eagle case).
3. The seizure of evidence or instrumentalities of a violation, and whether it can be used in any case against any defendant is presently regulated quite

rigidly by the United States Constitution, sections of Title 16 of the Alaska Statutes, and rules of court concerning both criminal and civil procedure. In addition, there are Department of Public Safety policies on seizure of evidence.

All of the above restrictions presently act in concert to prevent abuse of citizens' rights.



STATE OF ALASKA
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Fish and Game	Sponsor (Principal) Resources	Bill Number CSHB 231
Department Position OPPOSE		
Division Director <i>Ronald J. Somerville</i> Ronald J. Somerville	Date 2/9/82	Commissioner's Signature <i>[Signature]</i> Date 2-10-82

GOVERNOR'S OFFICE USE

Comments:

<input type="checkbox"/> Position Noted	By	Date
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SUMMARY

1. a) Related Bills (Similar or Conflicting) Unkown	1. b) Other Agencies Affected by Bill . DPS - Division of Fish and Wildlife Protection
2. a) Organizational Support for Bill Unknown	2. b) Organizational Opposition to Bill Unknown

3. Program Effects of Bill

None, except to the extent that this change might make enforcement to Fish and Game regulations less effective. It is emphasized that adequate enforcement is an integral part of a resource management program.

4. Fiscal Impact: None Fiscal Note Attached

5. Amendments Proposed:
None

6. Comments:

While law enforcement of Fish and Game regulations is the primary responsibility of DPS, Fish and Game Personnel also enforce Title 16 and Fish and Game regulations. It is our opinion that passage of this legislation would be detrimental to efficient enforcement of these statutes and regulations. Seizure of equipment used in commission of a crime serves 2 purposes: 1) to strengthen a case and substantiate how the crime was committed and 2) such seizures (or the knowledge on the part of a potential violator that equipment used is subject to seizure) acts as a very real deterrent, many cases, to the commission of a crime.

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SCIENCE FAIR *

4201 Lake Otis Parkway, Anchorage, Alaska 99504

March 4, 1981

Honorary Science Fair Committee

Bill Allen
President, VECO, Inc.

Evangeline Atwood
Distinguished Author and Historian

Jay Barton
President, University of Alaska

M.B. Beazley
Engineering Specialist, Mobil Oil Corp.

E.E. "Gene" Davis
Assistant Superintendent,
Anchorage School District

Kay Fanning
Editor and Publisher,
Anchorage Daily News

Tom Fink
Environmental Conservation Manager,
ARCO Alaska, Inc.

J.S. Hammond
Governor, State of Alaska

David Heatwole
President, Alaska Miners Association

Augle Hiebert
President, Northern Television, Inc.

Walter J. Hickel
Chairman of the Board,
Hickel Investment Co.

Kay Linton
Citizenship Chairperson,
General Federation of Women's Clubs

Frank Murkowski
United States Senator

Christopher Noah
Executive Director
Alaska Council on Science
and Technology

John B. Paper
Superintendent,
Anchorage School District

Elmer Rasmuson
Chairman of the Executive Committee,
National Bank of Alaska

Bill Sheffield
Chairman of the Board
Sheffield Hotels, Inc.

Ted Stevens
United States Senator

George M. Sullivan
Mayor, Anchorage, Alaska

W. Monte Taylor
Alaska Operations Manager,
Exxon Co. USA

Charles B. Towill
Director of Public Affairs,
Sohio Alaska Petroleum Co.

Don Young
Congressman,
House of Representatives

Rep. H. Pappy Moss
Pouch V
Alaska State Legislature
Juneau, Alaska 99811

Dear Representative Moss:

I have just read House Bill No. 234, an act increasing grants to agricultural and industrial fairs, particularly the phrase "provision shall be made for exhibits from boys' and girls' clubs." I have experience with the manner in which some fair directors handle such provisions. Unfortunately, student involvement often becomes so low a priority that outreach to them is totally ineffective.

I have an idea to remedy that situation. Couldn't funds be provided for existing fairs which are operated solely for students? Of course my SPECIAL interest is science fair. The application to industry and agriculture may be very obvious to you, but just in case it's not, let me point out that many former science fair students are actively working in our community and in our nation pursuing science and technical careers prompted and encouraged by volunteer science fair organizers. Did you know that the man who diffused the hydrogen bubble at Three-mile Island nuclear plant, invented the hydrogen auto for a science fair project in his senior year of high school? Did you know that a young lady in 1979 invented a natural fertilizing agent that [could] [might] someday save all the energy, natural gas, and petroleum now used to produce synthetic fertilizers--18 million dollars-worth is the worldwide estimate. She was a senior in high school who had been entering science fair competitions. Needless to say, she won that year and was promptly contacted by the President, the Pentagon, and the Department of Agriculture.

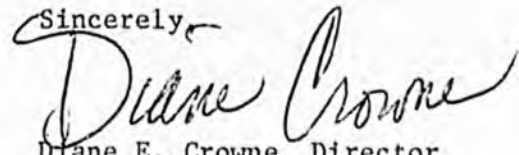
We are able to run the existing Alaska State science fair for less than three thousand dollars, and it is still drawing students from Adak, Bethel, Cordova, and Valdez. I have had calls from people in rural Alaska who simply cannot raise sufficient community support to participate. They ask for my help and all I can say is that our committee will house them if they can get transportation. For some, that is the end of their hope to enter science fair.

Rep. H. Pappy Moss
March 4, 1981
Page 2

Can you help us to help them? I have enclosed our current financial report. We only need \$3,110.00 to maintain the status quo. But if we could establish a budget with 3 to 10 thousand dollars more, we could help outlying communities run local fairs and send their winners to Anchorage.

I hope you will recognize the value of Science and Engineering Fairs and give us your support.

Sincerely,



Diane E. Crowne, Director
Science and Engineering Fair, Inc.

DEC:dt

Enclosures

cc: Sam Cotten, Chairman Finance Committee
Fred Zharoff, Co-Chairman Resources Committee
Terry Gardiner, Co-Chairman Resources Committee

SCIENCE FAIR*

4201 Lake Otis Parkway, Anchorage, Alaska 99504

CONTRIBUTORS

Alaska Bank of Commerce
 Alaska Dental Association
 Alaska Geological Society
 Alaska Miners Association
 Anchorage Chapter
 Alaska Oil and Gas Association
 Alaska Pharmaceutical Association
 Alaska Society of Civil Engineers
 Alaska TestLab
 Anchorage Cold Storage
 Anchorage Education Association
 Anchorage School District
 ARCO Alaska, Inc.
 Baskin-Robbins Ice Cream
 Robert F. Brodie, DDS
 Book Cache
 Emerson, G.M. Diesel, Inc. of Alaska
 EXXON Company, USA
 Greenpeace Alaska
 International Aircrossroads
 Lion's Club
 Marathon Oil Company
 National Bank of Alaska
 Pepsi Cola Bottling Company
 of Alaska
 Shakey's Pizza Parlor
 Sohio Petroleum Company
 Stewart's Photo Shop
 University of Alaska, AEIDC
 University of Alaska, Anchorage
 University of Alaska, Fairbanks
 Van Waters & Rogers
 Jim and Emma Walton
 Yukon Office Supply, Inc.

1979-80 FINANCIAL REPORT

Balance brought forward . . . \$ 788.30

Income (Donations and Cash Awards)

Alaska Bank of Commerce
 Alaska Society of Civil Engineers
 Exxon Company, USA
 Alaska TestLab
 ARCO Alaska, Inc.
 Alaska Pharmaceutical Association
 International Aircrossroads Lion's Club
 Robert Brodie, DDS
 Anchorage Education Association
 Alaska Dental Association
 Total . . . \$2,073.30

Operating Expenses

Rules Handbooks	\$ 10.00	
Postage	15.00	
Science Serv. Awards	143.50	
Com. Directory	10.00	
B. Dalton Bookseller	156.20	
Micahelle Heintz	10.00	
Emma Walton	17.00	
Insurance	103.50	
Affiliation Fee	100.00	
Airfare	623.48	
Food and Lodging	<u>744.00</u>	
	\$1,968.63	...Balance...
		\$104.67

1980-81 Projected Cost

Operating Expense . . 522.00
 Affiliation Fee . . . 100.00
 Insurance 130.00

Finalist Expense

Airfare	\$1,600.00
Food and Lodging	708.00
Entry Fee	<u>50.00</u>
Total	\$3,110.00

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MAY 28 1981

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 28, 1981

SUBJECT: Land for fair associations

TO: Representative Fred F. Zharoff
Chairman, House Resources Committee

FROM: Richard A. Bradley 
Legislative Counsel

The bill requested is enclosed.

Several points should be noted.

The suggestion in the work order request that the association be authorized to exchange the land for other state land is deleted because general law at AS 38.50 presently authorizes such action.

More importantly, the bill probably constitutes a violation of the prohibition against "special and local legislation". See, Article II, sec. 19 of the constitution. The proof of the matter is that existing law does permit the transfer in question, albeit at a possibly higher cost to the fair association.

An example of a bill where special efforts were made to justify a grant in the face of Article II, sec. 19 is that of Hope Cottage last year. See Chapter 101, SLA 1980. Additional information of the type suggested in Chapter 101 will be required if you elect that course of action.

If I may assist further, please advise.

RAB:ljb

Enclosure

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COMMITTEE REPORT

HOUSE

3/2/81

FURTHER: FINANCE

(11)

Date:

MARCH 25, 1981

Mr. Speaker:

The Committee on RESOURCES has had HB 237

"An Act increasing the maximum amount of the agricultural revolving loan fund; and providing for an effective date."

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

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

MEMBERS SIGNING
DO PASS

Tom Gardiner

Paul D. Zboroff

Don Smith

at staff

at staff

at staff

at staff

at staff

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Paul D. Zboroff
CO-CHAIRMAN

Tom Gardiner
CHAIRMAN

AGRICULTURAL LOAN FUND SUMMARY

The Agricultural Revolving Loan Fund (ARLF) is the primary source of low interest loans for farm development and associated processing facilities. The fund was established, in accordance with legislative and administrative policy, to allow reinvestment of income from non-renewable resources into the renewable resource of agriculture. The Fund has grown, since 1953, to a total capitalization of over \$20 million with the bulk of this capital (\$16 million) having been added as a part of the State's large scale development program which began in 1978 (see the attached summary of the progression of added capital).

Loans from ARLF are made to farms of all sizes, in all areas of the State. The amounts loaned range from less than \$10 thousand to amounts in excess of \$1 million with the greatest number of borrowers falling in the under-\$50 thousand category. The total of 12-31-80 outstanding loans made per farm is as follows:

<u>Range</u>	<u>Number of Borrowers</u>	<u>Total Amount Loaned</u>	<u>Average Indebtedness of Borrower</u>
Under \$50,000	118	\$ 2,193,807	\$ 11,699
50,001 to 100,000	23	1,760,625	76,548
100,001 to 150,000	15	1,586,321	122,024
150,001 to 250,000	10	1,971,728	197,173
250,001 to 500,000	16	5,618,019	351,126
500,001 to 1,000,000	6	4,640,171	773,362
1,000,001 and over	3	5,555,000	1,851,666
Totals	<u>189*</u>	<u>\$23,325,671</u>	

160 farms received loans totalling less than \$200,000 per farm with the average loan being \$41,187 per farm. Of this 160, 141 farms borrowed less than \$100,000 each for an average of \$28,045 per farm.

The balances of loans outstanding December 31, 1980, by areas of the State, are as follows:

<u>Area</u>	<u>Number of Borrowers</u>	<u>Number of Loans</u>	<u>Amount</u>
Matanuska	70	137	\$ 7,457,130
Tanana	90	230	11,586,425
Kenai	26	40	978,140
Other	6	14	697,509
Total	192*	<u>421</u>	<u>20,719,204</u>
Special loans administered by ARLF		<u>2</u>	<u>1,134,451</u>
Totals		<u>423</u>	<u>\$21,853,655</u>

*3 Borrowers have loans in 2 areas

The loan totals vary between the two charts in that the first chart reflects total loans made and the second chart reflects loan balances as they existed December 31, 1980. The difference in the number of borrowers is caused by several individuals having loans in more than one area.

Through December 1980, the Fiscal 80 appropriations of \$12,960,000 were loaned as follows:

<u>Loan Range</u>	<u>Number of Loans</u>	<u>Amount</u>
1,000 - 5,000	19	\$ 65,300
5,001 - 15,000	63	639,475
15,001 - 25,000	31	670,770
25,001 - 50,000	30	1,093,750
50,001 - 100,000	26	2,035,550
100,001 - 150,000	13	1,786,000
150,001 - 300,000	9	2,114,515
300,001 - 500,000	1	500,000
Over 500,001	<u>3</u>	<u>2,383,033</u>
Totals	<u>195</u>	<u>\$11,288,393</u>

As the State's development program proceeds, ARLF will continue to play a primary role in financing developing areas, farms and processors. This role is required by reluctance of other financing institutions to invest in an industry with no proven track record. Our agricultural industry is too new to have developed that track record, and, as an industry, is still incomplete. It is estimated that a developmental period of from five to ten years will be required before any substantial trend toward alternative financing sources can take place.

Once the industry has become established and has developed the needed performance record, the move to alternative financing sources can begin. In the long run, it is not in the best interest of the farm community for the industry to be based on the concept of continued low-interest loans from a single governmental source. Very soon ARLF must undergo structural and procedural changes which will ease these farm-related borrowers from reliance on the Fund and into the market for other types of financing. A decreasing role for ARLF is projected after the initial five-year development phase of each new enterprise and farm area.

The Division of Agriculture's FY 82 budget request as approved by the Governor adds \$27 million to the capitalized size of the Fund. This amount will fund the planned agricultural development needs for the next year as outlined in the Department's overall agricultural development schedule. In addition to this increase in capitalization of the Fund, the statutory fund size limit will have to be changed. We have recommended an increase to \$200,000,000, which will eliminate the need for annual fund size increases over the next three years, as additional capital is needed.

It would also be advisable to increase the maximum allowable loan size per farm. At the present time, the limit of \$500,000 per farm for farm development loans is often restrictive. A dairy, beef, or pork production unit will normally see a required investment of \$1,000,000 per farm. The allowable amounts for operating capital and chattel (equipment or livestock) are also restrictive for large, economic size units producing these products.

Through use of the Department of Revenue's willingness to purchase proven loans from the Fund, it will not be necessary for a supplemental appropriation to provide operating funds for already financed farms this spring. However, at this time, there are no funds available to finance new operations until additional capitalization is added.

FISCAL SUMMARY OF LOAN FUND

YEAR	APPROPRIATION	TOTAL FUND SIZE	STATUTORY AUTHORIZATION AND CHANGES
1953	\$200,000	\$ 200,000	Fund created; authorized up to \$1,000,000 short-term loans not to exceed \$2,000 on 1-year terms at 6%; chattel loans not to exceed \$10,000 for 5-year terms at 5%; farm development loans not to exceed \$15,000 with up to 20 years at 4.5%.
1955	150,000	150,000	Farm development limit raised to \$20,000 maximum.
1957	125,000	125,000	
1959	100,000	100,000	
1960	75,000	75,000	
1961	200,000	200,000	Authorized Fund increased to \$2,000,000; short-term limit \$5,000; chattel limit \$25,000; farm development to \$40,000.
1962	200,000	200,000	
1964			Authorized to utilize TR and PER Funds
1966	45,000	45,000	Short-term limit raised to \$10,000; chattel limit increased to \$40,000 for 7 years at 6%; farm development limit raised to \$50,000 for 30 years at 5%.
1967	45,000	45,000	Short-term limit raised to \$15,000; farm development limit raised to \$75,000 and 6%.
1968	300,000	300,000	
1969	100,000	\$1,540,000	
1970	500,000	500,000	Special irrigation fund established with up to 20 years at 4%; chattel limits raised to \$100,000; farm development limits raised to \$15,000; authority to sell loans to Department of Revenue.
	800,000	800,000	Fund limits raised to \$5,000,000
1971	200,000	3,040,000	
1974 FY75	200,000	3,240,000	Additional appropriation. Short-term loan limits raised to \$25,000
1975 FY76	200,000	3,440,000	

FISCAL SUMMARY OF LOAN FUND

YEAR	APPROPRIATION	TOTAL FUND SIZE	STATUTORY AUTHORIZATION AND CHANGES
1976 FY77	\$ 200,000	\$3,440,000	
1977 FY78	400,000	4,040,000	
1978 FY79	200,000	4,240,000	
1979 FY80	4,000,000	4,000,000	Taken for fire fighting
	<u>(1,200,000)</u> 2,800,000	7,040,000	
1980 4/80	6,800,000	6,800,000	
1981	<u>6,160,000</u> 20,000,000	<u>6,160,000</u> 20,000,000	

FISCAL SUMMARY OF LOAN FUND

YEAR	APPROPRIATION	TOTAL FUND SIZE	STATUTORY AUTHORIZATION AND CHANGES
1976 FY77	\$ 200,000	\$3,440,000	
1977 FY78	400,000	4,040,000	
1978 FY79	200,000	4,240,000	
1979 FY80	4,000,000	4,000,000	Taken for fire fighting
	<u>(1,200,000)</u> 2,800,000	7,040,000	
1980 4/80	6,800,000	6,800,000	
1981	<u>6,160,000</u> 20,000,000	<u>6,160,000</u> 20,000,000	

CRT MESSAGES ARE LIMITED TO 50 WORDS. THESE
MESSAGES ARE TRANSMITTED TO JUNEAU BY OUR STAFF
ON A TIME-AVAILABLE BASIS.

Date 3/10/81

Name (print) Mike Carlson

Representing Small farmers

Address Box 953 Delta Jct. Alaska 99737

Phone Number 895-4697 (work)

To Com. or Res.; Rep. Rogers; Sen. Fackett; Rep. Moss

Re Small Farms - HB 237

Message The biggest problem in the Delta area is a lack of money in the revolving loan fund. We must have more money available if the small farmers are going to develop dairy, hog, & poultry, etc. I will start expanding immediately if there is money available in the revolving loan fund. Rep. Rogers comments in the News Miner 3-6-81 are on the right track. If money is not made available in the next 30 days, my expansion plan is set back at least one year.

Signature 

Can be contacted at following times 895-4819-7:00 am Delta time

Address and phone number if different
from above _____

AGRICULTURAL REVOLVING LOAN FUND STATUS 3/20/81

	<u>MATANUSKA AREA</u>	<u>TANANA AREA</u>	<u>KENAI AREA</u>	<u>OTHER AREAS</u>	<u>TOTAL</u>
LOANS OUTSTANDING	7,733,304	12,133,139	1,142,377	790,392	<u>21,718,212</u>
Types:					
Short-term					2,857,419
Chattel					7,365,783
Farm Development					8,364,618
Irrigation					310,391
Production Facility					<u>2,820,000</u>
LOANS IN PROCESS (Funds vouchered; loans not closed):					
Short-term	46,000	47,000			93,000
Chattel		68,500			68,500
Farm Development	192,081	15,650	10,000		222,731
Irrigation					
Production Facility	<u>36,000</u>	<u>250,000</u>			<u>286,000</u>
Totals	274,081	381,150	10,000		<u>670,231</u>
Total Loans Outstanding and vouchered funds:					<u>22,388,443</u>
LOAN BALANCES TO BE ISSUED (not vouchered):					
Short-term					73,000
Chattel	73,000				73,000
Farm Development	515,454	44,000	126,715		722,169
Irrigation					
Production Facility	<u>874,000</u>	<u>417,000</u>			<u>1,291,000</u>
Totals	1,498,454	461,000	126,715		<u>2,086,169</u>

AGRICULTURAL REVOLVING LOAN FUND STATUS 3/20/81 (continued)

	<u>HATANUSKA AREA</u>	<u>TANAMA AREA</u>	<u>K'NAI AREA</u>	<u>OTHER AREAS</u>	<u>TOTAL</u>
LOANS APPROVED:					
Short-term	240,000	851,450	10,000		1,109,450
Chattels	54,000	579,417			633,417
Farm Development	40,000	116,100			156,100
Irrigation		16,000			16,000
Production Facility					
	<u>342,000</u>	<u>1,567,967</u>	<u>10,000</u>		<u>1,913,967</u>

LOAN REQUESTS NEEDING FURTHER INFORMATION:

Various types of loans	214,390	3,363,054	24,000	265,000	<u>4,416,444</u>
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Cash with Treasury and In Transit after latest transmittal and latest vouchers: 29,137.

Total anticipated immediate needs:

Balances of existing loans not disbursed	2,086,169
Loans approved	1,913,967
Loan Requests received, require additional information	<u>4,416,444</u>
	<u>8,416,520</u>

Additional anticipated seed and fertilizer requirements for 1981 crop year
- applications not received by 3/19/81



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

Mr. Beryl W. Houser
S. R. 90510
Fairbanks, Alaska 99701

Dear Mr. Houser:

Thank you for your letter of March 30th regarding H.B. 237. I am pleased to tell you the House Resources Committee passed a committee substitute of H.B. 237 out of committee on March 25th, and the bill subsequently passed the House of Representatives on April 3rd. I am enclosing a copy of C.S.H.B. 237 for your perusal.

I certainly recognize the time constraints many farmers are under at this time of year. I sincerely hope that the Senate will act on the bill in an expeditious manner.

Once again, thank you for writing.

Sincerely,

A handwritten signature in cursive script that reads "Fred F. Zharoff".

Fred F. Zharoff
Representative

FFZ/kh
Enclosure

letter reply 4-6

S R 90510

Fairbanks, Alaska

March 30, 1961

Mr. Fred F. Zharoff
House of Representatives
Co-Chairman of Resources Committee
Porch V
Juneau, Alaska 99811

Knis
Maybe
it could
draft
Miss
repp.

Dear Honorable Mr. Zharoff:

I am concerned about House Bill # 237. When will the bill possibly get out of the Resource Committee? A few pieces of machinery are coming to me from the factory. The Revolving Fund Loan Committee has OK'ed my loan. Spring farming is about here. But there is no money in the Fund. Whatever you can do to get the bill on the move will be deeply appreciated by me and the many others in the Delta Area who will be hurting if we don't get loans on or before June first. What can you do for us?? What will you do to help us? We need your help however small and we need it now in order to get in the fields in a few weeks. Spring is coming early and so we should be in the fields in a few weeks. Help Help Help. Right now about all we can expect is to get the bill moving. Will help doing this. Thanks for whatever you can do now.

Yours truly,
Beryl W. Houghey
Beryl W. Houghey

S R 90510

Fairbanks, Alaska 99701

**CHAPTER 39.
AGRICULTURAL REVOLVING
LOAN FUND**

Section

- 10. Types and terms of loans available
- 20. Use of funds
- 30. Application requirements for a loan
- 40. Loan limitations, terms, rates, and eligibility
- 50. The Agricultural Revolving Loan Fund Board
- 60. Approval by board and commissioner
- 100. Definitions

11 AAC 39.010. TYPES AND TERMS OF LOANS AVAILABLE. (a) Short term, working capital loans are available and may be secured or unsecured but may not be made for more than one-year terms.

(b) Secured chattel loans are available for terms not greater than seven years or the useful life of the chattel if more than seven years.

(c) Farm development loans are available for terms not greater than 30 years.

(d) Irrigation system loans are available for terms not greater than 10 years unless secured by real property. (Eff. 4/29/77, Reg. 62)

Authority: AS 03.10.020
AS 03.10.030

11 AAC 39.020. USE OF FUNDS. Funds received by the borrower under this program must be used for agricultural purposes. Controlled accounts are to be used to assure conformity to this requirement when considered necessary. (Eff. 4/29/77, Reg. 62)

Authority: AS 03.10.020

11 AAC 39.030. APPLICATION REQUIREMENTS FOR A LOAN. (a) All loan requests from the loan fund must be submitted in writing on a form prescribed by the commissioner. Additionally, any or all of the following information may be required:

(1) proof that the applicant is a resident of Alaska and meets the requirements of AS 03.10.020;

(2) that other sources of funds are not available to the loan applicant;

(3) a business history of all persons owning 10 percent or more of the business;

(4) either audited or unaudited financial statements, including balance sheets and profit-and-loss statements for the preceding three fiscal years, and/or copies of all federal and state income tax returns which have been filed by the applicant for those three fiscal years;

(5) pro forma financial statements which show the projected income and expense for the following year;

(6) proof that the applicant has the necessary skills and training to conduct the business as required;

(7) qualified collateral appraisal;

(8) a detailed written statement describing how the loan funds will be used and the borrower's plan of repayment from projected cash flow.

(b) Each applicant must provide necessary proof of insurance coverage naming the agricultural revolving loan fund as loss payee.

(c) Supporting documentation must reflect the extent to which the business will contribute to both the community and agriculture within Alaska.

(d) Applications shall be submitted to the Alaska Agricultural Revolving Loan Fund, Department of Natural Resources, P.O. Box 1088, Palmer, Alaska 99645. (Eff. 4/29/77, Reg. 62)

Authority: AS 03.10.020

11 AAC 39.040. LOAN LIMITATIONS, TERMS, RATES, AND ELIGIBILITY. Subject to the requirements of AS 03.10 and secs. 20 and 30 of this chapter, the board, after analyzing the loan request, shall fix terms of repayment, loan limitations, and the eligibility of prospective applicants. The loan board shall set interest rates, but those rates may not exceed the rate prescribed in AS 03.10.030. (Eff. 4/29/77, Reg. 62)

Authority: AS 03.10.020

11 AAC 39.050. THE AGRICULTURAL REVOLVING LOAN FUND BOARD. (a) The director and the loan administrator shall serve as staff to the Agricultural Revolving Loan Fund Board under the general administrative direction of the commissioner.

(b) Members of the board shall hold a minimum of three regular meetings each year. Other meetings may be called for at any time at the request of the commissioner or the loan administrator. Each board member shall be notified by the loan administrator at least one week in advance of a proposed meeting.

(c) Business may not be transacted at a board meeting unless three members are present.

(d) Approval of loans by the board shall be by a majority of votes of the board membership.

(e) Following board approval of an application for a loan, the application shall be forwarded for approval to the commissioner, along with all necessary supporting information in full or summary form, including a summary of the board action and reasons for it. The commissioner will in his discretion delegate all or part of his approval authority to the director. (Eff. 4/29/77, Reg. 62)

Authority: AS 03.10.020

11 AAC 39.060. APPROVAL BY BOARD AND COMMISSIONER. Loan applications must be approved by the board and the commissioner before lending commences. (Eff. 4/29/77, Reg. 62)

Authority: AS 03.10.020

11 AAC 39.100. DEFINITIONS. Unless the context requires otherwise, in this chapter and in the forms and instructions of the commissioner

(1) "applicant" means any individual, partnership, or corporation executing an application for a loan from the Alaska Agricultural Revolving Loan Fund;

(2) "board" means the Alaska Agricultural Revolving Loan Fund Board;

(3) "chattel" means property other than real property;

(4) "collateral" means adequate security without limitation as to real or personal property;

(5) "commissioner" means the commissioner of natural resources;

(6) "director" means the director of the division of agriculture;

(7) "loan fund" means the agricultural revolving loan fund;

(8) "loan administrator" means the supervising employee performing loan fund administrative activities. (Eff. 4/29/77, Reg. 62)

Authority: AS 03.10.020

— who?
has appointed?

H B

272

COMMITTEE REPORT

HOUSE

3/5/81

FURTHER:

(11)

Date: 5/25/81

Mr. Speaker:

The Committee on RESOURCES has had HB 272

"An Act relating to survey and improvement of public land."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 272 same title
 new title
- and recommends DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

10/3/81 No Rec.

CHAIRMAN

[Signature]

Introduced: 3/5/81
Referred: Resources

1 IN THE HOUSE

BY BROWN

2 HOUSE BILL NO. 272

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to survey and improvement of public
7 land."

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

9 * Section 1. AS 38.95 is amended by adding new sections to read:

10 ARTICLE 4. SURVEY AND IMPROVEMENT OF STATE LAND.

11 Sec. 38.95.150. SURVEY OF STATE LAND. A professional land sur-
12 veyor registered to practice under AS 08.48 shall supervise the location
13 and monumentation of boundaries, the platting and subdivision, and the
14 preparation and perpetuation of maps, record plats, field note records
15 and property descriptions of state land.

16 Sec. 38.95.160. IMPROVEMENTS ON STATE LAND. (a) The location,
17 and design, and construction of a publicly financed improvement on state
18 land which costs more than \$100,000 shall be supervised by a profes-
19 sional registered to practice under AS 08.48. A change in the boundary

20 ANY ~~of a~~ lease, easement, right-of-way, or other similar agreement which
21 permits the use and improvement of state land ^{pursuant to this section} shall be documented by a
22 record plat.

23 (b) In this section "publicly financed improvement" means an
24 improvement financed with state or federal money which is constructed
25 by the state or an instrumentality of the state and includes but is not
26 limited to, onshore or offshore oil drilling or pumping operations,
27 roads, bridges, pipelines, seismic lines, logging and mining operations,
28 dams, buildings and electric power transmission lines.

29 * Sec. 2. AS 08.48.331(4) is amended to read:

H B

280

COMMITTEE REPORT

HOUSE

3/6/81

FURTHER:

(11)

Date: 4-6-81

Mr. Speaker:

The Committee on RESOURCES has had HB 280

"An Act relating to the preservation of agricultural land."

under consideration and reports it back as follows:

- 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**

Tom Gardiner
Frank A. Zboroff
Robert W. Smith
James ...

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

Smith - No Rec
Eric Sutcliffe - do not pass for 5 years
Robert W. Smith

Frank A. Zboroff
Tom Gardiner
 CC-CHAIRMAN

1. Preferential Assessment

This term refers to the valuation of land and property for the purpose of levying taxes. In most state constitutions, all property must be assessed at its highest and best use. Frequently, agricultural land is considered not to be the highest and best use of that land and therefore is assessed at a higher rate, say that of residences or commercial structure, so farmers pay higher taxes for a use to which the land has not been put. With preferential assessment, the property is assessed and taxed at its agricultural value, rather than that of another use.

2. Exemption from Special Taxing Districts

In areas where urban sprawl is occurring, special taxing districts (sometimes called Local Improvement Districts) are set up to help pay for roads, sewer or water to outlying developments. These districts place an additional levy on the land besides the normal property tax. This can be a very hard burden for the farmer, as s/he will be paying for services that s/he doesn't need. These levies are also usually somewhat high because of the capital expense involved with the above named projects. By being exempt from these districts, the tax burden of a farmer is reduced.

3. Agricultural Zoning

This is a technique that allows an area to be zoned for large lots, typically 5-40 acres, in order to make it difficult to subdivide the property for other than agricultural uses.

4. Agricultural Districts

These districts are set up to provide suitable areas for agriculture and agriculturally-related uses. They are usually requested by petitions of the citizens in the area(s) to be designated for agriculture. This is different from zoning which is handed down from the local decision-makers to the people. Once a petition for a district has been received, the local and sometimes state decision-makers must approve the request dependent on such criteria as soil productivity, other local land-use plans, number of persons wanting the district, etc. Once approved, the land within the district may only be used for agriculture and agriculturally-related uses.

5. Crop Suitability Ratings

This is a variation on the agricultural zoning method where instead of arbitrarily designating certain lot sizes, the capability of the soil to produce crops is analyzed. Soils are given a rating dependent on their ability to produce crops. Those soils which have the highest ratings (most able to produce crops) are then restricted from other kinds of use, while those with lower ratings can be used for subdivisions, shopping malls, etc.

6. Limitation on Power of Eminent Domain

Most government entities have the right to declare eminent domain on a person's private property. That is, if the citizenry's "health, safety and welfare" are at stake, the government can take over the land and provide compensation to the former private owner.

The technique of limiting this power involves requiring the government using it to make sure that the eminent domain project complies with all local plans for development including agricultural development.

If it does not comply then the power can not be exercised. Usually, limiting eminent domain is used in conjunction with other techniques such as agricultural districts where property can only be subject to eminent domain if the proposed project is agriculturally related.

7. Income Tax Credits

In this method, the farmer is given a break on his/her income tax once s/he has agreed to keep his/her land in agricultural production for a specified period of time. This agreement is made with the local government and in some cases with the state.

8. Capital Gains Taxation

This technique is specifically aimed at reducing land speculation. It places a capital gains tax on the sale of land. The tax is progressively steeper the less time one holds the land before resale.

9. Purchase of Development Rights

Many people feel that a person has the right to develop their land as s/he sees fit. By buying the "development rights" to property from the owner and placing certain restrictions on the deed that run with the land, a community can be assured of maintaining some amount of agricultural land for crop/stock production.

10. Transfer of Development Rights

Local governments using this technique, encourage the trading of development rights within the private sector. The program is based on traditional zoning where specific uses are allocated to each zone. Then each landowner is given a specific number of development rights. To develop in the targeted growth areas an owner must have a certain number of development rights which would be obtained from landowners outside the zone. These transfers of development rights would be recorded with the deeds of the involved properties and would run with the land.

11. Food Plans for Urban Areas

This planning process would require urban areas to focus on where and how food is supplied to that location and what is needed to continue that supply. Some factors to be looked at include local production capability, dependence on food from outside the area, agricultural instability, greenhouse potential and recycling of municipal wastes.

12. Reduction of Nuisance Threat

Excusing farmers from the nuisance law is the prime thrust of this method. If an agricultural use has been established prior to another use (say a rural subdivision) then the farmer is exempt from law suits concerning nuisances such as noise or smells.

13. Land Trusts

Using this mechanism allows the owner to place his/her lands in trust for perpetuity. The uses to which the land can be put are placed on the deed and run with the land.

Preserving Prime Agricultural Land

A rising number of American farmers are finding it pays more to sell some of their land for development than to work it themselves. A 1975 study by the U.S. Department of Agriculture found that each year about two million acres of farmland are lost to urbanization and industrialization with another one million acres being converted to reservoirs, ponds and lakes.

While the total amount of cropland has remained at a relatively constant 400 million acres since 1949, significant shifts in the actual land cultivated and harvested have occurred. Prime farmland, particularly in the eastern U.S., is being developed rapidly. And, across the nation in the past 20 years, two million farms have been lost and 30 million people have moved from farms to cities.

With agricultural products accounting for 20 percent of all the nation's exports, states are examining ways to keep up crop production.

In 1956, Maryland became the first state to enact legislation which provided for the assessment of farmland based upon its value for agricultural purposes rather than its actual market value. Since then, 45 states have relieved farm owners' tax burden through differential tax assessment.

There are three types of differential

tax assessment: simple preferential assessment; preferential assessment with a "roll-back" tax or penalty when farmland is converted to other uses (deferred taxation); and preferential assessment which is contingent upon an agreement by the land owner to restrict the use of his land to agriculture for a given time period.

States continue to enact these taxing methods although they generally have not been successful in stemming the encroachment of urbanization, industrialization and recreational use upon agricultural land. Several factors account for this lack of success, the most important being that financial benefits gained from the sale of property almost always outweighs the tax penalties. Also, it is difficult to define agricultural land so that nonagricultural interests do not take advantage of the reduced valuation. Another problem with differential tax assessments for localities is the loss of the tax revenues accompanying the reduced valuation.

In addition to taxing measures, states and localities are exploring other methods to preserve prime agricultural land. These include agricultural districting, public acquisition of land with leaseback agreements, open space easements and purchase of development rights, and the transfer of

development rights. Most of these new methods are based on the philosophy that the public good is as important as private property owners' rights.

California and New York are two states relying on agricultural districting to try to preserve farmland. Those states found that premature and unnecessary conversion of agricultural land to urban areas creates urban sprawl, higher costs to the community for providing services and higher taxes for farmers. Both states have passed bills which establish agricultural district councils to consult with county governments in setting up the agriculture preserves. Once land is included in the preserves, it may not be used for purposes other than agricultural.

In both states the programs are voluntary; in California, the county may initiate preservation efforts. In New York, the conversion of land results in a five-year tax roll-back penalty. In California, often, those farmers who participate in the program don't own land in danger of development whereas farmers near urban areas do not take part in the program. Similar bills have been introduced in other states, but opinions vary as to the programs' effectiveness.

Another proposal allows public acquisition of farmland with an oversight board or commission empowered to lease the land to individuals and families interested in farming. While there is precedent in the United States for public acquisition of land through governmental agencies for parks, schools, airports and areas of critical environmental concern (Florida), none exists for acquisition of farmland in order to control development and guarantee an adequate supply of agricultural land at a reasonable price. Such proposals have been introduced in North and South Dakota and Minnesota. In 1972, Saskatchewan, Canada established a program to purchase farmland as a public trust and lease it back to young or family farmers. The program appears successful.

A third method for preserving farmland involves the purchase of a farmer's development rights. Under this legislation, the state pays the farmer the difference between the agricultural value of the land and its worth in the private market as developable land. The farmer keeps title, and a covenant is written into the deed limiting use of the land to agriculture. The New Jersey legislature has appropriated \$5 million for such a pilot program in Burlington County, and there has been overwhelming support from New Jersey farmers who want to join this unique land use experiment. A similar plan underway in Suffolk County, N.Y., allows farmers to sell their development rights to the county

while continuing to farm and pay taxes based upon current use assessment. A \$60 million bond issue will fund the program.

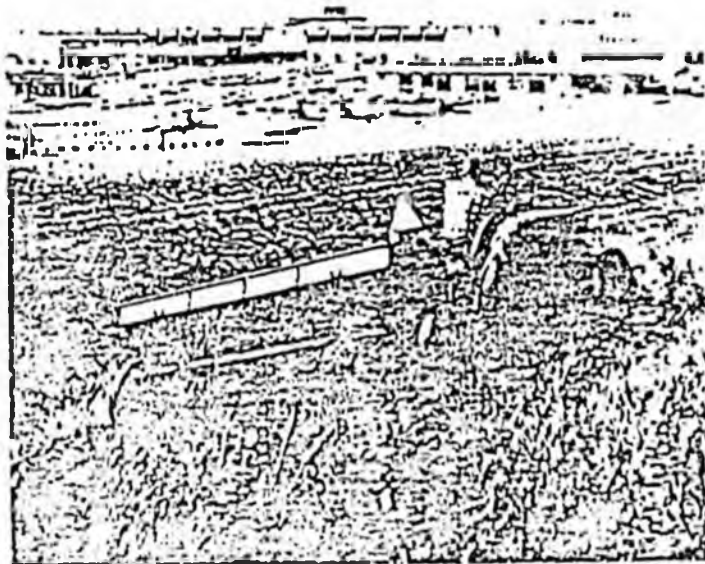
The transfer of development rights (TDR) is another method being examined as a means of saving farmland. The basic principle underlying this approach is the restriction of development in one area and its promotion in another. It is based upon the idea that development rights can be separated as are mineral and air rights from the actual ownership of the land, and thus can be regulated. The owners of land in the developable areas are required to purchase development rights certificates from owners of preserved land so that they may develop their land to an extent not allowable under the present zoning restrictions. Illinois and Louisiana have enacted TDR for certain historic preservation areas, and TDR for preserving agricultural land and open space is being considered by other states and localities.



"Each year about two million acres of farmland are lost to urbanization, and during the past 20 years, 30 million people have moved from farms to cities."

At the federal level, a bill establishing a national policy to retain, protect and improve agricultural land has been introduced in Congress by U.S. Rep. James Jeffords (R-Vt.) and Sen. Dick Clark (D-Idaho). The bill would set up a review and study commission to assess current farmland usage. It also makes available technical and financial assistance to the states and their political subdivisions to carry out projects for preserving agricultural land.

Jean Warren is state director for rural development in the NCSL Denver office.



State Legislatures

H B

281

4/21
Sally,

House Bill 281 is up in Resources today. Representative Rogers introduced this bill which establishes the Fairbanks State Forest.

The following have been attached for your information:

1. After reviewing correspondence received, Nancy Lord drafted two proposed amendments for Brian's consideration. (At this time, he has neither accepted or rejected. He may however introduce them at the committee meeting.
2. A third proposed amendment attached, is the result of Dick Jackson and Fred Bethune's letter re the bill.
3. Copy of Fred and Dick's letter to Brian, supporting the bill, but with some specific suggested amendments.
4. Copy of a letter from Doyon, Limited, Thomas D. Williams, Member of the State Board of Forestry.
5. Copy of second letter from ^{Doyon} Thomas Williams, this time as chairman of the state Board of Forestry. They support the bill.

P.S. Pls ask to me for filing. Thx GB.

AMENDMENT

SS for HB 281

Proposed by
Nancy Lord,
has been
neither accepted
nor rejected

Add a new section:

PURCHASE AUTHORIZED. The commissioner of natural resources may acquire, by purchase in the name of the state, title to or interest in real property lying within the boundaries of the Fairbanks State Forest. The state may not acquire by eminent domain privately owned land within the Forest.