

ALASKA LEGISLATIVE COMMITTEE REPORTS 1902

1844 HRES HB 535 - HB 669



# Alaska State Legislature

## House of Representatives

### Committee on Resources

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

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MEMORANDUM

TO: Co-Chairman Gardiner  
Co-Chairman Zharoff

FROM: Mary Hakala *M. Hakala*  
Committee Aide

DATE: May 1, 1981

RE: HCR 29

---

Following is a list of possible amendments to HCR 29 which you may wish to consider. These amendments are a product of considerations brought up in committee, and conversations with various Representative and Senators.

Page 2, line 7. Add "Alaska Association of Soil Conservation Sub-districts" (requested by Senator Gilman, Senate Resources)

This addition encourages involvement by and coordination with Soil Conservation Subdistrict representatives. These representatives are chosen by farmers from the agricultural regions in the State to take part in determining sound soil conservation practices and standards and to work with the Soil Conservation Association, U.S. Dept. of Agriculture.

Page 2, line 11-12. Change to read as follows: "the Alaska Agricultural Action Council to submit a report to the legislature. The report shall contain:"

Page 3, line 12. Add new section: "The first report shall be submitted to the legislature by the 45th day of the Second Session of the Twelfth Legislature. The second and final report shall be submitted by the 15th day of the First Session of the Thirteenth Legislature."

These changes would provide more time for completion of the ten (10) year plan and planning process. With time lag for funding availability considered this would increase total time for completion of plan from approximately eight (8) months to 1 1/2 years. Time available may actually be shorter than eight (8) months of 1 1/2 years if a portion of the plan is let to contract.

Page 2, line 17. Delete "annually".

Page 3, line 7. Change to read: "methods to ensure that in agricultural development other resources and resource uses be considered."



# Alaska State Legislature

## House of Representatives

### Committee on Resources

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

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MEMORANDUM

TO: Co-Chairman Gardiner  
Co-Chairman Zharoff

FROM: Mary Hakala, Committee Aide

DATE: May 1, 1981

RE: HB 535

---

The following are proposed amendments to HB 535 relating to the Agricultural Action Council.

Page 1, line 15-16. Delete "the commissioner of transportation and public facilities, add "representative of the Governor's office".

Add new clause to include in membership of the council as non-voting advisory members, the commissioners of Department of Transportation and Public Facilities, and Department of Fish and Game.

Add new clause: "the House Speaker and Senate President shall each appoint member of the respective legislative body to serve as liason to the Council." Include with bill a letter of intent to clarify placement of Agricultural Action Council within Department of Commerce & Economic Development. (see attached.)

And so, the House adopted the FCC report, thus adopting: FCCS  
SB  
130  
 FCCSSB 130 (establishing programs of financial and academic assistance to students in universities and colleges; effective date)

Mr. Anderson moved and asked unanimous consent that the letter of intent be adopted by the House. There being no objection, it was so ordered.

The Chief Clerk was instructed to so notify the Senate.

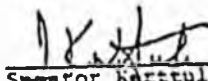
A letter of intent was received on FCCSSB 14. FCCS  
SB14


Mr. Anderson moved and asked unanimous consent that the letter of intent on FCCSSB 14 be adopted. There being no objection, it was so ordered, and the letter of intent follows:

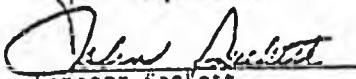
LETTER OF INTENT

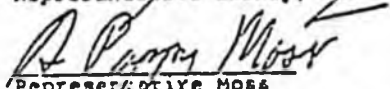
Of The Free Conference Committee On  
Senate Bill No. 14

The Alaska Agricultural Action Council and all funding for their administration and projects are located in the Department of Commerce and Economic Development in a ministerial capacity in the same manner as the Alaska Transportation Commission and the Alaska Public Utilities Commission. The Department shall not involve itself in any way in the activities of the Agricultural Action Council.

  
 Senator Kattula, Ch.

  
 Representative Carney, Ch.

  
 Senator Sackett

  
 Representative Moss

  
 Senator Colletta

  
 Representative Bettisworth

H

B

5

3

8



INSERT #1

Grants may not exceed \$25,000 for project or programs in any single village or community for a calendar year. However, the commissioner may award a block grant for a project or program servicing a number of villages or communities.



Page 1

TO House Resources Mary Hakala

From Jim Farmer

Reference NB 539 (or 538)

**Sec. 03. 08. 040 ELIGIBILITY AND CONDITIONS**

(a) The recipient of a grant may be a municipality, village, or nonprofit corporation.

( I deleted school district and regional educational attendance area due to the fact that our school districts are having a hard time in providing quality educational programs with the resources and personnel they have. By giving them more programs you dilute the quality further. The villages and/or nonprofit corporations are currently working with the schools and/or veaa's where feasible).

(b) (2) Most areas of the State HAVE NOT been served by the Soil Conservation Service, USDA. To require this as a condition of receiving a grant would restrict needed areas. The SCS DOES NOT have the resources at this time to serve all of the areas that would have to request it if this is left in. A better requirement would be for the village, nonprofit corporation, or municipality to request SCS services and to file a letter showing when the service may be preformed, based upon their funding and manning.

(c) This section creates a problem unless there is tied to it a requirement in law or a penalty reduction in funding for failure to preform by CES people. Currently there is a competing proposal submitted by CES to do some of the work being done by some of the nonprofit corporations. By requiring the villages, nonprofits, and municipalities to consult with CES you then give CES an unfair advantage in writing proposals to be funded under this section. A restriction on CES of not being able to submit a proposal to cover an area where they consulted with a local entity would take care of this.

**Sec. 03. 08. 050 APPLICATION** Please use current program operators to assist in developing the forms to be used.

**Sec. 03. 08. 060 LIMITATIONS ON GRANTS**

(a) A single grant may not exceed \$25,000 for a calendar year. However, a proposal by a nonprofit corporation, to serve a number of villages may not exceed the aggregate total of individual villages involved, times the maximum allowable (\$25,000) per village (or project).

(Number of villages Times \$25,000 = Total Allowable)

**Sec. 03. 08. 070 USE OF GRANT MONEY** The recipient of a grant may use the grant for supplies, equipment, (directly related to the project), education, technical training, and operating and administrative costs associated with developing and implementing the small scale agriculture project or program.

Page 2

RE: HB 539 (or 538)

( Our experience is that the village-city government will give FREE use of the land for the agriculture project. Any buildings needed are already in the village Community halls, schools, school kitchens, city offices, ect. and are available for FREE use for the projects, as long as they are wanted by the local people. Any additional buildings would probaly require funding year after year for operating costs. The villages, with no tax base, could very well not be able to operate them).

Sec. 03. 08. 100 DEFINITIONS .

(3) delete School district, regional educational attendance area

Reference Sec. 03. 08. 070 USE OF GRANT MONEY

Any buildings needed can be funded under current RDA (Dept. C&RA) programs. There is no need for another duplicative program and possibly conflicting regulations.

One aspect of consideration for funding could be use of other available resources, CETA, RDA, ENERGY GRANTS, ect., to accomplish the goals of the program. The programs that ONLY rely upon money from this bill should be phased out.

Reference Sec. 03. 08. 066

(b) "GREAT" good section hold tight on this.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. \_\_\_\_\_  
 Title Small Village Ag  
 Requested by Mary Hakala Date 4/28/81

II. FISCAL DETAIL

Agency Affected Department of Natural Resources  
 Program Category Affected Econ Development  
 BRU, Program, or Subprogram(s) Affected Ag Management  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		37.8	37.8			
200 TRAVEL		10.0	10.0			
300 CONTRACTUAL		4.2	4.2			
400 COMMODITIES		.3	.3			
500 EQUIPMENT		1.7	1.7			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		500	1000.0			

TOTAL

FUNDING (Thousands of Dollars)

GENERAL FUND		564.0	1064.0			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		1	1			
PART TIME						
TEMPORARY						

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

Would finance grant for only known, presently received application for FY 82

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
 AGENCY \_\_\_\_\_  
 Original: Legislative Finance PHONE \_\_\_\_\_  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

H B

561

INTERNATIONAL ILWU ALASKA COUNCIL  
LONGSHOREMEN'S & WAREHOUSEMEN'S  
222 WILLOUGHBY AVE., JUNEAU, ALASKA 99801 UNION  
(907) - 586-6642

RESOLUTION TO PROHIBIT THE ENTRANCE OF FOREIGN  
OWNED VESSELS INTO ALASKAN WATERS

- WHEREAS: The Bristol Bay Herring Marketing Cooperative has recently filed suit against the State of Alaska alleging that Alaska's Primary Processing Policy is unconstitutional;
- WHEREAS: The Bristol Bay Herring Market Cooperative has additionally claimed that the State's regulations regarding the entrance of foreign-owned factory ships into Alaska State Territorial Waters for the purpose of buying and processing Alaskan-caught seafood is unconstitutional;
- WHEREAS: The membership of the International Longshoremen's and Warehousemen's Union, Alaska's largest waterfront union, is largely dependent upon Alaska's seafood processing industry for their economic livelihood;
- WHEREAS: The membership of the International Longshoremen's and Warehousemen's Union shares the acute frustration of fishermen throughout the State who find themselves at the mercy of manipulated marketing structures, inadequate processing capacities, and unrealistically low prices which ultimately result in little or no profit for their efforts;
- WHEREAS: Federal District Court Judge James M. Fitzgerald has recently enjoined the State of Alaska from enforcing its laws and regulations regarding both the Primary Processing Policy and the entrance of foreign-owned factory ships into State Territorial Waters;
- WHEREAS: This ruling raises the specter of foreign-owned processing vessels displacing Alaska's domestic processing industry and becoming the primary processor for Alaska's bountiful seafood harvest;
- WHEREAS: It is well known that workers on foreign-owned factory ships are paid well below Alaska's minimum wage, in some cases as low as \$0.30 per hour;
- WHEREAS: These foreign-owned factory ships do not currently have to comply with various federal rules such as EPA, FDA and OSHA Regulations, not to mention minimum wage requirements;
- WHEREAS: The seafood processing industry in Alaska is the State's largest private industry employer, employing over 10,000 processing workers;
- WHEREAS: Seafood harvested within Alaska's State Territorial Waters is a common property resource belonging to all Alaskans, and thus should be managed and harvested in such a way as to provide the maximum benefit to the maximum number of Alaskans;

WHEREAS: The State of Alaska cannot under any circumstances allow the entrance of foreign-owned factory ships into State Territorial Waters for the purpose of competing with our domestic processing industry for the simple reason we cannot afford the destruction of our domestic industry and the accompanying loss of thousands of Alaskan jobs;

THEREFORE BE IT RESOLVED:

The State of Alaska take whatever legal and legislative steps are necessary to prohibit the entrance of these foreign-owned vessels into Alaskan Waters which shall include:

1. Petitioning the Congress of the United States to enact legislation to prohibit the entrance of foreign-owned factory ships into State Territorial Waters for the purpose of buying and processing American-harvested seafood;
2. Petitioning the United States Federal Courts to require and enforce compliance of all Federal laws and regulations applicable to any other business operating within the boundaries of the United States on these foreign-owned processing vessels;

BE IT FURTHER RESOLVED:

The Legislature of the State of Alaska enact laws which are designed to aid and assist the Bristol Bay Herring Marketing Association and other such fishermen associations and organizations throughout Alaska in procuring additional domestic processing capacities and alternative marketing structures for their harvests, and;

BE IT FINALLY RESOLVED:

That copies of this Resolution be presented to the Honorable Jay Hammond, Governor of Alaska, members of Alaska's Congressional Delegation, ILWU International President James Herman, ILWU Washington Representative Mike Lewis, and to the Twenty-Fourth Biennial Convention of the ILWU.

This Resolution was unanimously approved by members of the ILWU Alaska Council on April 7, 1981, at Juneau, Alaska.

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5  
JUNEAU, ALASKA 99811

May 12, 1981

The Honorable Fred F. Zharoff  
The Honorable Terry Gardiner  
Co-Chairmen  
House Resources Committee  
Room 118 - Capitol Building  
Juneau, Alaska

Dear Mr. Zharoff and Mr. Gardiner:

Re: House Bill No. 561

House Bill No. 561, an Act allowing foreign vessels and aliens to process salmon in the state, was introduced in the house on May 7, 1981 and was referred to the House Resources Committee.

For the consideration of the House Resources Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Gary L. Jenkins, Director, Audit Division and Mr. Robert W. Elliott, Research Section of the Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson  
Special Assistant

RDS/rdh

cc: Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

Gary L. Jenkins, Director  
Audit Division  
Department of Revenue

Robert W. Elliott  
Research Section  
Department of Revenue





STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Fish & Game	Sponsor (Printed) Chuckwuk	Bill Number HB 561
Department Position Oppose		
Division Director Steven Pennoyer <i>SA Pennoyer</i>	Date 5/13/81	Commissioner Ronald O. Skoog <i>R O Skoog</i>
		Date 13 MAY 81

GOVERNOR'S OFFICE USE

Comments:

Position Noted      By \_\_\_\_\_      Date \_\_\_\_\_

SUMMARY

1. a) Related Bills (Similar or Conflicting) Unknown	1. b) Other Agencies Affected by Bill Labor, Revenue
2. a) Organizational Support for Bill Some commercial fishermen	2. b) Organizational Opposition to Bill Domestic fish processors

3. Program Effects of Bill  
See comments

4. Fiscal Impact:     None     Fiscal Note Attached

5. Amendments Proposed:  
None

6. Comments:  
The proposed legislation would invalidate the present restriction on foreign processing specified in commercial fishing regulation 5 AAC 39.198 and AS 16.05.905. Under the existing regulations foreign vessels and/or aliens are prohibited from engaging in commercial fishing activities including the catching, tendering, handling, and processing of fish resources of the State. The regulation does allow foreign vessels and aliens to transport fish after processing has been completed. Processing is defined in the regulation as the completion of: cooking, canning, smoking, salting..., drying or freezing.... The regulation goes on to provide that the Commissioner of Fish and Game may grant a limited exception and allow foreign vessels and aliens to process fish resources and/or to transport unprocessed fish resources if the certain criteria are met. The criteria are based on shortfalls in domestic processing capacities, likelihood of excessive  
(over)



escapements and resource wastage, and Department ability to adequately monitor foreign processing activities.

Since the foreign processing regulation was first enacted in 1978, exceptions have been granted on four separate occasions. In each of these cases the Department documented that domestic processing capabilities would likely fall short of that needed to handle the volume of fish expected to be harvested by U.S. fishermen and that wastage might occur.

The Department has experienced some difficulties applying the exception provision of the foreign processing regulation due to forecast inaccuracies, variability in run timing, and undocumented processing capabilities. Foreign processors have also experienced difficulties responding to the exceptions due to limited advance warnings and lack of a guaranteed operating period or harvest level.

If the existing restrictions controlling foreign processing were removed, the Department would have to initiate new strategies to effectively monitor harvest deliveries and insure their full compliance with other Department reporting requirements. This may require additional personnel and equipment depending on the resulting number and extent of foreign processing operations in the State's fisheries.

The present foreign processing regulations and statute may be invalidated even without passage of this bill. In April 1981 Judge Fitzgerald granted an injunction allowing foreign processing to occur between the Bristol Bay Herring Marketing Coop and the Japanese Longliners. A hearing is scheduled for June 8 to discuss the merits of the State's foreign processing laws. The Department believes the matter may well be decided then.

The injunction granted by Judge Fitzgerald has attracted considerable interest throughout the Nation, especially among the domestic processing industry. Domestic processors are lobbying heavily in Washington D.C. to get the Federal government to prevent foreign processors from operating freely within State internal waters. The U.S. Departments of State and Commerce are both greatly concerned that there is apparently little authority to prevent foreign processing activities in such areas. Both Federal agencies are reviewing all options available to them to regulate foreign processing activity. Options being considered entail some form of Federal action which would control the activities of foreigners in the internal waters.

The Department of Fish and Game opposes this bill. If the State of Alaska does not have the ability to determine when and where supplemental foreign processing will occur, the domestic processing industry may be subjected to unfair competition for supply and markets by foreigners who have no interest in the long term viability of local economies and the fishery resource. There are times when the supply of fish exceeds the capacity of domestic processing facilities. When such instances can be predicted the State should have the opportunity to allow supplemental processing in order to provide markets for our fishermen and to prevent wastage of the resource. This bill does not permit the State the flexibility to decide whether or not the State's best interest is served by allowing supplementary foreign processing.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 561

Title An Act allowing foreign vessels and aliens to process salmon.

Requested by Chuckwuk

Date 05/09/81

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection And Management

BRU, Program, or Subprogram(s) Affected Audit Division

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

EXPENDITURES (Thousands of Dollars) -None

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

FUNDING (Thousands of Dollars) -None

GENERAL FUND	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS -None

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

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

IV DATE May 11, 1981

PREPARED BY Gary L. Jenkins

AGENCY Division of Audit

PHONE 465-2320

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 561

Title Act allowing foreign vessels and aliens to process salmon.

Requested by House Resources Committee

Date May 11, 1981

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected \_\_\_\_\_

BRU, Program, or Subprogram(s) Affected \_\_\_\_\_

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

EXPENDITURES (Thousands of Dollars)

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

TOTAL

FUNDING (Thousands of Dollars) NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No change in revenues.

IV. DATE May 11, 1981

PREPARED BY Robert W. Elliott

AGENCY Revenue

PHONE 465-2309

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 561  
 Title Act allowing foreign vessels and aliens to process salmon.  
 Requested by House Resources Committee Date May 11, 1981

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>						

FUNDING (Thousands of Dollars) NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No change in revenues.

IV. DATE May 11, 1981 PREPARED BY Robert W. Elliott  
 AGENCY Revenue  
 PHONE 465-2309  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 561

Title An Act allowing foreign vessels and aliens to process salmon.

Requested by Chuckwuk

Date 05/09/81

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection And Management

BRU, Program, or Subprogram(s) Affected Audit Division

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

EXPENDITURES (Thousands of Dollars) -None

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>						

FUNDING (Thousands of Dollars) --None

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS -None

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

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

IV. DATE May 11, 1981

PREPARED BY Gary L. Jenkins

AGENCY Division of Audit

PHONE 465-2320

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

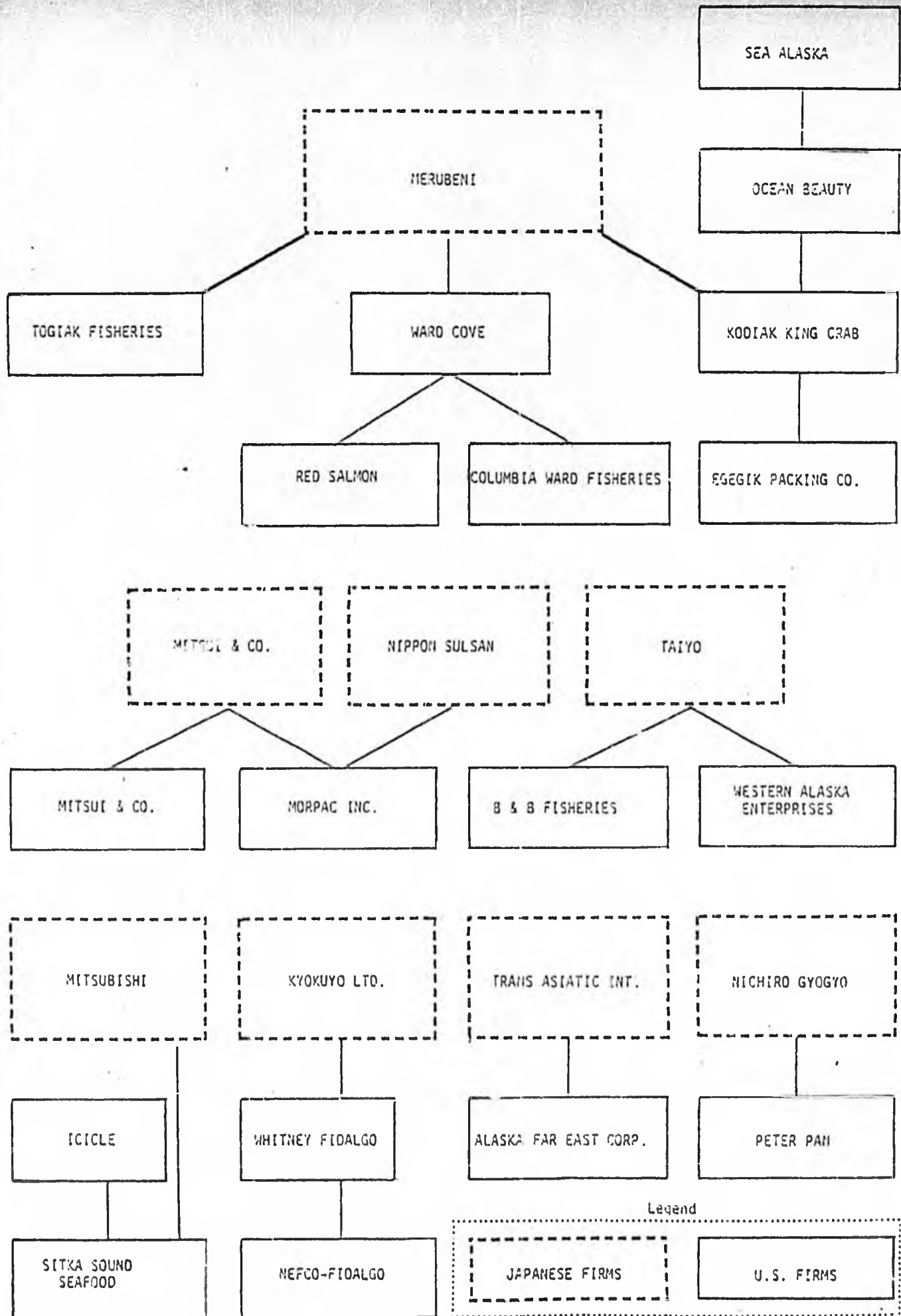
Table 6-2. Processing volumes of sockeye salmon by firm in  
Bristol Bay, 1980

Firm	Volume		
	Canned <sup>1/</sup> Cases	Fresh/Frozen -----lbs-----	Roe
Alaska Far East Corp.	--	1,225,000	--
Alaska Fish & Crab	--	1,000,000	--
Alaska Packers Assoc.	65,351	--	132,235
Bumble Bee Seafoods	39,277	430,072	--
Columbia Ward Fisheries	171,808	846,839	--
Diamond E. Fisheries	72,154	411,750	--
Kachemak Seafoods	--	1,408,954	68,329
Nelbro Packing	67,078	38,696	130,414
Pan Alaska Fisheries	43,985	--	--
Peter Pan Seafoods	64,889	5,232,783	362,473
Red Salmon Co.	39,277	430,072	--
Togiak, Fisheries	21,370	--	183,000
Ultra-Alaska Association	--	2,928,000	89,646
Miscellaneous )	77,287		
		79,392,734	NA <sup>2/</sup>
Total Bristol Bay	662,476	93,344,900	NA

Sources: Pacific Packers Report, 1981

1/ 48 lb. case equivalents

2/ Not available.





Price  
(\$/lb.)

1.8  
1.6  
1.4  
1.2  
1.0  
0.8  
0.6  
0.4  
0.2  
0.0

PLOT OF RETLRT\*TIME SYMBOL USED IS R  
 PLOT OF WHSLRT\*TIME SYMBOL USED IS W  
 PLOT OF LNDGRT\*TIME SYMBOL USED IS L  
 PLOT OF LNDGRT\*TIME SYMBOL USED IS L  
 PLOT OF LNDGAL\*TIME SYMBOL USED IS A

R = Retail, U.S. red salmon  
 W = Wholesale, Alaskan red salmon, canned, tails  
 L = Exvessel (landed), Alaskan red salmon  
 B = Exvessel, Bristol Bay, all salmon  
 A = Exvessel, Alaska, all salmon

(All prices are real vs. nominal, average annual, \$/lb. processed)

5-4

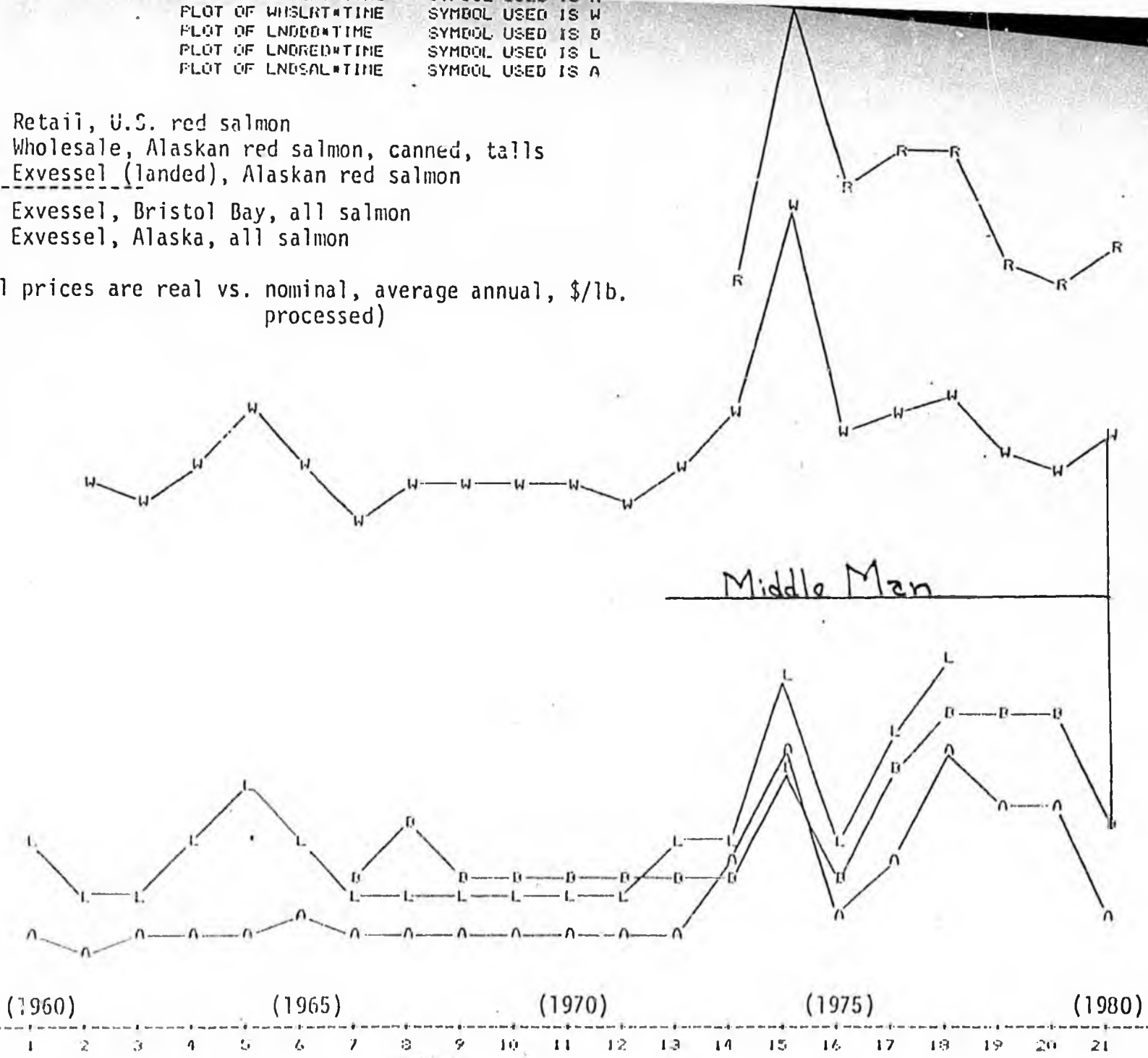


Exhibit 5-1a. Historical Real Prices for Red Salmon--Retail, Wholesale and Exvessel, 1960-1980.



THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 561  
 Title Act allowing foreign vessels and aliens to process salmon.  
 Requested by House Resources Committee Date May 11, 1981

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

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

FUNDING (Thousands of Dollars) NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No change in revenues.

IV. DATE May 11, 1981 PREPARED BY Robert W. Elliott  
 AGENCY Revenue  
 PHONE 465-2309  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 561

Title An Act allowing foreign vessels and aliens to process salmon.

Requested by Chuckwuk

Date 05/09/81

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection And Management

BRU, Program, or Subprogram(s) Affected Audit Division

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

EXPENDITURES (Thousands of Dollars) -None

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

TOTAL

FUNDING (Thousands of Dollars)

-None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

-None

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE May 11, 1981

PREPARED BY Garv L. Jenkins

AGENCY Division of Audit

PHONE 465-2320

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

INTERNATIONAL  
LONGSHOREMEN'S & WAREHOUSEMEN'S  
222 WILLOUGHBY AVE., JUNEAU, ALASKA 99801 UNION  
(907) - 586-6642

RESOLUTION TO PROHIBIT THE ENTRANCE OF FOREIGN  
OWNED VESSELS INTO ALASKAN WATERS

- WHEREAS: The Bristol Bay Herring Marketing Cooperative has recently filed suit against the State of Alaska alleging that Alaska's Primary Processing Policy is unconstitutional;
- WHEREAS: The Bristol Bay Herring Market Cooperative has additionally claimed that the State's regulations regarding the entrance of foreign-owned factory ships into Alaska State Territorial Waters for the purpose of buying and processing Alaskan-caught seafood is unconstitutional;
- WHEREAS: The membership of the International Longshoremen's and Warehousemen's Union, Alaska's largest waterfront union, is largely dependent upon Alaska's seafood processing industry for their economic livelihood;
- WHEREAS: The membership of the International Longshoremen's and Warehousemen's Union shares the acute frustration of fishermen throughout the State who find themselves at the mercy of manipulated marketing structures, inadequate processing capacities, and unrealistically low prices which ultimately result in little or no profit for their efforts;
- WHEREAS: Federal District Court Judge James M. Fitzgerald has recently enjoined the State of Alaska from enforcing its laws and regulations regarding both the Primary Processing Policy and the entrance of foreign-owned factory ships into State Territorial Waters;
- WHEREAS: This ruling raises the specter of foreign-owned processing vessels displacing Alaska's domestic processing industry and becoming the primary processor for Alaska's bountiful seafood harvest;
- WHEREAS: It is well known that workers on foreign-owned factory ships are paid well below Alaska's minimum wage, in some cases as low as \$0.30 per hour;
- WHEREAS: These foreign-owned factory ships do not currently have to comply with various federal rules such as EPA, FDA and OSHA Regulations, not to mention minimum wage requirements;
- WHEREAS: The seafood processing industry in Alaska is the State's largest private industry employer, employing over 10,000 processing workers;
- WHEREAS: Seafood harvested within Alaska's State Territorial Waters is a common property resource belonging to all Alaskans, and thus should be managed and harvested in such a way as to provide the maximum benefit to the maximum number of Alaskans;

WHEREAS: The State of Alaska cannot under any circumstances allow the entrance of foreign-owned factory ships into State Territorial Waters for the purpose of competing with our domestic processing industry for the simple reason we cannot afford the destruction of our domestic industry and the accompanying loss of thousands of Alaskan jobs;

THEREFORE BE IT RESOLVED:

The State of Alaska take whatever legal and legislative steps are necessary to prohibit the entrance of these foreign-owned vessels into Alaskan Waters which shall include:

1. Petitioning the Congress of the United States to enact legislation to prohibit the entrance of foreign-owned factory ships into State Territorial Waters for the purpose of buying and processing American-harvested seafood;
2. Petitioning the United States Federal Courts to require and enforce compliance of all Federal laws and regulations applicable to any other business operating within the boundaries of the United States on these foreign-owned processing vessels;

BE IT FURTHER RESOLVED:

The Legislature of the State of Alaska enact laws which are designed to aid and assist the Bristol Bay Herring Marketing Association and other such fishermen associations and organizations throughout Alaska in procuring additional domestic processing capacities and alternative marketing structures for their harvests, and;

BE IT FINALLY RESOLVED:

That copies of this Resolution be presented to the Honorable Jay Hammond, Governor of Alaska, members of Alaska's Congressional Delegation, ILWU International President James Herman, ILWU Washington Representative Mike Lewis, and to the Twenty-Fourth Biennial Convention of the ILWU.

This Resolution was unanimously approved by members of the ILWU Alaska Council on April 7, 1981, at Juneau, Alaska.

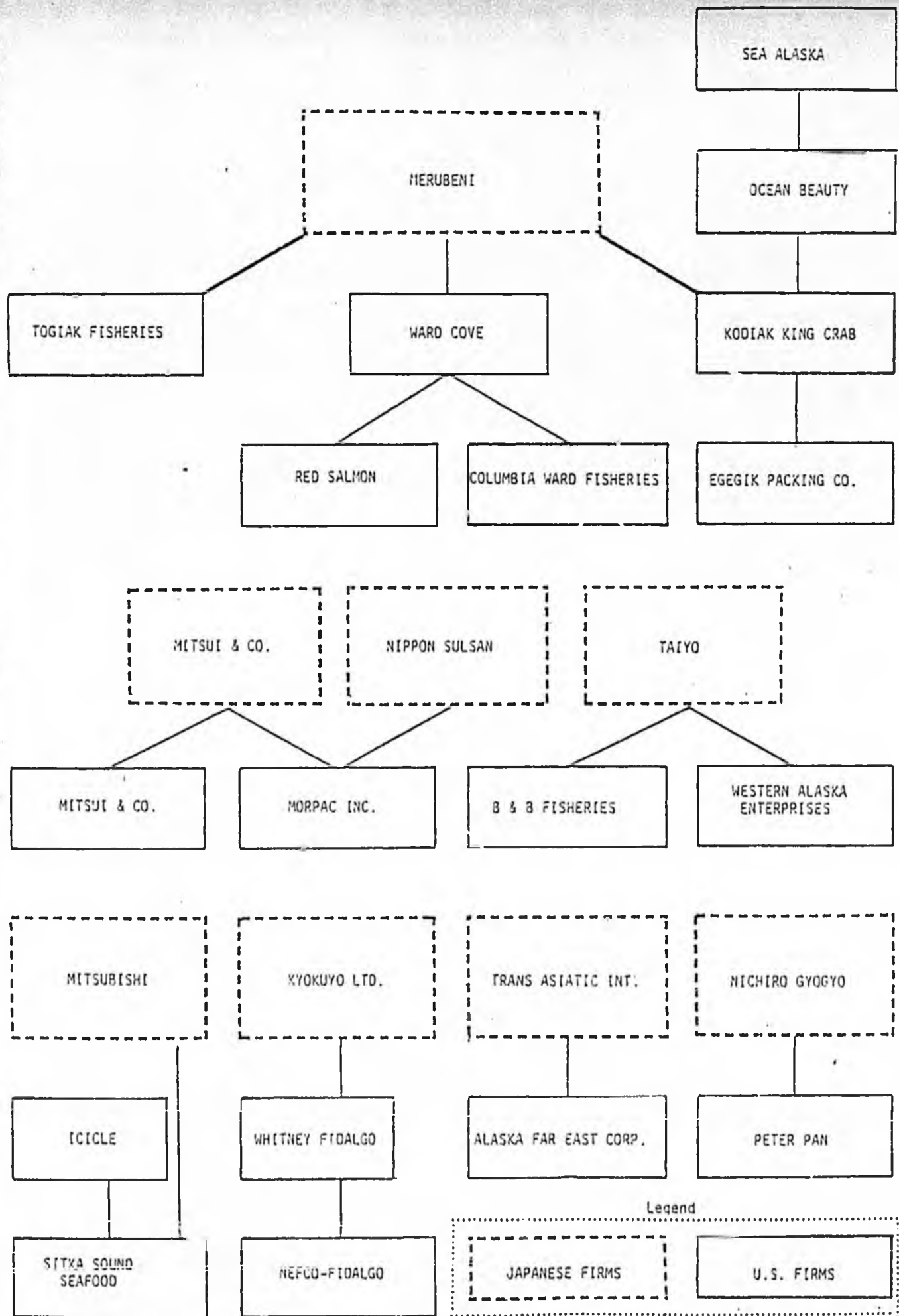
Table 6-2. Processing volumes of sockeye salmon by firm in  
Bristol Bay, 1980

Firm	Volume		
	Canned <sup>1/</sup> Cases	Fresh/Frozen -----lbs-----	Roe
Alaska Far East Corp.	--	1,225,000	
Alaska Fish & Crab	--	1,000,000	--
Alaska Packers Assoc.	65,351	--	132,235
Bumble Bee Seafoods	39,277	430,072	--
Columbia Ward Fisheries	171,808	846,839	--
Diamond E. Fisheries	72,154	411,750	--
Kachemak Seafoods	--	1,408,954	68,329
Nelbro Packing	67,078	38,696	130,414
Pan Alaska Fisheries	43,985	--	--
Peter Pan Seafoods	64,889	5,232,783	362,473
Red Salmon Co.	39,277	430,072	--
Togiak, Fisheries	21,370	--	183,000
Ultra-Alaska Association	--	2,928,000	89,646
Miscellaneous )	77,287		
		79,392,734	NA <sup>2/</sup>
Total Bristol Bay	662,476	93,344,900	NA

Sources: Pacific Packers Report, 1981

1/ 48 lb. case equivalents

2/ Not available.



STATISTICAL ANALYSIS SYSTEM

Price (\$/lb.)

PLOT OF RETLRT\*TIME SYMBOL USED IS R  
 PLOT OF WHSLRT\*TIME SYMBOL USED IS W  
 PLOT OF LNDBD\*TIME SYMBOL USED IS B  
 PLOT OF LNDRD\*TIME SYMBOL USED IS L  
 PLOT OF LNDSAL\*TIME SYMBOL USED IS A

R = Retail, U.S. red salmon  
 W = Wholesale, Alaskan red salmon, canned, talls  
 L = Exvessel (landed), Alaskan red salmon  
 B = Exvessel, Bristol Bay, all salmon  
 A = Exvessel, Alaska, all salmon

(All prices are real vs. nominal, average annual, \$/lb. processed)

5-4

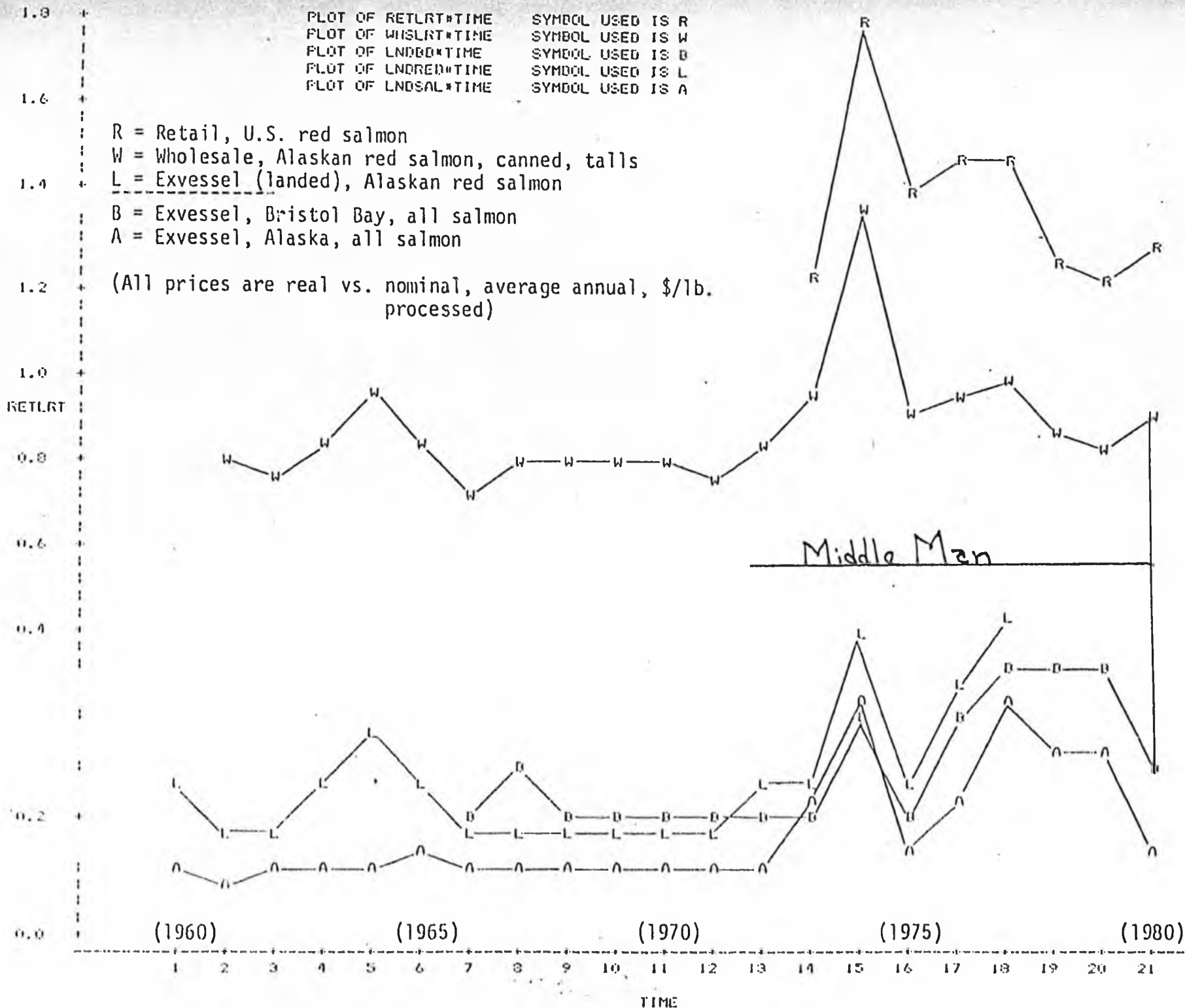


Exhibit 5-1a. Historical Real Prices for Red Salmon--Retail, Wholesale and Exvessel, 1960-1980.

H P

581



# COMMITTEE REPORT

## HOUSE

5/18/81

FURTHER: FINANCE

(11)

Date:

MAY 18, 1981

Mr. Speaker:

The Committee on RESOURCES has had HB 581

"An Act relating to the mining loan fund; and providing for an effective date."

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 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHAIRMAN

\_\_\_\_\_  
*[Signature]*

H

B

6

3

7

# COMMITTEE REPORT

## HOUSE

(7)

FURTHER:

1/11/82

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

Mr. Speaker:

The Committee on RESOURCES has had HB 637

"An Act relating to limited entry and providing penalties for the taking and sale of fish without an entry permit, interim-use permit, or emergency transfer slip, and an identification card."

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 Emergency Transfer Slip
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

**MEMBERS SIGNING  
DO PASS**

Eric Sutchiffe

Jan [unclear]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

Ken [unclear]

Ken [unclear] No ROR

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Eric G. Sutchiffe  
CHAIRMAN

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 637  
 Title "An Act relating to limited entry..."  
 Requested by Representative Joseph Chuckwuk Date 1/20/82

II. FISCAL DETAIL

Agency Affected Department of Public Safety  
 Program Category Affected Life & Property Protection  
 BRU, Program, Or Subprogram(s) Affected Driver/Vehicle Services  
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

	25.0	1.3	1.3	1.3	1.3	1.3
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Unrestricted Revenue collected from the sale of ID cards deposited into the General Fund.

FY 82 - 5,000 cards @ \$5 = \$25,000  
 FY 83 - 250 cards @ \$5 = 1,250

IV. DATE March 30, 1982

PREPARED BY Michael Orelone  
 AGENCY Department of Public Safety  
 PHONE 465-4349

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House bill 637 (Resources)  
 Title "An Act relating to limited entry and providing penalties for the taking . . ."  
 Requested by House Resources Date 3/24/82

II. FISCAL DETAIL

Agency Affected Labor  
 Program Category Affected Public Protection  
 BRU, Program, or Subprogram(s) Affected Labor Standards and Safety  
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	1.0	0	0	0	0	0
400 COMMODITIES	.2	0	0	0	0	0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>1.2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	1.2	0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

Assumes effective date of June 1, 1982.

Assumes requirement for mass mailing is one-time only.

Contractual includes printing of 1,600 notices and letters and postage for mailing - \$995.

Commodities include envelopes and mailing labels - \$195.

IV. DATE 3/24/82 PREPARED BY Nico Bus  
 AGENCY Department of Labor  
 PHONE 465-2720  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

I. REQUEST  
 Bill/Resolution No. Committee Substitute for House bill 637 (Resources)  
 Title "An Act relating to limited entry and providing penalties for the taking . . . ."  
 Requested by House Resources Date 3/24/82

II. FISCAL DETAIL  
 Agency Affected Labor  
 Program Category Affected Public Protection  
 BRU, Program, or Subprogram(s) Affected Labor Standards and Safety  
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	1.0	0	0	0	0	0
400 COMMODITIES	.2	0	0	0	0	0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>1.2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	1.2	0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

Assumes effective date of June 1, 1982.

Assumes requirement for mass mailing is one-time only.

Contractual includes printing of 1,600 notices and letters and postage for mailing - \$995.

Commodities include envelopes and mailing labels - \$195.

IV. DATE 3/24/82 PREPARED BY Nico Bus  
 AGENCY Department of Labor  
 PHONE 465-2720  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 637  
 Title An Act Relating to limited entry....  
 Requested by House Resources Date 3-26-82

II. FISCAL DETAIL

Agency Affected Department of Public Safety  
 Program Category Affected Life and Property Protection  
 BRU, Program, Or Subprogram(s) Affected Driver/Vehicle Services  
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	4.0	.2	.2	.2	.3	.3
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>4.0</b>	<b>.2</b>	<b>.2</b>	<b>.2</b>	<b>.3</b>	<b>.3</b>

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	4.0	.2	.2	.2	.3	.3
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

Basic assumption of fiscal note is applicants for photographic ID cards are required to use existing facilities of the Department.

Fiscal note based on estimate of 50,000 fishermen, of which 10% do not currently have photographic identification. Therefore, 5,000 would have to obtain ID cards. Film for issuance of 5,000 ID cards, at \$.79 each, equals \$3,950.00.

If bill is not effective until FY83, then the \$3,950 would not be required until FY83 instead of FY82.

For FY 83-87, an estimated 250 duplicate or new ID cards will be issued annually.

IV. DATE 3-26-82 PREPARED BY Bill Brown  
 AGENCY Division of Motor Vehicles

Original: Legislative Finance PHONE 465-4335 Department of Public Safety  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)



THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 637  
 Title An Act relating to limited entry....  
 Requested by Rep. Chuckwuk Date 1-20-82

II. FISCAL DETAIL

Agency Affected Department of Public Safety  
 Program Category Affected Life and Property Protection  
 BRU, Program, Or Subprogram(s) Affected Driver/Vehicle Services  
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	4.0	.2	.2	.2	.3	.3
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	4.0	.2	.2	.2	.3	.3

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	4.0	.2	.2	.2	.3	.3
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

Basic assumption of fiscal note is applicants for ID cards are required to use existing facilities of the Department.

300 - Film for issuance of 5,000 ID cards @ \$.79 each.

IV. DATE 1-20-82 PREPARED BY Bill Brown  
 AGENCY Division of Motor Vehicles  
 Original: Legislative Finance PHONE 465-4335 *OK [Signature]*  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)



Bill No.

House Bill 637

Date

January 15, 1982

Title

"An Act relating to limited entry and providing penalties for the taking and sale of fish without an entry permit, interim-use permit, or emergency transfer slip, and an identification card."

Contact:

Judy Knight  
465-2700  
Dale Cheek  
465-4870

JAN 25 1982

The department's position is neutral.

This bill would have no programatic effects upon the department's responsibility under AS 16.10.290-296, Security for collection of wages and payment for raw fish.

This bill should contain a requirement that the Department of Labor be notified when the Department of Revenue has suspended or revoked the license of a fish processor or primary fish buyer under AS 16.10.265(d)(4). This action would be necessary because the Department of Labor is the holder of bonding or surety for the fish buyer or processor under AS 16.10.290.

**POSITION PAPER**/Department of Labor



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Public Safety	Sponsor (Principal) Chuckwuk	Bill Number HB 637
Department Position Support with amendments		
Division Director Colonel Robert J. Stickles <i>RS</i>	Date 1/18/82	Commissioner's Signature William R. Nix <i>WRN</i> Date 1-19-82

GOVERNOR'S OFFICE USE

Comments:

Position Noted By \_\_\_\_\_ Date \_\_\_\_\_

SUMMARY

1. a) Related Bills (Similar or Conflicting) SB 51	1. b) Other Agencies Affected by Bill DMV, CFEC, Dept. of Revenue
2. a) Organizational Support for Bill Unk	2. b) Organizational Opposition to Bill Unk

3. Program Effects of Bill  
Bill is intended to provide penalties aimed at reducing misuse of limited entry permits. Higher penalties would apply to both processors and fishermen. Bill also requires a separate I.D. card in addition to the Limited Entry permit. Separate I.D. card will be of limited value in reducing misuse of permits.

4. Fiscal Impact:  None  Fiscal Note Attached (to be provided by DMV)

5. Amendments Proposed:

- Amend 16.10.265(d) - page 2, line 1. Delete the word wilful. If wilful remains we will have to prove intent. This type of provision should be a strict liability statute.
- Amend 16.10.265(d) - page 1, lines 3 - 11. The fines in subsections (See attached)

6. Comments:

The intent of this bill is good and with the amendments proposed will aid in reducing illegal fish sales. In order to enforce this bill adequately the Division of F&WP must have access to fish tickets. The fish ticket is the proof that a sale did take place and who sold and purchased the fish. SB 47 is before the legislature this year and if passed would give the much needed authority to inspect fish tickets without a court order.

Although a separate I.D. card bearing a photo of the individual may reduce use of limited entry permits it is a second choice. The first choice is to affix a photo of the individual on the limited entry card. This is also one of the recommendations made by the Legislative Audit Division during their recent audit of the Commercial Fisheries Entry Commission. The legislature may wish to incorporate some of the recommendations made by Legislative Audit into this bill as the subject matter is similar and the goals almost identical.

Amendments Proposed: (Continued)

1 through 3 should be in addition to the value of the fish produced at the time of the violation. If a processor bought fish having a value of \$20,000 to the processor the penalties alone would not be a deterrent.

We would recommend a two year suspension of a processor's right to operate upon a second conviction within five years and permanent loss of a processor's right to operate upon a third conviction.

3. Amend 16.10.267(a) page 2, line 22. We recommend the word may be changed to shall.
4. Amend 16.10.267(c) page 3, line 2. This should be a class C felony as other fraudulent applications are currently classified.
5. Amend 16.10.267(d & e) page 3, lines 3 6. These should be a class C felony. Current penalty in AS 16 is higher than a class B misdemeanor. A class C felony is recommended because we are dealing with fraud involving high sums of money.
6. Amend 16.10.296 (2) page 3 line 11. Amend the definition of "fish" to include after life cycle parts such as fertilized or unfertilized eggs. Some courts have ruled that fish eggs are not "parts of fish" once separated from the carcass.
7. Amend 16.10.296 (4) page 3, line 17. Amend this definition by eliminating the words "other than a cooperative corporation organized under AS 10.15." There is no valid reason for authorizing these organizations to purchase fish from illegal fishermen. As written the definition offsets the goal of the legislation which is to eliminate places where illegal fish can be sold.
8. Amend 16.43.360(g) page 4, lines 10 and 11. Amend this section by deleting [caught by the person in the course of the violation] and add found on board at the time. We will usually not be able to prove which fish were caught in the course of the violation and which were caught prior to or after the violation.

A SPECIAL REVIEW OF THE  
DEPARTMENT OF FISH AND GAME  
COMMERCIAL FISHERIES ENTRY COMMISSION  
(and as related)  
DEPARTMENT OF PUBLIC SAFETY  
BRISTOL BAY FISHERIES

November 25, 1981

AUDIT CONTROL NUMBER  
11-012-0003

Commissioner, Department of  
Fish and Game

Ronald O. Skoog

Commissioner, Department of  
Public Safety

William R. Nix

Commercial Fisheries Entry Commission

Commissioner  
Commissioner  
Commissioner

Robert J. Simon  
Burke Riley  
John Williams

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION  
POUCH W—ALASKA OFFICE BUILDING

JUNEAU, ALASKA 99811

November 25, 1981

Members of the  
Legislative Budget and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

A SPECIAL REVIEW OF THE  
DEPARTMENT OF FISH AND GAME  
COMMERCIAL FISHERIES ENTRY COMMISSION  
(and as related)  
THE DEPARTMENT OF PUBLIC SAFETY  
BRISTOL BAY FISHERIES

November 25, 1981



Gerald L. Wilkerson, CPA  
Legislative Auditor  
Division of Legislative Audit

TABLE OF CONTENTS

	<u>Page</u>
Purpose of the Review. . . . .	1
Organization and Function. . . . .	2
Questions on Policies and Enforcement Issues.. . . .	3
Findings and Recommendations . . . . .	6
Agency Responses:	
Department of Fish and Game. . . . .	13
Department of Public Safety. . . . .	16
Commercial Fisheries Entry Commission. . . . .	20
Legislative Audit's Additional Comments. . . . .	23

## PURPOSE OF THE REVIEW

In accordance with a Legislative Budget and Audit Committee request and Title 24 of the Alaska Statutes, this special report has been prepared to document the problems associated with the enforcement of Commercial Fisheries Entry Commission laws and regulations in the Bristol Bay area.

## ORGANIZATION AND FUNCTION

The Alaska Commercial Fisheries Entry Commission was established in 1973 under Alaska Statute 16.43. The Commission consists of three members appointed by the Governor and confirmed by the Legislature.

The purpose of the Commission is to promote the conservation of Alaska's fishery resource and the economical health of commercial fishing in Alaska.

The function of the Commission is primarily regulatory. It has the authority to:

1. Regulate entry into the commercial fisheries.
2. Establish or amend regulations necessary and desirable to carry out the provisions of AS 16.43.
3. Issue permits to qualified applicants in accordance with applicable statutes and regulations.
4. Revoke permits in accordance with applicable laws.
5. Establish the optimum number of permits for a fishery to assure the economic health of that commercial fishery.

The Commission has also been assigned the responsibility for commercial fishing vessel licensing (ADFG number).



## QUESTIONS ON POLICY AND ENFORCEMENT ISSUES

### Question No. 1

What is the total number of permits (permanent and interim-use) issued for the Bristol Bay Fishery?

### Response to Question No. 1

During the 1981 Bristol Bay Fishery there were a total of 2,781 drift gill net and set gill net permits issued (for a breakdown by type, see Appendix A). In 1981 the total number of permits had increased by 93 over the 1978 total.

The Division of Fish and Wildlife Protection (F&WP) believes that, although the number of permits have not increased substantially, the number of people fishing has. The increase could be due to such factors as:

1. Permit holders who did not fish in the past sold or leased their permits to individuals who do fish.
2. The increased costs associated with purchasing and operating a boat have caused fishermen to spend more time fishing in order to meet costs, increasing the number of fishermen fishing at any given time.
3. In 1981 the weather conditions were ideal. For this reason, fishermen who have small vessels and are often limited as to where and when they can fish, were able to fish regularly.

### Question No. 2

Is it possible for a fisherman to obtain a forged permit or to fish in the fishery without a valid permit? If so, what controls can be implemented to deter such activity?

### Response to Question No. 2

It is possible to participate in the fishery without being a valid permit holder. During our examination we discovered that there are a number of ways to catch and sell fish without being a permit holder:

1. By filling in a fish ticket with his name and a fictitious permit number or no permit number a non-permit holder can sell fish. The buyers are really not concerned with who he is or whether or not he has a permit.

2. A non-permit holder may fish by using a permit holder's pre-printed fish tickets. If the permit information is already imprinted the fisherman need only fill in the catch data.
3. A non-permit holder can obtain a transfer request from a fisherman not planning to fish or persuade the fisherman to obtain a duplicate permit. There are frequently advertisements for permits for lease, although this is not legal unless an emergency transfer is granted.
4. A non-permit holder can forge a permit card relatively easily. F&WP found one forged card in 1981.

There are a number of ideas for controls and enforcement procedures that can be used to deter such activity. We have addressed these ideas in Recommendations No. 1, No. 2, and No. 5.

#### Question No. 3

What is the current procedure used to reissue a permit card if the fisherman loses his? Could this result in duplicate permits being used in the fishery?

#### Response to Question No. 3

If a fisherman loses his permit card, he must apply for a new card with the Commercial Fisheries Entry Commission (CFEC). CFEC generally believes the fisherman's reasons regarding the loss, and issues him a new permit card.

It is possible for a fisherman to wind up with two permit cards, if he chooses to be dishonest. He could then sell one card or fish with two boats. Due to the current enforcement problems (see Recommendation No. 5) there is a possibility that he would not be caught.

#### Question No. 4

Is it possible for a nonresident to file for a resident permit and pay the resident fee? If so, what is CFEC doing to prevent or detect this problem?

#### Response to Question No. 4

CFEC believed that it would be possible for an individual to be a nonresident and be paying resident fees. For this reason, they ran a test to select all permit holders who may be guilty of the above. As a result of this test, CFEC came up with 2,200 permit holders that they suspected were incorrectly claiming residency.

CFEC then selected a sample of 180 of the 2,200 and received \$114,000 to begin investigating suspected illegal activities.

As a result of this investigation CFEC has found that this is, in fact, a problem. They have found that many of the permit holders filed residency applications by mistake or because they believed themselves to be Alaska residents. However, CFEC has found a small number who applied as a resident with the specific intent of deceiving the State, in order to pay the lesser fee.

There is no current legislation specifically addressing this issue. Thus, it is left to the court to determine the appropriate fine. The current fines being issued vary from revocation of the permit to paying the difference between the resident fee and the nonresident fee for those periods in question.

## RECOMMENDATIONS AND FINDINGS

### Recommendation No. 1

The Commercial Fisheries Entry Commission should improve administrative procedures and strengthen regulations to help ensure only valid permit holders have access to the fisheries.

We observed a number of problems in the use of limited entry permits in Bristol Bay which CFEC could help to control through administrative changes.

- A. CFEC should laminate a photograph of the permit holder to his permit, in a manner similar to the Alaska drivers license. We realize that there would be a logistics problem, however, we believe the added control provided by photos outweighs the problems.

The photo would provide ready identification of the permit holder, not only by enforcement personnel and biologists, but by the fish buyers as well. A buyer is less apt to purchase fish if he knows the individual is not the valid permit holder. The photo on the permit has been recommended by protection officers, biologists, and members of the Board of Fisheries.

- B. Regulation 5 AAC 39.130(b)(9) should be enforced. This regulation requires the fish buyer to use the valid permit card of the gear operator to mechanically imprint the permit number and related data onto the fish ticket. Strict enforcement of this regulation would reduce the chance of a non-permit holder being able to sell his fish and would also improve the data error rate of fish tickets by reducing the number of handwritten fish tickets. In addition, regulations should be established to prohibit the pre-stamping of fish ticket books prior to the sale of fish. It is a common practice for fish buyers to pre-stamp fish tickets prior to the opening of the season. Pre-stamped fish ticket books are then either kept or returned to the fisherman. For either case, a significant breakdown in the control over access to commercial fishing exists. Allegations were made that this practice resulted in abuses by allowing non-permit holders to sell fish (see Recommendation No. 2).
- C. The CFEC permit problems are more intense in the Bristol Bay salmon fisheries, and as a result CFEC needs to be more accessible to the fishermen just prior to and during the fisheries. Because of the short time

span of these fisheries, delay in referring permit problems to Juneau does not provide adequate response time. As a result, unnecessary permit problems develop.

Having a CFEC staff member present would help reduce violations. We found that some fishermen fished and made landings during part or all of the fishery without a valid permit. Also, permit holders who transfer their permits need immediate approval or denial of such transfers. Presently it is possible in an emergency to transfer a permit if the permit holder is disabled. However, this process is easily abused, as a non-permit holder can legally fish on a request for transfer until it is approved or denied by CFEC in Juneau. If denied, the fisherman need only resubmit a similar request for transfer to start this process over. This has allowed a few permit holders to improperly transfer their permits. The turn-around time between Juneau and Bristol Bay is approximately two or three weeks. Due to the turn-around time and the short fishing season in Bristol Bay, the non-permit holder can fish a good part or all of the season on the transfer request.

#### Recommendation No. 2

##### Statutory changes are needed to provide for clarification and efficient enforcement of the Alaska Fisheries.

The current statutes have not provided adequate economic deterrents to keep fishermen from catching fish illegally, nor do they deter the processors from purchasing illegally caught fish. Alaska's fishery is the second largest industry in the State and adequate measures should be taken to protect this resource.

Under the current statutes, violation of fisheries regulations is a misdemeanor with a punishable fine of not more than \$5,000 on the first offense and \$10,000 on the second and third offenses. Upon the third conviction, the person may be required to forfeit all interim-use and entry permits held by him and lose eligibility for future issuance or transfer of interim use for up to three years. There are currently no penalties for processors purchasing illegally caught fish, and fines are usually less than the maximum allowed by law.

We recommend that statutory changes be made to provide sufficient deterrents for violation of CFEC laws. The following deterrents and statutory changes should be considered:

- A. Provide that fishermen fishing a limited fishery without a permit face a criminal charge, and be subject to fines and imprisonment, and mandatory loss of catch, gear and vessel.
- B. Make it illegal for fish buyers to knowingly purchase fish from a fisherman who does not have a valid permit. Processors violating this law should lose the right to participate in the fishery and/or be subject to fines and forfeitures of proceeds from the sale of illegally caught fish. There is no incentive for a fisherman to violate the limited entry laws if there is no market to sell the illegal fish.
- C. Permit holders violating the commercial fisheries laws should be subject to more stringent penalties. Under the current statutes, the economic deterrents are not sufficient enough to deter some of the fishermen from violating the law. The fishermen should be subject to revocation of their permits and forfeiture of their illegally caught fish, vessels, and gear used in the taking of the fish if they are caught flagrantly violating commercial fisheries laws, or if the violation was their second or third offense. Such a statutory change as proposed SB 51 should provide a sufficient deterrent to restrain most fishermen from violating the laws.

In addition, the statutes need to provide for a more efficient means of policing the fishery. Under the current statutes, F&WP has been denied access to fish tickets and fish ticket information without a subpoena. F&WP, as a result of the denial, has had to depend on spot checks to verify that fishermen are complying with CFEC laws. We believe that the most efficient means of enforcing a limited fishery would be to allow F&WP access to fish tickets and fish ticket information.

If F&WP were allowed access to fish tickets and fish ticket information, it would enable them to:

- A. Effectively identify fishermen that were not permit holders. In Bristol Bay we found a number of fishermen that appeared to be fishing without permits, with expired permits, and with permits used by other than the permit holder. By comparing the CFEC list of current permit holders with the fish tickets or fish ticket data, F&WP would be able to determine: 1) If the fisherman had a permit; 2) where he was fishing; 3) how many fish he had sold; and 4) who was purchasing his fish.
- B. Determine which processors were purchasing fish from non-permit holders. Certain processors seemed to be purchasing the non-permit holders' fish on a regular basis. FW&P would be able to investigate these proces-



sors and determine if they were knowingly purchasing illegally caught fish.

- C. Provide supporting evidence in a court of law for the prosecuting of violators. The fish ticket is in fact a bill of sale. The law reads that you cannot catch and sell salmon without a permit; thus, if a non-permit holder's name appears on the fish ticket, such a ticket could be valuable supporting evidence when prosecuting.

Based upon our examination of the Bristol Bay fishery, it is apparent that there is an economic incentive for fishermen to violate the commercial fisheries laws. Although many of the fines issued by the area courts were the maximum allowed, there still seems to be a disregard of regulations by some fishermen. Thus, the above mentioned statute changes are intended to provide deterrents to persuade fishermen to comply with the law, and provide enforcement officials the ability to pursue violators who do not.

#### Recommendation No. 3

The Department of Fish and Game needs to continue to improve the data entry system used to develop catch data from fish tickets.

During the prior review of the Commercial Fisheries Entry Commission we noted that the catch data developed from fish tickets was three years out-of-date. This condition has been much improved. The Bristol Bay catch data is now nine to twelve months behind. However, we believe continued effort is needed to have thorough data available on a current basis, if the State is to efficiently manage entry into commercial fisheries. This recommendation should not be implemented if CFEC laws are not to be enforced through the fish ticket process.

Our examination of 1981 fish tickets disclosed many clerical errors. It is our understanding that many of these problems were due to having a prior data entry clerk who did not perform as expected. These errors result in the area biologist hand editing many unnecessary corrections.

There are a number of methods available to improve the fish ticket data entry system. Probably the most cost effective is to merge CFEC's data processing section with the Department of Fish and Game's (F&G). This was proposed in Fiscal Year 1980, but was vetoed by the Governor at the recommendation of F&G. F&G stated in the recommendation that adequate information was not available to determine if such a merger would be cost efficient.

In April of 1981 a study of Data Services was completed. This study contained information obtained from the Department of Administration, CFEC, and F&G. The report recommended providing time sharing services to F&G and CFEC personnel, expediting implementation of CFEC remote licensing, upgrading F&G regional computer hardware and establishing control procedures for F&G fish tickets.

We recommend that F&G and CFEC attempt to obtain funding to implement the improvements in processing fish tickets where practical. The implementation of the study recommendations should expedite the processing of fish ticket data, enabling the State to more efficiently manage and enforce the limited fisheries.

Recommendation No. 4

The Department of Fish and Game should establish an efficient means of marking and maintaining the boundary lines for the commercial fishing area.

The 1981 boundary marking procedures made it extremely difficult for the fishermen and protection officers to determine exactly where the boundary lines were. This contributed to the F&WP difficulty in enforcing the boundary lines.

F&G's main objective in Bristol Bay is to obtain information about the fish returns to enable them to make the proper management decisions. During the peak of the season, F&G biologists concentrate their effort on data gathering rather than maintaining the boundary lines. This presents a problem since the boundary line markers in the Bristol Bay area were inadvertently moved or not properly placed.

Due to the problems associated with the boundary lines it is apparent that it would aid F&WP to terminate these lines once the required escapement had been reached. By terminating the outer boundary lines F&WP could concentrate their efforts on other enforcement needs. However, F&G believes that there is a valid biological data reason for maintaining the boundary lines. They also believe that if the outer boundary lines were not there it would hinder the Board of Fisheries' ability to manage the allocations of fish between gear types in the fishery.

We recommend that F&G and F&WP work together to determine if flexibility in the boundary lines is possible. If the boundary lines are to remain intact throughout the fishery, they must be properly and clearly marked so that they can be enforced.



Recommendation No. 5

The Department of Public Safety, Division of Fish and Wildlife Protection should evaluate their current allocation of personnel and equipment to determine if such resources could be allocated for more beneficial use in the Bristol Bay area or if additional resources are needed.

During the 1981 commercial salmon fishery, F&WP was not able to adequately patrol and enforce the Bristol Bay area due to the high incidence rate of violations and resource limitations. Violations occurring due to the improper use of CFEC permits have been enforced when F&WP became aware of them. However, enforcement of CFEC permit requirements has not been a high priority due to the large number of other problems and the difficulty in identifying who may be fishing without a valid permit. Enforcement of CFEC's laws must be viewed in light of the total enforcement requirements for the area.

F&WP is aware of the enforcement needs of the area and has many ideas on how to strengthen enforcement. Therefore, we believe F&WP is in the best position to evaluate the enforcement effort needed to resolve many of the problems that currently exist.

If F&WP is to accomplish their duties effectively, it is apparent that some changes are necessary. We have highlighted F&WP's, as well as other parties', ideas and suggestions for improvement.

- A. The use of a helicopter in Bristol Bay is an idea we believe has a lot of merit. The need for F&WP to be mobile and have access to rural sites for patrol was a concern expressed by many familiar with the fishery. A helicopter would provide for quick response and access where the boats and fixed wing planes cannot. A helicopter could also be used for search and rescue, establishing rural observation posts, and resupply. The problem with the use of a helicopter is its expense, and it cannot be used in bad weather.
- B. Presently F&WP has one 32 foot boat in the Bay and three Boston Whalers. There are four major fishing districts in the Bay: Naknek Kuichak, Egegik Ugashik, Togiak, and Nushagak. These fisheries encompass a large geographic area. The small boats cannot easily commute between the districts or be used in foul weather, thus, the one 32 foot boat must cover much of the area. Additional boats of this size could increase the patrol capabilities. However, it would not be practical to move this size boat to other areas in the State, and most of the year additional boats are not needed.

- C. F&WP should have more officers in the area during the salmon fishery if the enforcement problems continue. This can be accomplished by transferring personnel or increasing the number of positions.

In order to place more personnel in the area, F&WP would have to transfer officers from other fisheries or game management units. If this is done, care must be taken to ensure that the other areas would not be understaffed and be subject to increased violations.

Alternatively, to increase the number of positions in the area may require additional funding. If this proves to be true, we recommend F&WP request funds needed.

Also, due to the nature of the fishery and the limited number of officers, the F&WP officers must work overtime. Personal services funding should be adequate to cover overtime. It is our understanding that there may not be sufficient funding in 1982 for overtime needed.

- D. Revise current statutory laws providing for more stringent deterrents (see Recommendation No. 2). F&WP believes that the number of violations would be reduced if the economic incentive to violate commercial fisheries laws were reduced. A major concern related to more stringent deterrents is the fact that King Salmon has no jail. If the revised statutes provide that violations are punishable by imprisonment, F&WP's operating costs will increase because F&WP will have to transport the violators to and from jail in either Anchorage or Dillingham.
- E. The local magistrates believe that F&WP should instruct their officers and standardize the procedures to be followed in giving a citation. The officers are somewhat inconsistent, compared to one another, in how they handle similar situations. For example, one officer might give a warning for crossing the boundary line while another officer would issue a citation for crossing the line; or one officer might cite only the permit holder on the vessel, while another officer would cite the permit holder, the captain, and the crewmen.

Due to the current enforcement problem in the Bristol Bay area, some changes will be necessary. There appears to be no easy solution to the problems, and adequate enforcement will most likely be obtained through a combination of changes.

# STATE OF ALASKA

## DEPARTMENT OF FISH AND GAME

### OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

P.O. BOX 3-2000  
JUNEAU, ALASKA 99802  
PHONE: 465-4100

January 14, 1982

RECEIVED

JAN 14 1982

LEGISLATIVE  
AUDIT

Mr. Gerald L. Wilkerson, CPA  
Legislative Auditor  
Division of Legislative Audit  
Pouch W - Alaska Office Building  
Juneau, AK 99811

Dear Mr. Wilkerson:

Thank you for providing this office with the preliminary audit report concerning the Bristol Bay fisheries. We appreciate the opportunity to respond to the issues and recommendations that relate to the Department of Fish and Game's activities and responsibilities. Accordingly, please consider the following comments on Recommendations No. 3 and No. 4. You will note that the comments are the same as provided in my letter of December 3, 1981 with the addition of information concerning the recent regulatory action of the Alaska Board of Fisheries on Bristol Bay fishing district boundaries.

#### Recommendation No. 3

The Department of Fish and Game needs to continue to improve the data entry system used to develop catch data from fish tickets.

The Department of Fish and Game use of data entry software on its regional mini-computers is a proven and relatively trouble free system. However, the capability does not exist, currently, where multiple data entry stations may be utilized on the hardware itself. The hardware is extremely reliable and flexible in operation, but is seriously limited in its scope. Greater capacity is needed to support a multi-station environment. Upgrading the present hardware or its replacement with a more up-to-date version capable of supporting a multistation environment appears to be the most cost effective solution to this problem. Also additional data entry personnel would be required to man additional data entry stations.

Timely access to fish ticket data is basically a problem of data collection and data entry. The volume of tickets collected; the number of computer records generated from those tickets; the limited number of data entry personnel directly involved in the process; are all major factors contributing to the basic problem itself. With this in mind it is difficult to visualize how the alternative solution to the problem of merging the Commercial Fisheries Entry Commission and Department of Fish and Game data processing sections would prove to be more cost effective. Certain efficiencies might possibly be achieved in an operational sense but in the final analysis the same basic problem of data collection and data entry would still exist.

Recommendation No. 4

The Department of Fish and Game should establish an efficient means of marking and maintaining the boundary lines for the commercial fishing area.

The Department of Fish and Game recognizes the need for an effective means of marking and maintaining the Bristol Bay commercial fishing district boundaries. The problem was addressed in 1978 under a capital improvement program authorization of \$16,000 which enabled a study and design contract for a state-of-the-art marker system with Automatic Power Co. of Houston, Texas and purchase of one trial buoy for the Kvichak River. Coincident with the study a major funding request was prepared which was approved as a part of a 1979 bond issue. The bond issue made available \$350,000 for marker system hardware and further testing and evaluation. Based on the product of the Automatic Power Co. study a major purchase of hardware and electronics amounting to approximately \$180,000 was made in the winter of 1979-80. The new system was to have been tested and evaluated during the 1980 salmon season; however, the red salmon run forecast for 1980 was phenomenally large. The Department in this instance recommended that the standard district boundaries not be utilized and, therefore, somewhat ironically, did not emplace the standard buoy system. The first major testing of the system occurred during the 1981 season. Many components of the marker system worked very well but, as is widely recognized, some key shortcomings were noted. Particularly, some of the buoys marking the outer Naknek-Kvichak District boundary drifted or were not positioned exactly as required. The range light system for that line was not adequate. Other lesser problems occurred.

As a result of enforcement problems which arose inseason and extensive discussions postseason with Department of Public Safety personnel, fishermen, advisory committees, and the Regional Council, the Department has purchased additional materials for the marker system costing in excess of \$43,000. These include heavier anchors, shore towers, range and buoy lights. Installation is planned to occur between April 1 and June 15, 1982.

During their December, 1981 proceedings the Alaska Board of Fisheries also responded to the commercial fishing district boundary issue by adopting new regulations that redescribed the commercial fishing districts of Bristol Bay. The new regulatory language developed from a joint effort of our fishery managers and Department of Public Safety personnel. Special attention was given to providing boundary lines that would provide for: (1) easy location by fishermen, (2) effective enforcement, and (3) adequate separation of stocks contributing to the fishery. The new regulations, which are enclosed for your reference, will become final well in advance of the 1982 salmon season.

The Department of Fish and Game continues to feel that limiting the Bristol Bay commercial salmon fisheries to properly defined and marked fishing districts under most conditions and in most years is necessary for the long term health of these important salmon fisheries. Highly unusual circumstances such as the phenomenal red salmon run which occurred in 1980 may warrant departures from normal management measures, including district boundaries. The Department staff will continue to anticipate these special situations and needs in concert with Fish and Wildlife Protection Division of Department of Public Safety, local advisory committees, and the Board of Fisheries.

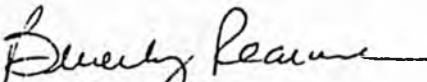
Mr. Gerald L. Wilkerson

-3-

January 14, 1982

Again, thank you for the opportunity to respond to your recommendations.

Sincerely,

*for*   
Ronald O. Skoog  
Commissioner

Enclosures

## STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY  
OFFICE OF THE COMMISSIONER

POUCH N - JUNEAU 99811

December 31, 1981

RECEIVED

JAN 07 1982

LEGISLATIVE  
AUDIT

Gerald L. Wilkerson, C.P.A.  
Legislative Auditor  
Division of Legislative Audit  
Pouch. W  
Juneau, Alaska 99811

Dear Mr. Wilkerson:

This letter is my response to your preliminary audit on:

A Special Review of the Department of Fish and Game,  
Commercial Fisheries Entry Commission (and as related)  
Department of Public Safety, Bristol Bay Fisheries,  
November 25, 1981.

Recommendation No. 1

"The Commercial Fisheries Entry Commission should improve administrative procedures and strengthen regulations to help insure only valid permit holders have access to the fisheries."

A. We concur with the recommendation that CFEC laminate a photograph of the permit holder to his permit. Although there are some logistical problems involved, we feel they can be overcome. Some alternative needs to be established for the individual who loses his card or applies for an emergency transfer.

B. We agree that 5 AAC 39.130(b) (9) should be enforced; however, it is nearly impossible to do so. The practice of pre-stamping fish ticket books by the processors is currently legal and until such time as this practice is abolished through statutory changes, the regulation in question is extremely difficult to enforce. The Board of Fisheries has shown interest in prohibiting pre-stamped fish ticket books but believes they lack the authority to deal with this issue.

C. We agree that CFEC should have a staff member present in Bristol Bay with the authority to approve or disapprove requests for transfer.



This employee could also handle the issuance of new permits with photo to those people involved in approved transfer requests.

Recommendation No. 2

"Statutory changes are needed to provide for clarification and efficient enforcement of the Alaska Fisheries."

We agree with all three sections of this recommendation as it relates to higher penalties. Proposed legislation such as SB 51 should provide a sufficient deterrent to most fishermen.

If Fish and Wildlife Protection is to adequately enforce CFEC regulations, they must have access to fish tickets. The reasons listed in the audit and anticipated results of giving Fish and Wildlife Protection access to fish tickets are valid.

Recommendation No. 3

"The Department of Fish and Game needs to continue to improve the data entry system used to develop catch data from fish tickets."

Without having access to fish ticket data, I am unable to comment on this recommendation.

Recommendation No. 4

"The Department of Fish and Game should establish an efficient means of marking and maintaining the boundary lines for the commercial fishing areas."

The problems encountered with the 1981 boundary marking procedures should be eliminated this next season. The Division of Fish and Wildlife Protection and the Department of Fish and Game submitted boundary changes to the Board of Fisheries in its December meeting. The Board adopted the proposed changes and once Fish and Game places the markers on the new boundaries, the problem should be resolved. We would encourage the Department of Fish and Game to check and maintain the markers throughout the Bristol Bay season.

Recommendation No. 5

"The Department of Public Safety, Division of Fish and Wildlife Protection should evaluate their current allocation of personnel and equipment to determine if such resources could be allocated for more beneficial use in the Bristol Bay area or if additional resources are needed."

We agree with the statement that Fish and Wildlife Protection was not able to adequately patrol the Bristol Bay fisheries in 1981. The large number of fishermen combined with a large number of violations were more

than the Division could handle with budget limitations and manpower and equipment available as evidenced by a 250 percent increase in violations detected over the previous year. This large increase was due, in part, as a result of the strike in 1980.

CFEC regulations have not been a high priority in Bristol Bay due to the inability to obtain fish ticket information and, more importantly, the high volume of other more obvious violations.

A. We agree that a helicopter in Bristol Bay would enhance enforcement; however, Fish and Wildlife Protection does not have the funding to lease or purchase a helicopter. If funding became available in the future, the Division would purchase a helicopter for use in Bristol Bay and elsewhere in the state after the Bristol Bay fisheries are completed.

B. We agree that additional vessels in the 32' range are necessary to adequately cover the fishery. We do not advocate the purchasing of additional vessels due to the short time period they would be used each year. The alternative to purchasing is to lease two 32' vessels for the red salmon season. Based on previous experiences with leased vessels, we would anticipate a cost of one thousand dollars per day, plus fuel and crew per vessel.

C. We agree that Fish and Wildlife Protection needs more officers and seasonal aides in Bristol Bay during the red salmon season. To transfer additional officers (above the number transferred last year) from other areas of the state would have an adverse impact on other fisheries. The alternative is to hire additional manpower and allocate funding to support the extra manpower, both of which are beyond the Division's current funding capabilities.

As indicated in the audit, overtime is expensive for the officers assigned to the Bay and the Division may not have sufficient funding to get the maximum benefit out of the officers in 1982.

D. We agree that more stringent deterrents are necessary. If jail time is imposed on violators, it will have two effects on Fish and Wildlife Protection: One, operating costs will increase substantially due to the need to transport prisoners. Second, those officers assigned to transport prisoners will not be available for field enforcement work.

E. We agree with part of this recommendation and disagree with part. The basic policies should be standardized to insure equal treatment for all fishermen in the Bay. The Division Director will insure this occurs next year. However, the officers in the field must have the discretion on whether to cite an individual or issue a warning based upon the circumstances. There's a big difference between the individual who drifts one hundred yards over the line and the individual who sets his



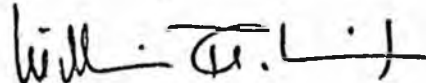
nets one mile above line, yet both are in violation. If a judgement can be made, it appears this discretion works in favor of the citizens as the ratio between warnings and citations is about one to one.

Bristol Bay is a high volume short duration fishery. To adequately reduce the number of violations occurring in Bristol Bay, we feel, will require the cooperation of all three branches of government. If, the penalties were high enough to be a deterrent, SB 47 and SB 51 were passed by the legislature, and, the Division of Fish and Wildlife Protection enforced the regulations to the best of their ability within available funding, we believe the problems can be resolved. If either of the above fail to occur, the problems will continue.

The audit suggested that Fish and Wildlife Protection request additional funding for Bristol Bay, if needed. This request has been made through the legislative report submitted to the legislature last year. This report covers what is needed to resolve the problem in Bristol Bay and other areas of the state.

If you have any questions or need clarification, please contact me.

Sincerely,



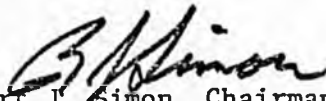
William R. Nix  
Commissioner

## MEMORANDUM

State of Alaska

RECEIVED

TO: Gerald Wilkerson  
Legislative Auditor

FROM:   
Robert J. Simon, Chairman  
Commercial Fisheries Entry  
Commission

DATE: January 8, 1982 JAN 08 1982

FILE NO:

TELEPHONE NO:

SUBJECT:

LEGISLATIVE  
AUDIT

Requested Response to  
Preliminary Audit In RE:  
Special Review of ADF&G,  
CFEC, DPS, and Bristol  
Bay Fisheries

Per your request dated December 21, 1981, our response to the preliminary audit, as above-referenced, follows.

There are five (5) recommendations in the referenced document. Recommendation No. 1 is the single issue relating to the Entry Commission. We will limit our response to that recommendation.

Recommendation No. 1.Subpart A

Legislative Audit has once before recommended that a photo be laminated to the back of entry permit cards (see legislative audit dated May 15, 1979). We believe we have fully apprised you of the numerous adverse implications of directing that action, and have in fact proposed an alternative solution which, we believe, has much greater likelihood of curtailing illegal actions associated with unlawful use of entry permits. (Our suggestion was incorporated in SSHB 631, 11th Legislature). We will, however, once again attempt to enumerate the failings of the suggestion.

(1) Unlike drivers' licenses or other similar cards utilizing a bearer photo, entry and interim-use permits are reissued each year. They do not have a useable life of five years as has an Alaska driver's license.

(2) The travel costs for compliance by permit holders in remote villages could be extremely high. It is not possible for the Entry Commission or any other agency to establish sufficient licensing offices to accommodate that condition. The Department of Public Safety has difficulty with drivers' licenses at present even though its budget is considerably larger than the commission's. Moreover, its clientele does not in the same measure as ours extend to the remote villages.

Air taxi fares and charter rates have inflated rapidly in the past several years, making our earlier response even more appropriate today. We could be in the embarrassing position of requiring people who are eligible for poverty fees when renewing permits to expend relatively large amounts of money to be photographed for their permit, while urban

fisherman, with greater financial resources have comparatively easy, less expensive access to the appropriate state offices.

(3) The existing laminated photo system utilized by the Department of Public Safety could much more easily be modestly expanded to include the issuance of fishermen ID cards. With a requirement that such a photo ID be possessed by each licensed fisherman, the same result could be achieved with far less inconvenience to the public or imposition on the public coffers. Yet even that arrangement would not obviate hardship for many.

(4) Data Card Inc., the largest ID and credit card manufacturing firm in the nation was contacted by the commission regarding this matter. Data Card has advised us that every major company which employed an embossed photo ID card has abandoned their use in the last two years. The reasons given were that the process is slow, archaic, and at the current state of the art, employs cumbersome machinery at considerable expense. It cannot be integrated with the current system used by DPS or CFEC, and would therefore require the creation of a separate system specifically for assembling and embossing photo ID's.

We have been informed that with the machinery currently in use an embossed photo ID card can be assembled in approximately 15 minutes. In 1980, the commission issued 32,211 permits of all types. This would represent 8,052.75 hours or 4.13 man-years of machine time to produce the cards. When one considers the redundancy necessary to cope with Alaska's size and seasonal rush periods, as well as developing a system to collect verified photos to attach to the cards, the need to commit substantial financial resources becomes apparent. In our view, those resources would be more productively used in the areas of increased surveillance and improved data.

(5) The commission has adopted regulations requiring fishermen to have in their possession personal identification at all times while engaged in commercial fishing operations. If asked to present such ID by an enforcement officer of the State, they must comply. See 20 AAC 05.115.

(6) Even if a photo ID system is effectively implemented, much of the illegal fishing associated with unlawful use of valid entry permits will not be curtailed unless fish buyers are penalized for the purchase of fish from illegal fishing operations.

#### Subpart B

The Commission has no responsibility in this area of enforcement.

#### Subpart C

The suggestion for in-field CFEC personnel in Bristol Bay has

Gerald Wilkerson

(3)

January 8, 1982

obvious budget implications. We realize that our liberal system of allowing in-field authorizations of emergency transfers and duplicate permit cards is abused to some degree. We are very reluctant to eliminate such in-field authorization, however, because of the clearly adverse implications of waiting several days to receive Juneau office approval of such requested actions, especially in situations such as Bristol Bay where even a one day prohibition on fishing could be economically catastrophic.

Beginning with the 1981 fishing season, the Commission provided for an in-field review of these requests by ADF&G and DPS personnel. Prior to mailing a request for emergency transfer or request for duplicate permit card to the commission, a fisherman was required to receive an authorizing signature from a representative of one of those agencies if the season and weekly fishing period openings were such that using the carbon copy of the transfer or duplicate request until a permit card arrived was necessary. Much of the more blatant abuses of the system were eliminated by this cooperative effort. We are very grateful to the participating field representatives of both agencies.

Providing a CFEC employee in Bristol Bay would appear to be a matter for the Alaska Legislature and Governor to decide. If it is determined to be worthy of state funding, the Commission will do its best to provide the added enforcement support sought by the recommendation.

RJS:jac

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION  
POUCH W—ALASKA OFFICE BUILDING

JUNEAU, ALASKA 99811

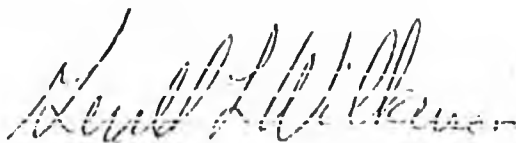
January 14, 1982

Members of the  
Legislative Budget and Audit Committee:

We have reviewed the Commercial Fisheries Entry Commission's response to our Special Review of the Department of Fish and Game. Commercial Fisheries Entry Commission (and as related) Department of Public Safety, Bristol Bay Fisheries, and provide the following response.

Our recommendation stressed the need to strengthen statutes, regulations, and improve administrative procedures. We believe that a laminated photo or other specific means of identification, and the stationing of a CFEC employee in the Bristol Bay area during the season are essential if the economic health of the fisherman and entry into the commercial fisheries is to be protected.

CFEC's response did not address the need for the State, in licensing fishermen, to provide reasonable assurance to the processors and protection officers that fishermen in possession of a permit card are fishing legally. They did cite some very good reasons why issuing a permit with a laminated photo may not be cost effective, and noted logistic problems involved. However, there are alternatives which could provide the same assurance at less cost such as providing that only fishermen in certain fisheries will be required to obtain a valid State identification card with a photo that can be reissued every five years. HB 637 would require a fisherman to have such an identification card in conjunction with a commercial fishing permit, and provides for penalties for violations. By making it mandatory for a fisherman to have an identification card, to be in possession of a valid permit provides the same protection as a laminated photo and would be more cost effective.



Gerald L. Wilkerson, CPA  
Legislative Auditor  
Division of Legislative Audit

H

B

6

6

7



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Fish and Game	Sponsor (Principal) Barnes, Fanning	Bill Number HB 667
Department Position Same as #3		
Division Director Richard Logan	Date 1/29/82	Commissioner Ronald O. Skoog

GOVERNOR'S OFFICE USE

Comments:

Position Noted by \_\_\_\_\_ Date \_\_\_\_\_

SUMMARY

1. a) Related Bills (Similar or Conflicting)	1. b) Other Agencies Affected by Bill
2. a) Organizational Support for Bill We concur	2. b) Organizational Opposition to Bill None

3. Program Effects of Bill

This bill will not substantially affect the basic programs of the Alaska Department of Fish and Game. In some respects it may be beneficial by providing a greater land base to be managed to maintain and/or enhance fish and wildlife populations and their associated uses. On the other hand, it provides potential for greater conflicts by providing more lands for disposal, mineral development, forestry, etc. Basically the status quo will be maintained although management burdens can be expected to increase proportionate to the amount of lands transferred.

4. Fiscal Impact:  None  Fiscal Note Attached Increased management burden/cooperative planning

5. Amendments Proposed:  
None

6. Comments:  
Same as #3



THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 667  
Title Relating to State Control of Certain Land  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Fish and Game  
Program Category Affected NRMEC  
BRU, Program, Or Subprogram(s) Affected Habitat Division  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		100.0				
200 TRAVEL		8.0				
300 CONTRACTUAL		24.0				
400 COMMODITIES		4.0				
500 EQUIPMENT		4.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		140.0				

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

We have assumed that 20 million acres of Federal land will be transferred to State ownership, primarily confined to Regions II and III. To estimate the effort required to plan for these lands, we have based our cursory projection on our contribution to the Willow Subbasin Plan.

The Willow Subbasin plan encompassed about 1.0 million acres and required one person to spend about 6 months full time on it. This was a very intensive planning effort, however. We expect planning for the HB 667 lands will not be as intensive and require less effort.

IV. DATE February 1, 1982 PREPARED BY *Bruce Baker*  
AGENCY \_\_\_\_\_ PHONE \_\_\_\_\_  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)



H B

6 6 8





STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Fish and Game	Sponsor (Principal) Sutcliffe & Fanning	Bill Number HB 668
Department Position Support		
Division Director <i>for</i> <i>H. C. Chesley</i> Steven Penoyer	Date 1/25/82	Commissioner <i>Ronald G. Skoog</i> Date 1-26-82

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 CFEC
2. a) Organizational Support for Bill	2. b) Organizational Opposition to Bill

3. Program Effects of Bill

Would enhance Department of Fish and Game fishery management program.

4. Fiscal Impact:       None       Fiscal Note Attached

5. Amendments Proposed:

None

6. Comments:

The Department of Fish and Game strongly supports legislation that would allow the Department to release its confidential records to the Department of Public Safety, Division of Fish and Wildlife Protection. Because the Division of Fish and Wildlife Protection is responsible for enforcement of ADF&G regulations, the current statute makes it difficult for them to proceed efficiently with the prosecution of violations. As a result both Departments are burdened with unnecessary costs and delays in handling the information. The Division of Fish and Wildlife Protection was once a part of the Department of Fish and Game and had access to those records. When the Division was formally transferred to the Department of Public Safety the significance of AS 16.05.815 was not taken into account. Now the Division cannot adequately enforce our regulations when evidence for prosecution of violations is based on confidential records of the Department of Fish and Game.

From a management standpoint catch reporting is critical to the prevention of overharvest. Consequently, complete and effective enforcement of reporting requirements is especially important to the fishery manager. The Division of Fish and Wildlife Protection must be allowed to participate in this activity to ensure good compliance with reporting requirements. In addition to allowing the Division access to perform searches for evidence of violations that have been reported to them, the confidential records are also required as evidence for prosecution of other fishery violations.



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Public Safety	Sponsor (Principal) Sutcliffe	Bill Number HB 668
-----------------------------	----------------------------------	-----------------------

Department Position:  
Support

Division Director Colonel Robert J. Stickles <i>RJS</i>	Date 1/22/82	Commissioner's Signature William R. Nix <i>W. Nix</i>	Date 1-28-82
--	-----------------	--	-----------------

GOVERNOR'S OFFICE USE

Comments:

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

SUMMARY

1. a) Related Bills (Similar or Conflicting) SB 47	1. b) Other Agencies Affected by Bill Commercial Fisheries Entry Commission Alaska Department of Fish & Game
2. a) Organizational Support for Bill Board of Fisheries Alaska Department of Fish & Game Local Advisory Groups Legislative Audit (See audit on Commercial Fisheries Entry Commission)	2. b) Organizational Opposition to Bill  Unknown

3. Program Effects of Bill

Would allow the Division of Fish & Wildlife Protection access to fish tickets and fish ticket data without a court order. If this bill passes the Division will have the ability to actively enforce limited entry.

4. Fiscal Impact:  None  Fiscal Note Attached

5. Amendments Proposed:  
None

6. Comments:  
Access to fish tickets would allow the Division to:

- Identify fishermen who were not permit holders
- Determine which processors were purchasing fish from non-permit holders
- Use the fish ticket as evidence in court



STATE OF ALASKA  
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Fish and Game	Sponsor (Principal) Sutcliffe & Fanning	Bill Number HB 668
Department Position Support		
Division Director <i>for</i> <i>H. C. Chesley</i> Steven Randofer	Date 1/25/82	Commissioner <i>Ronald D. Skeeg</i> Date 1-26-82

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 CFEC
2. a) Organizational Support for Bill	2. b) Organizational Opposition to Bill
3. Program Effects of Bill  Would enhance Department of Fish and Game fishery management program.	
4. Fiscal Impact: <input checked="" type="checkbox"/> None <input type="checkbox"/> Fiscal Note Attached	
5. Amendments Proposed:  None	

6. Comments:  
The Department of Fish and Game strongly supports legislation that would allow the Department to release its confidential records to the Department of Public Safety, Division of Fish and Wildlife Protection. Because the Division of Fish and Wildlife Protection is responsible for enforcement of ADF&G regulations, the current statute makes it difficult for them to proceed efficiently with the prosecution of violations. As a result both Departments are burdened with unnecessary costs and delays in handling the information. The Division of Fish and Wildlife Protection was once a part of the Department of Fish and Game and had access to those records. When the Division was formally transferred to the Department of Public Safety the significance of AS 16.05.815 was not taken into account. Now the Division cannot adequately enforce our regulations when evidence for prosecution of violations is based on confidential records of the Department of Fish and Game.

From a management standpoint catch reporting is critical to the prevention of overharvest. Consequently, complete and effective enforcement of reporting requirements is especially important to the fishery manager. The Division of Fish and Wildlife Protection must be allowed to participate in this activity to ensure good compliance with reporting requirements. In addition to allowing the Division access to perform searches for evidence of violations that have been reported to them, the confidential records are also required as evidence for prosecution of other fishery violations.



THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 668  
Title Act providing FWP access to confidential reports/records of Dept. of F&G.  
Requested by House Resources Date 2-5-82

II. FISCAL DETAIL

Agency Affected Department of Public Safety  
Program Category Affected NR MEC  
BRU, Program, Or Subprogram(s) Affected Fish & Wildlife Protection  
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No Fiscal Impact

IV. DATE 2-5-82 PREPARED BY *Don Tetzi*  
AGENCY Department of Public Safety  
PHONE 269-5534  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named) *Alto*  
33-001 (Rev. 12/81)

# MEMORANDUM

# State of Alaska

TO: Legislative File  
Paul Conger  
Department of Public Safety  
Juneau

DATE: February 10, 1982

FILE NO:

TELEPHONE NO:

FROM: Lt. Colonel Don Tetzlaff  
Deputy Director  
Fish & Wildlife Protection  
Anchorage

SUBJECT: HB 668

On February 4, 1982, 1:00 p.m., an informal discussion was held with the House Resource Sub-Committee in reference to the revision of Title 16 (access to fish ticket).

Present were Sutcliffe, Grussendorf, Vaska, three legislative aides and myself.

Comments voiced were pretty much as stated on the Bill Analysis prepared by the Division as to why we wanted or needed access. Plus I did go into a little more detail as to how the Division currently obtains access. Show probable cause (pc), complete affidavit, obtain search warrant.

My response to how many times we had the need to obtain search warrants last year was approximately 15 to 20.

My response to Sutcliffe's question of whether or not receiving copies of all fish tickets would be beneficial to the Division, was yes, but only if receiving the copies were timely, legible and practical to do so. And stated if just access was approved copies would not be necessary.

Vaska stated that he felt allowing another agency access to fish tickets would increase the possibility of mis-use of the information on fish tickets. I assured him our responsibility as to the use of the information on the ticket being they are classified as confidential, would be the same as ADF&G and LE. Officers that mis-used any information would be subject to reprimand, dismissal and/or possibly criminal charges filed against them.

My response was negative to the question of whether or not access to fish tickets would mean an increase in budget requests.

My final comment was that it seemed a little ridiculous, at least to me, that the agency primarily responsible to enforce the fish and game code and limited entry regulations was not allowed immediate access to information that would assist us in the enforcement of those regulations. And that if this committee wanted to assist this Division in doing a better job for the people and the resource we would urge the passing of HB 668.

DT/rl

cc: Colonel Stickle  
Lt. Mills

H

B

6

6

9



THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

HB 669

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 669 (1/15/82)

Title Transferring Bal. of 1981 Approp. to Fishery Product Revolving Loan Fund  
Requested by House Finance & Resources Committees Date 1/22/82

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

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

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	8.8	52.9	58.2	64.0	70.4	77.5
200 TRAVEL	2.0	5.0	5.5	6.1	6.7	7.3
300 CONTRACTUAL	3.0	7.0	7.7	8.5	9.3	10.3
400 COMMODITIES	.2	.5	.6	.6	.7	.8
500 EQUIPMENT	2.0	-				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>16.0</b>	<b>65.4</b>	<b>72.0</b>	<b>79.2</b>	<b>87.1</b>	<b>95.9</b>

FUNDING (Thousands of Dollars)

	16.0	65.4	72.0	79.2	87.1	95.9
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	1.0	1.0	1.0	1.0	1.0	1.0
FULL TIME						
PART TIME						
TEMPORARY						

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

This bill transfers the unused portion of the 1981 appropriation of the Fish Processing Loan Guarantee Account to the Fishery Product Revolving Loan Fund (AS 45.91)(FPRLF). The FPRLF was established in 1981 but not funded and is presently inactive; would be activated by this bill, creating associated costs.

State Investment Officer II to handle all associated work as to credit decision, make loan, all associated paperwork and analysis. All general ledger accounting and clerical support to be absorbed by regular division staff. Travel as required for loan review/inspection/negotiation. Contractual services (Comm. \$3.0; Legal/Safekeep \$3.0; Print./Adv. & Misc. \$1.0). Equipment for new position.

Costs shown in FY 82 are for a two-month period assuming the bill would pass by April/May, 1982. If not effective until new fiscal year, equipment costs should be moved to FY 83.

*Anselm C. Staack*

IV. DATE January 22, 1982

PREPARED BY Anselm C. Staack, Treasury Comptroller

AGENCY Dept. of Revenue/Treasury Division

PHONE 465-2350

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)



# Alaska State Legislature

HOUSE OF REPRESENTATIVES  
COMMITTEE ON RESOURCES

KEN FANNING, CO-CHAIRMAN  
ERIC BUTCLIFFE, CO-CHAIRMAN  
POUCH V  
JUNEAU, ALASKA 99811  
(907) 465-3715

January 22, 1981

## 1981 LOAN GUARANTEES

20% CFAB (minumum participation)  
80% commercial bank or an institution of the federal farm  
credit system.

50% of the commercial or federal portion is guaranteed under the  
loan guarantee program.

-----

TOTAL LOANS	\$46,650,000	
GUARANTEED PORTION	\$19,910,000	
UNEXPENDED FUNDS	\$20,900,000	
NUMBER OF LOANS	16	
VALUE OF INDIVIDUAL LOANS	\$200,000 - \$9,500,000	
MAXIMUM AMOUNT OF CFAB PARTICIPATION	\$6,000,000	(puts a ceiling of \$30 Million on an individual loan.)



**SERATE  
JOURNAL SUPPLEMENT**

May 1, 1981

Friday

No. 37

FISCAL NOTE

CS  
SB  
140  
(RES)

**I. REQUEST**  
 Bill/Resolution No. CS FOR SENATE BILL NO. 140 (Res.)  
 Title Establishing a fishery product revolving loan fund  
 Requested by Senate Finance Committee Date 3/16/81

**II. FISCAL DETAIL**  
 Agency Affected Department of Revenue  
 Program Category Affected Revenue Collection and Management  
 BRU, Program, or Subprogram(s) Affected TREASURY MANAGEMENT  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)  
**EXPENDITURES** (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	11.1	12.2	11.4	63.2	89.3	76.4
200 TRAVEL	1.0	12.0	11.7	14.3	16.0	17.6
300 CONTRACTUAL	1.0	20.0	22.0	24.2	21.6	29.3
400 COMMODITIES	2	3	3	2	1	3
500 EQUIPMENT	2.0					
600 LAND & STRUCTURES						
700 GRANTS CLAIMS ETC						
<b>TOTAL</b>	<b>20.3</b>	<b>84.5</b>	<b>92.9</b>	<b>102.3</b>	<b>112.5</b>	<b>123.6</b>

**FUNDING** (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	20.3	84.5	92.9	102.3	112.5	123.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

**POSITIONS**

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME	1	1	1	1	1	1
PART TIME						
TEMPORARY						

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

Leave includes salary and benefits for State Investment Officer II. Travel cost due to nature of fishing business and review requirements for loans. Contractual expenditures related to regulations, necessary professional services, space requirements, etc. Equipment for new position.

Costs shown in 81 are for a three-month period assuming immediate effective date bill. If not effective until new fiscal year, equipment costs should be moved to FY 82.

*Annex C. Stach*

IV. DATE March 25, 1981

PREPARED BY Annex C. Stach, Treasury Controller

AGENCY Department of Revenue/Treasury Division

PHONE 478-2353

Original: Legislative Finance

Director: and Management