

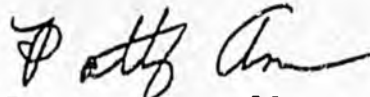
ALASKA LEGISLATURE COMMITTEE FILES 1901-1902 0072

2073 SSA SB 299 - SB 323

Because Alaska is under the provisions of the Voting Rights Act, any changes enacted must be submitted to the Department of Justice for review. Without the review and approval by the Department of Justice, the changes cannot be implemented. At a very minimum, 60 days is required for review of proposed election changes by the Department of Justice. Usually 120 to 140 days are necessary for this review process to occur, therefore, I urge you to consider any election law changes at your earliest convenience.

If I may be of any assistance, please call on me.

Sincerely,



Patty Ann Polley
Director of Elections

5-6-81 Elections

DECLARATIONS OF CANDIDACY BY TELEGRAM

Out of 199 total declarations of candidacy, only 4.5% (9 total) filed by sending a telegram. Only 3.5% of those individuals actually needed to use the telegram method to meet the statutory deadline since 2 people met the physical delivery deadline in addition to submitting the telegram. Eight candidates for the State House and one candidate for the State Senate filed by telegram as follows:

STATE HOUSE

- District 8: Charles Thomas Hutchins
tel. rec'd 6/2/80
nominating petition rec'd 6/4
(Libertarian)
- District 9: R. E. Hardy
tel. rec'd 6/2/80
nominating petition rec'd 6/4
(Libertarian)
- District 9: John L. Phillips
tel. rec'd 6/2/80
nominating petition rec'd 6/4
(Libertarian)
- District 12: Jose Valient
tel. rec'd 6/2/80
nominating petition rec'd 6/4
(Libertarian)
- District 14: Lynn Frank Saupe
tel. rec'd 5/30/80
declaration rec'd 6/2/80 (by the deadline)
later withdrew on 9/2/80
(Republican)
- District 15: Bonnie Julia Kitchen
tel. rec'd 6/2/80
declaration rec'd 6/3/80
(Democrat)
- District 17: Charles Joseph Guinn
tel. rec'd 5/30/80
declaration rec'd 5/31/80 (by the deadline)
(Democrat)
- District 18: Martin B. Moore
tel. rec'd 6/2/80
declaration rec'd 6/6/80
(Democrat)

STATE SENATE

- District K: Merrill Stephen Sikorski
tel. rec'd 6/2/80
(Republican)

AS 15.25.040 is amended to read as follows:

AS 15.25.040. MANNER AND DATE OF FILING DECLARATION. (a) The declaration is filed by either

(1) the actual physical delivery of the declaration in person at or before 5:00 p.m., prevailing time, July 15 (JUNE 1) of the year in which a general election is held for the office, or

(2) (THE ACTUAL PHYSICAL DELIVERY BY TELEGRAM OF A COPY IN SUBSTANCE OF THE STATEMENTS MADE IN THE DECLARATION AT OR BEFORE 5:00 P.M., PREVAILING TIME, JUNE 1 OF THE YEAR IN WHICH A GENERAL ELECTION IS HELD FOR THE OFFICE AND ALSO) the actual physical delivery of the declaration by registered or certified mail return receipt requested which is received at or before 5:00 p.m., prevailing time, July 15 (JUNE 1) of the year in which a general election is held for the office (AND RECEIVED NOT MORE THAN 15 DAYS AFTER THAT TIME).

(b) (IF THE POSTMARK IS ILLEGIBLE, A DATED RECEIPT FROM THE POST OFFICE WHERE DISPATCHED SHALL BE ACCEPTABLE AS EVIDENCE OF MAILING.) If July 15 (JUNE 1) is a Sunday or holiday, the deadline for (POSTMARKING AND) receipt of the declaration shall be extended 24 hours (IN EACH INSTANCE).

(c) A candidate for a statewide office or a candidate for a district-wide office shall file either with the director or an election supervisor. If the candidate files his declaration with an election supervisor, the election supervisor shall immediately forward the declaration to the director.

((d) IF THE DECLARATION FILED UNDER (A) OF THIS SECTION IS NOT RECEIVED WITHIN SEVEN CALENDAR DAYS, THE CANDIDATE SHALL BE NOTIFIED OF NONRECEIPT. THE CANDIDATE SHALL HAVE THE OPPORTUNITY TO REFILE HIS DECLARATION WITH PROOF THAT HIS PREVIOUS DECLARATION HAS BEEN FILED IN A TIMELY MANNER AND IN ACCORDANCE WITH LAW.)

AS 15.25.056 is repealed and re-enacted to read as follows:

AS 15.25.056. NOMINATION BY PARTY PETITION WHERE INCUMBENT DIES OR IS DISQUALIFIED OR INCAPACITATED. The death, disqualification or certification of incapacity of an unopposed incumbent candidate following the closing of the period for nomination and on or before the primary election date does not affect the counting and review of the ballots. If the results of the counting and review discloses that the candidate, if he had lived, would have been nominated, the candidate shall be declared nominated. The vacancy may be filled by party petition as provided in AS 15.25.110-15.25.130.

AS 15.25.150 is amended to read as follows:

AS 15.25.150. DATE OF FILING PETITION. The petition is filed with the director by actual physical delivery in person at or before 5:00 p.m., prevailing time, July 15 (JUNE 1) in the year in which a general election is held for the office, or by actual physical delivery to the director by registered or certified mail return receipt requested which is received (POSTMARKED) at or before 5:00 p.m., prevailing time, July 15 (JUNE 1) in the year in which a general election is held for the office. (, AND RECEIVED NOT MORE THAN 15 DAYS AFTER THAT TIME. IF THE POSTMARK IS ILLEGIBLE, A DATED RECEIPT FROM THE POST OFFICE WHERE DISPATCHED SHALL BE ACCEPTABLE AS EVIDENCE OF MAILING.) If July 15 (JUNE 1) is a Sunday or holiday, the deadline for (POSTMARKING AND) receipt of the petition shall be extended 24 hours.

STATE OF ALASKA

OFFICE OF THE LT. GOVERNOR

DIVISION OF ELECTIONS

JAY S. HAMMOND, GOVERNOR

TERRY MILLER, LT. Gov.

POUCH AF—JUNEAU 99811

April 28, 1981

The Honorable Vic Fischer
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Fischer:

The proposal to move the filing deadline to July 15 and to change the Primary Election to the first week in September presents difficulties in preparation for the elections. Other alternatives that might be considered before changing the date of the filing deadline and the Primary Election date include:

1. establishment of a beginning date for the filing of declarations of candidacy and petitions. If the length of time that campaigns occur is to be shortened, the beginning date for filing for office would shorten this period.
2. establishment of a beginning time for campaign purposes. A deadline can be set for the beginning of campaigns.

The filing deadline for the elections can be moved to July 1 without presenting any difficulties in the preparation for the election. The moving of the filing deadline to July 15 presents difficulties in regards to the filing by telegram procedures. Candidates may file certain parts of their declarations of candidacy by telegram and the Division of Elections must await receipt of the declaration until the 15th day following the filing. With the filing by telegram provisions, ballot preparation and other materials requiring names of candidates must await receipt of the declarations before beginning preparation of these materials. Under the July 15 filing provisions, the ballot preparation cannot begin until August 1 - a month before the election.

The shortening of the time between the Primary and General Election presents difficulties for the completion of the Primary Election and preparation for the General Election. The items most threatened by this

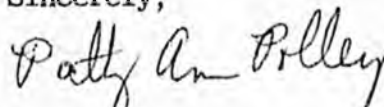
The Honorable Vic Fischer
April 28, 1981
Page Two

change involve the preparation and printing of the election pamphlets, the preparation of ballots and tally books which require the names of candidates. The work required for the preparation of ballots, election pamphlets and tally books must occur before voting can begin. The staff currently works 7 days a week, 14 hours or more a day to complete the preparation process. As this work must occur, the voters will be short changed in that the materials and information will not be available and absentee voters will be disenfranchised. Mail service in some areas of this state is slow - 30 days are required to get materials to the villages in the Aleutians, thus, whole villages may not receive ballots or election supplies.

The procedures for conducting an election have changed frequently, however, the deadlines have remained static. The deadlines have not changed because the distances and the frequency of delivery of mail has not changed substantially. The Division of Elections cannot distribute election materials, pamphlets, and supplies in one or two days - it takes 30 days.

In conclusion, the changing of the filing deadline to July 1 will present few problems in the conduct of elections. The changing of the deadline to July 15 will require changes to the filing by telegram procedures. The shortening of the time between the Primary and General Elections by moving the Primary Election to the first week in September will require changes in the election pamphlet statutes, the time for the mailing of ballots and election material, the time for the conduct of recounts, and the availability of absentee ballots.

Sincerely,



Patty Ann Polley
Director
Division of Elections



Alaska State Legislature

Senate Committee on State Affairs

Vic Fischer, Chairman • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

Official Business

To: State Affairs Committee

From: Senator Vic Fischer, Chairman

RE: Shortening state election period

Date: April 22, 1981

Every two years Alaskans experience the endless thrill, boredom and annoyance of state elections. My hope is we can provide relief to the public, as well as reduce the cost of elections. Proposed committee substitute to SB 299 will accomplish this.

With increasing use of television and radio media, the public is subjected to virtually continuous bombardment by politicians from June 1 'til the November election. At times, electioneering reaches such a crescendo that people are just getting sick and tired of the whole democratic process of electing their public officials.

The other side of the coin is the ever escalating price of media for the candidates themselves, with individual state senate races approaching \$100,000 in cost.

While the election process is crucial to assure that the public is given full information on all viable candidates, the extent of current electioneering and political harassment of voters is truly excessive.

One method of reducing public annoyance and, if possible, reducing costs is shortening the active campaigning process. I propose to reduce the process from the current 20 weeks to 14 weeks.

This is accomplished by moving the filing deadline for candidates in state elections from June 1 to July 15, resulting in a reduction of the primary campaign from the present 12 weeks to 7 weeks.

The general election period is cut from 9 weeks to 8 weeks by shifting the primary election date from the last Tuesday in August to the first Tuesday in September, shortening the election period in the State of Alaska from its present exhaustive schedule.

Alaska's election period, when compared to other states in the country, is much too long. Where other states have found ways to shorten the time between declaration of candidacy and actual determination of winner (primary and general elections), Alaska's time period has not changed since statehood. Even with the advent of sophisticated computers, Alaska's election time frame begins on June 1 and ends on the first Tuesday following the first Monday in November.

Elections

Page 2

Listed below are the current and proposed election schedules:

	<u>Existing Time Schedule</u>	<u>Proposed Time Schedule</u>
-Last Filing date	June 1	July 15
-Primary Election	4th Tuesday in August	First Tuesday in Sept.
-General Election	1st Tuesday following 1st Monday in Nov.	1st Tuesday following 1st Monday in Nov.

This schedule deletes six weeks from the beginning of the election period by pushing back the "declaration of candidacy" deadline. This does not affect the schedule of preparing for the primary election.

The primary election is pushed back by one week from the last Tuesday in August to the first Tuesday in September. The following is a comparison of existing and proposed schedules to carry out the different functions that must take place between primary and general elections:

<u>Events</u>	<u>Current Schedule</u>		<u>Proposed Schedule</u>	
	Day 1-8	# of days	Day 1-8	# of days
A. Absentee returns		8		8
B. Canvass Board	" 8-18	10	" 8-16	8
Certify votes	" 19-20	2		
C. Potential recount	" 21-27	(5-7)	" 17-19	3
D. Print ballots	" 21-34	14	" 17-27	11
Package Ballots	" 34-45	11		
E. Distribute Ballots	" 45-60	15	" 28-38	11

- A. Eight days are required for receipt and counting of absentee returns.
- B. The Canvass Board can work faster, using more people. Certification could take place within this second eight day period.
- C. Any recount could proceed while ballots are being set for printing.
- D. Under the present system, 25 days are set aside for the printing and packaging of ballots. Through the use of computers and more people, as necessary, this can be done in eleven days.
- E. Eleven days are allowed for distribution of ballots statewide, rather than 15 days at present. Absentee ballots can still be available 15 days before the general election.

The new schedule shortens the primary race by six weeks. The general election period is shortened by one week. The total reduction in the state election period is six weeks, from 20 to 14 weeks. The Division of Elections is only affected by one week--only in the time period between the primary and the general elections.

Peggy Ann Polley

Analysis of Senate Bill 299

- Section 1. AS 15.07.070(c) is amended to clarify dating on a completed voter registration card which is mailed to the Elections Offices. The change is to make the date of registration the date as shown on the voter registration card rather than the postmark date which frequently does not appear on the envelope.
- Section 2. AS 15.07.070(f) is amended to clarify the dating as shown on a voter registration card. The controlling date is to be the date of re-execution. not a postmark date which may not appear on the envelope.
- Section 3. AS 15.07.135 is amended so the wording is consistent with that appearing in AS 15.05.030.
- Section 4. AS 15.07.140 is amended to clarify the persons who are to post lists of registered voters 40 days before an election. The change is so any election officials - registrars, or election board members - may post the list. As the statute is currently written, only a registration official can do the posting. In a small precinct a registrar may not be available to post the list but the change will allow for other officials to be assigned the task.
- Section 5. AS 15.10.180 is amended to remove the reference to "canvass". When the election bill, Ch. 100, SLA 1980, was approved, a decision was made to clarify the word "canvass" which had a dual meaning. Inadvertently, the reference for the State Ballot Counting Review was not changed; hence, this amendment makes that change. The word "canvass" was used to refer both to the review of material and to the counting of ballots.
- Section 6. AS 15.15.140(a) is amended to clarify that the materials are to be available so the voters may make their intent known as opposed to the election board or other persons acting on the behalf of voters.
- Section 7. AS 15.15.195 is amended so that the voter's name must appear on the list of registered voters. As this section is written, it seems that the voter may be allowed to vote if he or she stands or sits on the list of registered voters.
- Section 8. AS 15.15.210 is added. During the review following passage of Chapter 100, SLA 1980, it was determined that this section had been both added and deleted. The law as currently written does not allow for persons to be questioned by election boards, watchers or other persons available at the polls. This section specifies procedures for the questioning of a person's vote by the election board, watchers or other persons available at the polls.

- Section 9. AS 15.15.215 is amended to clarify that the district questioned ballot counting board is responsible for determining the merits of a questioned ballot. The law as currently written seems unclear as to whether the responsibility falls to the election supervisor or the board.
- Section 10. AS 15.15.240 is revised to clarify that an election board member or a person of the voter's choice may provide assistance to the voter. The law makes reference to an election judge as the only official who can assist the voter. Other members of the board, such as the clerk, may be better qualified to assist the voter but under current law would be unable to provide assistance.
- Section 11. AS 15.15.260 is amended to allow for any member of the election board to remove the numbered stubs from the ballot and to provide instructions to the voter. Currently, the law only allows an election judge to have this responsibility. It is more realistic that a clerk or other board member may be assigned the duty.
- Section 12. AS 15.15.300 is amended to clarify that a replacement ballot is not to be provided to a voter who improperly exhibits a ballot. The law as previously written provided no procedural instructions to follow if a ballot was unlawfully exhibited by a voter.
- Section 13. AS 15.15.330 is amended to remove the word "immediately" in reference to opening the ballot box and the counting of ballots. The election board has other responsibilities which must be completed before the ballot box is opened. Those other responsibilities include the recording of the numbers from the stubs of the unused ballots, the disposal of the unused ballots and certain other recording duties.
- Section 14. AS 15.15.360(c) is amended to provide for the procedures to be followed in the counting of hand-marked punch-card sample ballots. This would be necessary in the case where an election board or absentee voting official runs out of official punch-card ballots. A sample punch-card ballot would then be provided and would be marked with a pen or pencil. The outline of procedures for counting these ballots is, therefore, outlined in this amendment.
- Section 15. AS 15.15.420 is amended to make clear that the Director and the State Ballot Counting Review Board review the results of the counting of the ballots. As the law is written, the Board and Director must review the counting which occurs in 300 separate locations.
- Section 16. AS 15.15.430(a) is amended to make clear that the review by the State Ballot Counting Review Board and the Director is of the results of the ballot counting, not the observation of ballot counting in several hundred locations.

Section 17. AS 15.20.071(c) is to clarify the procedure and to make it clear that an absentee ballot by personal representation must be returned to the issuing official within three days. If the ballot is not returned within the allowable time, the ballot is not to be counted. The three day time period for the return of the personal representative ballot is firm except all personal representative ballots must be returned no later than election day.

Section 18. AS 15.20.190(a) is amended to make clear that the pay for some election officials may be different than the pay set for election board members who work on election day at the polls.

Section 19. AS 15.20.220 is a new section which was originally included in Chapter 100, SLA 1980, but a numbering problem caused this section to be deleted. The section explains the procedure to be followed in reviewing the questioned and absentee ballot certificates and the provision for the counting of ballots received after the completion of the district review but prior to the completion of the state review.

Section 20. AS 15.60.010(4) is amended to allow for the inclusion of all persons who serve on the election board in the definition of "election board".

Section 21. AS 15.60.010(6) is an expansion of the definition of "election official" to include registration officials and registrars.

Section 22. AS 15.60.010(10) revises the definition of "hand-marked ballot". By the definition the ballot must be designated a hand-marked ballot; but we feel no designation is required. The fact that a ballot is marked by hand with a pen or pencil is sufficient.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 299
 Title "An Act relating to elections"
 Requested by Senate State Affairs Date 4-22-81

II. FISCAL DETAIL

Agency Affected Office of the Governor
 Program Category Affected Legislative and Elective Operations
 BRU, Program, or Subprogram(s) Affected Division of Elections
 (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	-0-	-0-				
200 TRAVEL	-0-	-0-				
300 CONTRACTUAL	-0-	-0-				
400 COMMODITIES	-0-	-0-				
500 EQUIPMENT	-0-	-0-				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-				

FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No additional fiscal impact for the Division of Elections.

IV. DATE April 22, 1981 PREPARED BY Danith D. Anderson
 AGENCY Division of Elections
 Original: Legislative Finance PHONE 586-6181
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

S

B

3

2

3

Nels A. Anderson, Jr.
Box 234
Dillingham, Alaska 99576
Phone: (907) 842-5302 2366

April 2, 1981

Governor Jay Hammond
Pouch A
Juneau, AK 99811

Dear Governor Hammond:

I was encouraged and disappointed when I read the "Bristol Bay Task Force" report approved by yourself on March 23, 1981. I felt that the recommendation for a marketing study is a short, halting, positive step in the right direction. However, I was deeply disturbed by the Gestapo-type reaction to so-called threats of violence during price disputes in Bristol Bay.

Please understand that I am not critical of the people who prepared the report because it does focus on one of the roots of the problem of getting a reasonable price for salmon in Bristol Bay.

The situation in Bristol Bay is a pond of pandemonium and chaos at this time. No quick-fix task force can study the problem, make recommendations, implement a plan and expect results in two months' time. However, I am encouraged to see some attempt to help fishermen establish a firm footing by getting basic data on the table as both sides bargain for a fish price.

I am disturbed by section B found on page 11 entitled "Controlling the Climate of the Negotiations". The title itself is enough to scare the most stalwart fishermen in Bristol Bay. Perhaps that was the intent, but I cannot believe that you would condone the use of force and violence to "control" negotiation climates. My reaction to that section is one of disbelief and confusion. Many fishermen are embittered by this section.

Section B is so one-sided that I fail to believe what I read when there has never been any killing of any person by violence in the history of the fish price negotiations. Although the report implies that the general welfare is to be protected, it looks as though it's the processors who are to be in possession of the armed forces of the state.

I don't want to belittle the "threats of violence and intimidation" but I can't help but note that fish processors have their own forms of intimidation. It is the threat of economic retaliation if a fisherman doesn't do what is best for the processor. Fishermen are told that if there is no settlement then there is no credit, no nets, no boat launching, no boat storage, no cannery mechanic etc., etc. There are also threats of ramming fishermen's boats by cannery skows. In fact, I believe there was such a ramming that took place last year.

I hope that you will reverse the outlay of public funds by appropriating \$50,000.00 for discreet surveillance of potential violence and \$320,000.00 for

Nels A. Anderson, Jr.

Box 234

Dillingham, Alaska 99576

Phone: (907) 842-5802 2366

a comprehensive marketing study for Bristol Bay. In addition, I hope you will continue to support a longer airfield in Dillingham to allow large 747-type aircraft to fly fish out. Finally, the development of Seafood Industrial Parks would be most helpful in providing additional markets for our fishermen who are finding themselves without canneries to fish for. A Seafood Industrial Park in Naknek or King Salmon and Dillingham would attract canning, freezing and specialty processing thus increasing the market for our fish.

Thank you for your consideration. Please call or write if you have any questions about the points I raised.

Very sincerely,

Nels A. Anderson, Jr.

cc: Senator George Hohman
✓ Rep. Joe Chuckwuk

4-7-81

BB - SB 323

~~#001~~

How determine if + when
contingency plan for
BB is put into effect?

- what criteria?
- who decides

SWAT GESTAPO PINKERTON

BB-2

32 droppers - 1 helicopter, Vigilant, Bullwhacker

^{some}
of fishermen want to fish
while others blockade -

- protect those who want to
fish -

Commitment by April 15

Roger Painter, UFA

-- would bring potential of a side door
 Prop. would work against efforts to defuse situation

BB. Native Association recommendation

No processors have participated in
 hearings or meetings to deal w/ issues

There's been no effort to bring sides together

Do they only negotiate on price?

No enforcement of fisheries regulations

→ better capabilities of F&W enforcement

Fishermen singled out as culprits — but
 there are two parties — need to
 bring them together & resolve problems

BB 4

Jack McBride
BB Agricultural Assn

MTG w/ Gov. - Task Force

→ meets next week to consider steps to bring about price settlement

→ Put money into ^{TFW} enforcement, if necessary - divert to BB law enforcement.

Jack McBride

"1980 enforcement was adequate" - would nothing

Problem in 1981 not as serious as '80
→ price 1.25 in 79, ... 1980 - -
→ price will

→ HOW USE THE \$20K CONSTRUCTIVELY

Sen Sharp. common ✓✓ dec's ✓✓

Sidney Smith, BB, Nushagak Fish Prod Coop

Archie Goddard, ~~Therek~~

Problem are not the fishermen
but the outside corporation
- not threaten fishermen as done
in this bill

If consider bill:

- BB branch has police powers - cops?
- come in only at request of local authority - then be under direction of uninc. authority - x

Japanese have manipulated our govt
to use our st. troopers agst
our people
- decisions are made in Tokyo boardroom
- they've raped us.

Current admin. intent on quashing fishermen

→ local fishermen process &
market fish

BB-6

Hank Oshesky

J

7

March 24, 1981

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V.
Juneau, AK 99811

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making a supplemental appropriation to the Department of Public Safety.

The appropriation would cover the cost of five boat charters and related operations costs in Bristol Bay during the 1981 salmon season. The money would be used only if special trooper patrol and surveillance activities became necessary due to disputes between fishermen and buyers concerning fish prices.

WHO
DETERM.
CRITERIA

These activities became necessary during the 1980 fishing season in Bristol Bay, because of fish price disputes. This appropriation will allow the Department of Public Safety to be prepared if the same problems arise this summer.

Since the period during which this money would be used extends into FY 82, the appropriation has a lapse date of June 30, 1982.

Sincerely,

S/SSH

Jay S. Hammond
Governor

Special Assistant
to the Governor

FILE NO

TELEPHONE NO: 465-4322

50712

FROM: William R. Nix *WMM*
Commissioner
Department of Public Safety

SUBJECT: Bristol Bay
Approximate Costs

Following are the approximate costs for the five (5) boat charters concerning the Bristol Bay contingency plan:

Boat Charters 6/8/81-7/7/81

\$1000.00 per day x 30 days x 5 boats = \$150,000
Actual fuel costs only for those
boats in transit to and from
Bristol Bay, not to exceed 5000.00.
5 x 5000.00 = 25,000

If contractor provides operator
during charter 6/8/81-7/8/81 cost
for operator, not to exceed
5000.00.
5 x 5000.00 = \$ 25,000

Total \$200,000

Department Costs

15 Troopers at Sea Duty Pay rate of
pay Overtime only = \$ 51,000

Transportation cc/from Bristol Bay = 8,900

Per Diem, travel status only 4,400

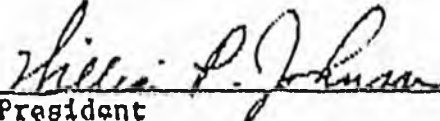
Equipment - rain gear, survival
suits, boots, 385 x 15 = \$ 5,800

Total \$ 70,100

GRAND TOTAL \$270,100

- WHEREAS, The salmon price negotiation in the Bristol Bay salmon fishery have been with us since the demise of the company fisherman; and
- WHEREAS, The Governor for the second year in a row, has appointed a Task Force to help resolve this problem; and
- WHEREAS, The most important players in this problem (fishermen and processors) have not been appointed to the Task Force; and
- WHEREAS, The Task Force, for the second time in a row, has not understood the basis of the problem; and
- WHEREAS, The Task Force chose to look no deeper than the surface of the issues; and
- WHEREAS, This year's Task Force made two recommendations--one of which is clearly detrimental to the resident fishermen of Bristol Bay; and
- WHEREAS, This recommendation is for a legislative appropriation of over \$300,000 for troopers to be stationed in the Bay; and
- WHEREAS, No one has ever been hospitalized, arrested, nor found guilty of a violent crime connected to price disputes in Bristol Bay; and
- WHEREAS, The Task Force's recommendation clearly shows a biased opinion of the problem and reflects that bias; and
- WHEREAS, Such a recommendation reflects an untrue picture to the people of Alaska that Bristol Bay fishermen are highly violent; and
- WHEREAS, Such a recommendation for increased troopers in Bristol Bay could cause the situation to become intense and explosive; and
- WHEREAS, The Task Force has, in fact made a recommendation which basically declares war on resident Bristol Bay fishermen;

NOW THEREFORE BE IT RESOLVED by the Executive Committee of Bristol Bay Native Association that the Legislature of the State of Alaska renounce this recommendation and let said recommendation die a non-violent death.

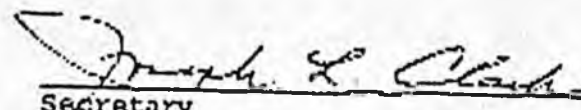


President

March 25th

CERTIFICATION:

I, the undersigned secretary of said Association, do hereby certify that the Executive Committee is composed of 10 members of whom 9 were present at a meeting this 25th day of March, 1981 and that the foregoing resolution was adopted by the affirmative vote of 9 members.


Secretary

April 2, 1981
Date

SB 231 - ASHA
SB 232 - ASHA Older Alaskans housing \$ 10 million
SB 233 - ASHA - creating Older Ak housing

SB 234 - ASHA handicapped + family
SB 235 - ASHA handicapped + family \$ 15 million

~~ASHA subtotal \$ 25 million~~

SB 311 C+RA Sr. Cit housing \$
SB 312 C+RA Sr. Cit housing \$ 16 million

~~C+RA subtotal \$ 16 million~~

~~Proposed additional:~~

SB 408 - Transfer ASHA to C+RA

SB 409 - C+RA housing study

SB 410 - C+RA housing study \$ 450,000

Total passed out + proposed \$ 41,450,000

MEMORANDUM

State of Alaska

TO: The Honorable Vic Fischer
Alaska State Senator
Juneau

DATE: April 13, 1981

FILE NO:

TELEPHONE NO: 465-4322

FROM: William R. Nix *WRN*
Commissioner
Department of Public Safety

SUBJECT: SB 323

In regard to the Committee Substitute concerning Bristol Bay Fisheries Protection, the following represents our needs related to the purchase and supporting costs of one (1) vessel and the lease of one (1) vessel. The purchased vessel will also be used in the Togiak and Sand Point fisheries.

If appropriated, the funds will be used as follows:

Personal Services (overtime/sea-duty)	30.6
Travel (transportation and per diem)	8.0
Contractual Services	39.0
Equipment (purchase of one (1) vessel and specialized gear)	<u>133.5</u>
TOTAL	211.1

cc: Ron Lehr, Budget & Management
Mike Whitehead, Office of the Governor
Col. Stickles, Fish & Wildlife Protection, DPS
Walt Lawson, Administrative Services, DPS

//

Protection

Special Judiciary Hrg Comm.

Gov's Bristol Bay Task Force
Rec #270,100

#200K for vessels - if price
settlement - \$wasted

1/11



UNITED FISHERMEN OF ALASKA

MAILING ADDRESS & OFFICE:
197 SOUTH FRANKLIN ST.
JUNEAU, ALASKA 99801
907 586-2820

April 10, 1981

Rodger Painter
Executive Director

TO: Senator Vic Fischer
FROM: Rodger Painter
RE: Senate Bill 323

In light of the testimony before the Senate State Affairs Committee and special Senate Judiciary Hearing Committee on Bristol Bay, it is clear that Commissioner William Nix's proposal for dealing with the public protection question in Bristol Bay would cause more problems than it would solve. In addition to angering many fishermen and local residents, the proposal represents a potential unnecessary expenditure of state funds amounting to \$200,000 (Commissioner Nix testified the \$200,000 for chartering 5 vessels had to be committed by April 15).

There are valid concerns, however, about the ability of the Department of Public Safety to respond adequately to public protection problems connected with a price dispute between fishermen and processors. Bristol Bay is situated in one of the most undeveloped, isolated areas of Alaska, and it would be difficult for the Department to respond quickly to any emergency in the Bay unless the needed equipment, in this case vessels, is already on hand. Although the UFA does not believe it can be demonstrated that a public protection emergency now exists in the Bay or there are sufficient indications that one will develop during 1981 to warrant the kind of response capabilities requested by Commissioner Nix, it may be prudent public policy to ensure that the Department has backup capabilities in this isolated area.

What can be easily demonstrated in Bristol Bay and the nearby coastline north of Cape Newenham is the need for substantially upgrading the capabilities of the Division of Fish and Wildlife Protection to enforce commercial fishing regulations. The Division currently uses small Boston Whalers in most areas and has no vessel capabilities at all on other areas of the sprawling Bay fishing grounds. At the important Ugashik River system, for instance, there is virtually no enforcement presence. In addition, the Division does not have adequate capabilities to police the very significant Bristol Bay herring fishery, or vessels to run around Cape Newenham to the Security Cove-Goodnews Bay area to enforce regulations in the herring and salmon fisheries.

When there is inadequate enforcement of fish and game regulations honest fishermen who observe the rules are penalized. Enforcement is necessary to protect the biological integrity of our important fisheries resources.

If S.B. 323 is amended to give the Division of Fish and Wildlife Protection enough funds to purchase two or three 32 foot gillnet vessels, some of the larger enforcement problems of this area can be dealt with. This also would provide the Department with the backup capability necessary to respond to a public protection problem in Bristol Bay. It should be very simple for the Department to transfer the vessels from one division (Fish and Wildlife Protection) to another (Troopers).

If these vessels are purchased by the Division of Fish and Wildlife Protection, they also could be made available to the Department of Fish and Game for some of the crucial test fisheries used as primary management tools for the Bristol Bay salmon fisheries. ADF&G currently has only one gillnetter (stationed at Nushagak River) for test fishing; vessels are chartered for test fishing at the Naknek, Kvichak and Egigik Rivers, as well as the "outside" districts of the Bay.

Original Sponsor: Rules/Governor

Funding Information

General Fund \$211,100

Other Funds

\$211,100

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2

CS FOR SENATE BILL NO. 323 (State Affairs)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making appropriations to the Department of
7 Public Safety for fish and wildlife protection; and
8 providing for an effective date."

9

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

10

* Section 1. The sum of \$77,600 is appropriated from the general fund to
11 the Department of Public Safety for fish and wildlife protection in Bristol
12 Bay.

13

* Sec. 2. The sum of \$133,500 is appropriated from the general fund to
14 the Department of Public Safety for the purchase of one vessel and related
15 equipment to be used for fish and wildlife protection in the Bristol Bay
16 fishery and in the Togiak and Sand Point fisheries.

17

* Sec. 3. The unexpended and unobligated portions of the appropriations
18 made by this Act lapse into the general fund June 30, 1983.

19

* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
20 070(c).

21

22

23

24

25

Funding Information
General Fund \$270,100
Other Funds -0-
\$270,100

Introduced: 3/24/81
Referred: State Affairs and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 323

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Public Safety to pay Bristol Bay charter
8 and operations costs; and providing for an effective
9 date."

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

11 * Section 1. The sum of \$270,100 is appropriated from the general fund
12 to the Department of Public Safety to pay Bristol Bay charter and operations
13 costs.

14 * Sec. 2. The unexpended and unobligated part of the appropriation made
15 in this Act lapses into the general fund June 30, 1982.

16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

18 *state what all is for?*

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Hammond calls for minority hire

By Empire Staff

To assure all state agencies recruit and hire minorities and women, Gov. Jay Hammond has instructed state agencies to do all they can to increase hire of "underutilized classes."

Hammond specifically said there should be an increase in the number of Natives, women and racial minorities hired by the state. The governor said he wants to make sure the state is doing all it can to implement affirmative action employment in Alaska.

Current merit system rules require a vacancy to be filled

from among the top five candidates on the state personnel register. Agencies can hire from other than the top five candidates "when unique or unusual circumstances are recorded by the appointing authority."

Hammond has requested state agencies which lack minorities or women to hire from a list of the top five overall candidates or from an additional list of the top five eligible candidates from the so-called underutilized class.

According to Bruce Cummings, director of the state Division of Personnel, if an agency

fails to meet state affirmative action goals it may submit a request to the Division of Equal Opportunity Employment for approval to hire other than one of the top five candidates for a job. If approved, the Division of Personnel will then furnish a list of candidates available for the job, and the agency is free to hire the most qualified woman, Native or racial minority.

The memo states "unique or unusual circumstances" exist when a state agency doesn't meet state affirmative action plans.

Hammond said under the

revised plan, no applicant will be denied employment solely on the basis of race or sex, and no one will be hired to fill specific "quotas."

"Rather, these procedures are designed to correct ... any underutilization of racial or sexual groups which may have resulted from pre-existing selection procedures or from their misapplication," Cummings said.

Cummings said the divisions of Equal Employment Opportunity and Personnel will be enlisted to help recruit women and minorities.

"The real test in our commit-

ment to affirmative action will be how hard we are willing to work to interest qualified minorities to work for the state. We will not hire strictly because of quotas. We will hire on the basis of ability, of getting qualified people to do the job," Hammond said.

At Hammond's urging, Cummings has formulated a plan allowing state agencies to hire from other than the top five candidates when it can be proven the agency employs fewer members of a racial or sexual class than the proportionate number of qualified persons in the job market.

How much enforcement is enough?

J. Unwan Empire 4/13/81

Bristol enforcement questioned

By The Associated Press

Beefing up the law enforcement effort at the Bristol Bay fishery this summer could trigger, rather than curb a threat of violence, the executive director of the largest fishermen's group in the state said last night.

Rodger Painter told the Senate State Affairs Committee that a bill (SB323) which would dump \$270,000 more into public safety at the peak of the Bristol Bay salmon run this season "would bring the potential of a strike a little closer. It would inflame the situation, and fishermen would be branded as criminals."

The expenditure was recommended by a task force appointed by the governor to investigate reports of violence stemming from a price dispute last summer between fishermen and processors. The Senate Judiciary Bristol Bay Hearing Committee said the request should be reviewed and funded if necessary.

Commissioner of Public Safety William Nix said the money would be spent to add 15 officers to the 35 stationed at Bristol Bay last summer, to charter five boats for surveillance, and for added helicopter patrol time.

Sen. Dick Eliason, R-Sitka, said a more secure environment is needed at Bristol Bay to protect "the rights of fishermen to pursue their livelihoods." Many Southeast Alaska fishermen worked during the price dispute, and were threatened.

Sen. Arliss Sturgulewski, R-Anchorage, a member of hearing committee, said public safety officers must stay out of price negotiations, and avoid the appearance of taking sides.

Sen. Terry Stimson, D-Anchorage, said he is concerned that the "razzle and dazzle kind of flash" that the Legislature is giving problems at Bristol Bay, and "increased law enforcement might precipitate violence." He suggested that action to boost law en-

forcement be delayed until needed.

But Ms. Sturgulewski said it is important to have law enforcement personnel on hand at the fishery because "you cannot get what you need out there on a moment's notice. People's lives are too valuable, the resource is too valuable" to waste time when a problem erupts.

Painter said fishermen and processors should be allowed to engage in collective bargaining at Bristol Bay. Currently, federal anti-trust laws require the two marketing associations representing more than half the fishermen at Bristol Bay to set prices with each processor separately.

Painter said the \$270,000 proposed for increased public safety would be better spent to uphold state fish and wildlife laws. He also urged lawmakers to give more attention to several recommendations from the legislative hearing committee.

Both the governor's task force and the legislative panel gave support to an ongoing marketing study sought by fishermen. However, Painter said that state officials wasted so much time getting started on the study that it will likely be worthless this season.

The legislative panel recommended that the state:

- analyze the fish processing structure at Bristol Bay, and suggest alternatives to the existing system.
- help local fishermen and fishermen's groups develop new markets rather than continuing to depend on processors.
- review of the performance of state agencies that deal with the fishery, and the distribution of state loans to processors. The panel said changes should be identified that would make new domestic processing and marketing operations clearly eligible for state aid.
- develop a list of facilities needed to support the expansion of the fishing industry and community needs in Bristol Bay.

MEMORANDUM

State of Alaska

TO: The Honorable Vic Fischer
Alaska State Senator
Juneau

DATE: April 13, 1981

FILE NO.

TELEPHONE NO: 465-4322

FROM: William R. Nix *WRN*
Commissioner
Department of Public Safety

SUBJECT: SB 323

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TOTAL	<u>211.1</u>

cc: Ron Lehr, Budget & Management
Mike Whitehead, Office of the Governor
Col. Stickles, Fish & Wildlife Protection, DPS
Walt Lawson, Administrative Services, DPS

PART 4.

REPORT TO
JAY S. HAMMOND
GOVERNOR

BY
BRISTOL BAY TASK FORCE

MARCH 23, 1981

Bristol Bay is not only one of the largest fisheries in Alaska - it has historically been one of the most troublesome. Since the 1950s, the fishery has been rife with animosity and strife between fishermen and processors. Strikes have been common with resultant waste of the resource until price settlements are achieved.

In 1980, the situation became critical. Negotiations between the major marketing associations and individual processors were confused and bitter, resulting in very little fishing until a settlement was reached in early July.

During the strike, threats of violence were directed by fishermen who refused to fish for the offered price against fishermen who wished to accept the offer. The threats were effective in reducing the effort until a price settlement was reached. The Department of Fish and Game estimates that as many as 21 million additional salmon could have been taken during the strike period, though cannery capacity probably would have reduced that number. Under any criteria, the loss in value was enormous; to fishermen, to canneries and to the State, which owns the resource. Moreover, coming on the heels of a strike in 1979, serious question has been raised as to how long other nations which presently are forbidden to take Bristol Bay salmon will remain quiet while millions of fish are wasted during domestic price disputes.

IMPLICATION

?

You requested that the task force review what happened in 1980, with a view toward recommending State action to ensure that whatever happened would not occur again. In an effort to do that, we have discussed the problem at length with nearly everyone involved. Either as a group or individually, we have spoken with representatives of most major processors, the directors and members of the major marketing associations, and a number of fishermen who are not committed to any marketing association. We have discussed the problem with legislators from the affected area. We also participated with the Legislature in holding hearings in Bristol Bay, both at Dillingham and Naknek, during which, residents of the area expressed their views. Final hearings were held in Juneau on the same subject.

The task force has met repeatedly to discuss the information available and to reach a decision as to concrete recommendations. The recommendations are contained in this report. Since they have already been discussed with you and with interested legislators, they will be outlined here only in their basic form. Moreover, since extensive reports have previously been prepared concerning Bristol Bay (particularly that done for the Legislative Affairs Agency last year), we will not spend time here with a lengthy historical review, except as it is necessary to explain the recommendations.

The Nature of the Problem

The basic element which underlies the economic strife of Bristol Bay is the changes that have affected the fishery. A major change is the fairly recent shift from a cannery operated fishing fleet, subject to industry control, to a fleet of independent fishermen, less subject to that control. Independent fishermen have the right under federal law (15 USCA SS521, 522) to organize into marketing associations. These associations permit the fishermen to market their fish in a collective manner, a right, which but for the law, would be denied them under the anti-trust laws of the United States.

Marketing associations are not unions and do not have the powers granted to unions under the labor laws of the United States. They may not, for instance, establish prices which must be paid to all fishermen by processors [Hinton v. Columbia River Packers Association, (9th Cir. 1942) 131 F(2d) 88] or use traditional picketing and boycott methods against processors for that purpose. They may not, under law, interfere with the sale by non-members of the associations to processors with whom the associations are engaged in price disputes. They are exactly what the law states - marketing associations - and whatever power they have must come solely through the fact that they control a substantial supply of fish desired by industry.

In fact, however, the marketing associations in Bristol Bay have followed somewhat different patterns in negotiating prices for fish. While the leadership of the associations have made it clear that it is not official policy, there is no doubt that members of the associations individually and collectively, apply substantial pressure against both non-members and processors during negotiations, primarily to ensure that no fishing will occur in the absence of an association contract. In the absence of any legal power to accomplish this end, association members have adopted less sophisticated, but equally effective techniques - specifically those of intimidation. Association members are quite blunt about it - in their view, it is simply a part of the bargaining process - it always has been and it always will be. As a spokesman for the Bristol Bay Native Association put it in testimony to the Legislature: "Scare tactics...is a part of of a process of expression in the development of an agreement leading up to a price settlement."

The marketing associations are in a developing stage, and their procedures for negotiation are not very sophisticated. Aside from the "scare tactics," the procedures for adoption and ratification of contracts are unsettled. Last year, for instance, was the first time to our knowledge that any Bristol Bay marketing association (in this case AIFMA), did any kind of an economic study of the salmon market as a prelude to negotiation. The study suggested a settlement at

a certain level, but when the executive board of the association reached such a settlement, it was rejected in a mass meeting of the membership. Eventually, after much of the season went by, an approximately similar offer was accepted. The incident brings to light both the dearth of information on economic conditions available to the marketing association and the lack of any established procedures to analyze and ratify contract offers, short of what are bound to be tense and confused mass meetings.

The processors have equal difficulty in reaching settlement in a timely fashion. First of all, under law, since they are not dealing with unions, but with groups of independent fishermen, there can be no industry-wide bargaining. Any discussion or concerted activity between processors to reach a price settlement is a combination to set prices within the terms of the anti-trust laws. Since the processors have already been sued under these acts for collusion and are presently the subject of a federal investigation, they are particularly sensitive toward avoiding even basic communication between themselves. The result is confusion - the marketing associations deal with one processor, then with another in an attempt to set a price for the whole bay, but the processors have no real way of knowing what has been offered or the status of the negotiations elsewhere. There is also a great deal of historical animosity between processors and fishermen, dating from past times when fishermen

were employees of the canneries. Many fishermen feel that the processors have never come to accept them as truly independent, and that this failure is the root cause of the problem.

Whatever the cause, the bargaining process by which prices are set in Bristol Bay is primitive in nature. Communications are poor, the element of threat is constantly present, distrust is high. It is no surprise that the process often fails to produce a reasonable price settlement until the situation becomes absolutely critical.

In a traditional industry - union negotiation, the impact of failure in a bargaining process can be mitigated. For instance, if the steel industry and the steel union fail to agree on a price for labor, and a strike ensues, the economy is disrupted, but the disruption can be minimized by the fact that once the strike is settled, more steel can be made to make up the loss. In most fisheries, the impact of a strike of limited duration can also be rectified by increased processing at a later time. But in Bristol Bay, the season is so short, and the run of such a concentration, that the impact of a strike cannot be rectified. Once the fish are in the river, there is no way they can be recovered. The excess escapement may produce more fish five years hence, but according to our best biological assessment, it is not a one to one return, but wasteful over-escapement.

Moreover, unlike most industries, the product of the fishery,
the salmon themselves, are a resource that belongs neither
to the processors nor the fishermen. They belong to all the
people of the State, and a loss due to a strike is not just
limited to the participants in the strike. It is a waste of
the public's resource.

The situation is further complicated by the fact that the
State has, in essence, given the parties in Bristol Bay an
exclusive right to develop and utilize this resource. The
fishermen are protected against outside competition by the
limited entry program, under which less than 3,000 gear
licenses have been issued. The processors are protected by
a series of State and federal statutes and regulations which
prohibit foreign processors from entering the bay to compete
directly for fish purchases. The State is presently com-
pletely dependent upon the reasonable efforts of fishermen
and processors at price negotiation to ensure adequate
harvest of a public resource.

There is, therefore, a clear State interest at stake in
Bristol Bay. But at the same time, it has to be kept clear
that the problems to be addressed are those created by the
clash of private interests in the economic marketplace. If
these interests are unwilling or unable to solve their own
problems, the State will have to take an active role in
assuring that in some manner the salmon resource is adequately

harvested. Every opportunity, however, should be given the parties to deal with the problem themselves - primarily to develop a system of settling the price for salmon which alleviates the necessity of wasteful strikes. We see no role for the State in establishing the price to be paid for salmon or in telling the parties how to set the price. That type of intervention would have implications far beyond the price disputes in Bristol Bay. The whole thrust of the State's effort should be to create a climate within which the parties can work out their own disputes.

With few exceptions, all the parties involved in Bristol Bay recognize the need for some help in changing the present process of negotiation. Obviously, the suggestions as to what should be done differ. But out of all the discussion and hearings, two central themes have emerged, both of which have been endorsed by the task force for action. We will review them separately.

A. A Comprehensive Marketing Study for Bristol Bay

Salmon:

The executive boards of all fishermen's marketing associations, plus all independent fishermen who have made their views known to the task force, have asserted that the key to a more sophisticated bargaining process is information, and that the key element necessary is a

comprehensive marketing study for Bristol Bay salmon. The marketing associations claim that they have no way of knowing the basic data concerning prices for which salmon can be sold on the wholesale market, trends in those prices, and other factors which affect the amount that processors can reasonably pay fishermen for the raw product. The canneries have this information available to them - the fishermen do not. If they did, the fishermen assert, the parties would commence bargaining from the same point, and would have an easier time reaching a settlement.

Even those recommending the marketing study recognize that there will be some initial difficulty in establishing the study as an aid to the bargaining process. The best marketing study in the world will tell little about the individual experience of a particular processor, so there is a risk that even if the study is done by an impeccable authority, processors will still refuse to concede its relevancy. Moreover, there is a question as to the impact it will have on the marketing associations themselves. Last year, AIFMA produced just such a study, and it predicted a level of settlement nearly identical to that eventually reached. But a tentative settlement at that level by the AIFMA Board was nonetheless emphatically rejected early by the membership.

In spite of these considerations, the task force recommends that the State obtain and finance the requested study. It is the basic proposal made by the fishermen most intimately involved in the problem, and they claim that if a marketing study is done by an authority of good credentials, it will be accepted by both sides, and will be helpful in the bargaining process. Moreover, the study has real public value. The fisheries are a long-standing, major industry in Alaska, and there is a legitimate public interest, both on the part of the Legislature and the Administration, in having an accurate picture of the trends in the industry. Accordingly, we believe that the study should be done, not only for Bristol Bay, but for all of Alaska's salmon fishery.

There is inadequate time available this year to have a comprehensive study done for the entire State. There is time, however, to accomplish the study for Bristol Bay, so that it may be of use in the bargaining process. The Department of Commerce has already contacted a number of consultants who can perform the work. To ensure the credibility of the effort, the selection of a consultant will be done with the advice of all marketing associations and industry spokesmen who will be afforded the opportunity to comment on the proposals before a contractor is selected. The scope of the work, as well as a timetable for its completion, is

attached. The study should be completed by the end of the first week in May and will not exceed \$50,000 in cost to be funded from existing appropriations to your office.

As we move forward toward a more comprehensive annual review of marketing conditions throughout the salmon industry, we will have available this year's experience with the study in Bristol Bay. This will afford the Legislature, which will be required to appropriate future funds, the opportunity to see how the study operates in practice, and of what real use it is, both to the bargaining procedure and to the public at large.

B. Controlling the Climate of the Negotiations:

There seems to be no doubt that physical intimidation
has been closely tied to the negotiation process in
Bristol Bay for many years. As early as 1962, Governor Egan made a special trip to Bristol Bay to lower the tension that was building. Every strike since statehood, such as those in 1969 or last year, has had its own litany of threats by fishermen against processors or against other fishermen.

Much of the testimony before the legislative committee concerned how real the threats really were during last
season's dispute. Many pointed out that no one was

killed or even seriously hurt and that there was no
massive destruction of property. Others testified that
the flash point was always nearby, that guns were
present and that whatever the actual level of violence,
the level of intimidation was real and sufficient to
keep many fishermen who wanted to fish, on the beach.

It is difficult to determine how real the threats of violence really are - whether left alone, they would simply dissipate or have the potential to escalate into action. But, the key fact to us is that many fishermen and processing personnel who make their living in the Bay believe there is a real threat of violence and respond accordingly. Equally important, is the fact that what intimidation is taking place has been institutionalized. Many fishermen in the bay regard intimidation as an integral part of the bargaining process. So long as that is the case, threats of violence will attend any extended and difficult negotiation and the potential will always exist for real violence.

The pattern of intimidation goes back a long way and
its not going to change overnight. But, it appears to
us that the State must make a clear statement to the
effect that intimidation cannot be a regular part of
settling prices in Bristol Bay; that threats on life or
limb are just as bad when they are made against fishermen

or processing personnel as when they are made against anyone else. To do this, we recommend that the Public Safety presence in the bay be increased substantially during this and probably future seasons until a new pattern of dealing with price negotiations emerges.

Commissioner Nix has prepared a memo covering what he intends to do in the bay this summer. It is attached. In addition, assuming that adequate funds are appropriated, the Commissioner is planning to charter five vessels so as to be able to patrol the bay from the water.

If a price settlement is not reached early, which would avoid the necessity for the expenditure of contemplated funds, the full cost for this program would be \$320,000. A bill has been drawn for submission to the Legislature in the amount of \$270,000. The remainder of the necessary funds are contained in a supplemental budget request already submitted to the Legislature. Since members of both houses have participated in hearings on this subject, they will certainly be knowledgeable on the subject and we are sure will have their own views as to whether the program is necessary. In our view, it is.

Bristol Bay is a fishery very much in transition. Cooperatives are being seriously discussed. Some fishermen are investing in small processor facilities,

and new marketing techniques are being developed. More processing is being done by floating rather than onshore facilities. There are a host of State programs ranging from Alaska Renewable Resources Corporation to Alaska Industrial Development Authority that can and should assist development of those new and different means of harvesting and processing fish in the bay. But the development must be permitted to occur peacefully. We believe the increased presence of law enforcement personnel will have some effect in reducing the tension level.

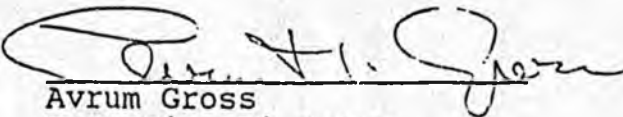
Some had suggested to the task force that additional steps should be taken as protection against violence on the fishing grounds--specifically the revocation of the limited entry permit belonging to anyone who was convicted of a violent act in connection with a fisheries price dispute. Aside from the very real difficulty in writing a satisfactory bill, we feel that this step is not appropriate at this time. Under present laws, there are substantial penalties for violence or threats of violence. What has been lacking is not so much the law as the ability to enforce it. That can be remedied directly and should be.

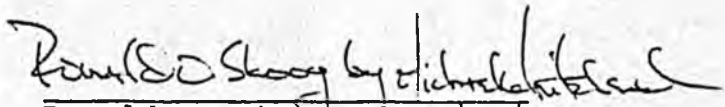
Conclusion

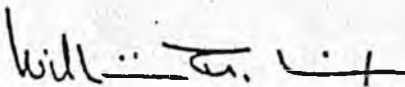
The basic approach of this task force has been to ask the parties involved what they thought would best help the situation, and then attempt to implement those suggestions into an effective government response. We did consider, along the way, more drastic government action, such as opening Bristol Bay both to foreign processors and all fishermen, limited entry permit or no, in circumstances where it appeared the parties would not reach a settlement. We concluded that such an approach is not called for at this time. There is no reason to assume that the fishermen and the processors in the bay cannot work this out by their own means with the assistance they have requested of the State.

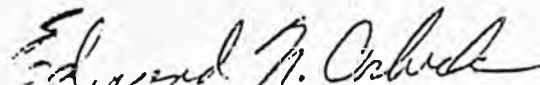
We intend, as you suggested, to monitor what happens in the bay this year, and make a second report to you after the season. We should then be able to assess whether what we have recommended has improved the situation, and if not, what further steps will be required.

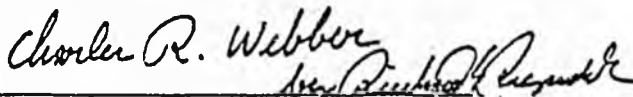
This report is respectfully submitted by members of the
Bristol Bay Task Force, March 23, 1981.

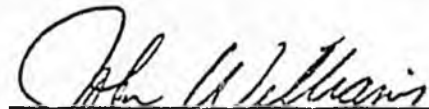

Avrum Gross
Executive Director

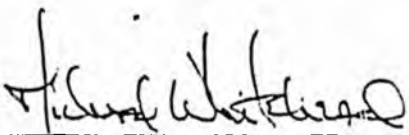

Ronald O. Skoog, Commissioner
Alaska Department of Fish
and Game


William R. Nix, Commissioner
Alaska Department of Public
Safety

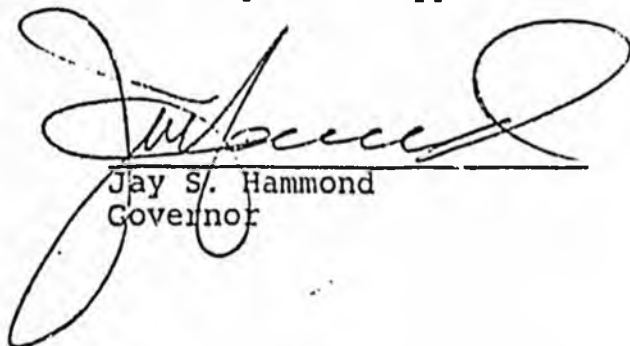

Edmund N. Orbeck, Commissioner
Alaska Department of Labor


Charles R. Webber, Commissioner
Alaska Department of Commerce
& Economic Development


John Williams, Commissioner
Commercial Fisheries Entry
Commission


Michael Whitehead
Special Assistant to the
Governor

This report is approved:


Jay S. Hammond
Governor

March 23 1981
Date

Attachment A

Request for Proposals

Project Topic

To evaluate market conditions related to the production of red (sockeye) salmon in Bristol Bay during 1981.

Purpose

Information generated as a result of this project is expected to provide a comprehensive and objective view of current and projected market conditions for Bristol Bay red salmon. The intention of the State is to make impartial basic market data and observation available for reference by fishermen and processors engaged in annual preseason price negotiations. The value of the project depends on the contribution such information actually makes toward the settlement of timely and satisfactory agreements in Bristol Bay.

Selection of Contractor

The Office of the Governor will contract with an individual or firm having substantial experience in the marketing of seafood products or is closely familiar with the business and has an understanding of current conditions and events occurring within the industry.

About five prospective contractors will be asked to personally present their qualifications and work plan to a project management committee on or about March 27, 1981, in Juneau. The project management committee will be composed of at least three people and, at a minimum, will represent the Office of the Governor and the Department of Commerce and Economic Development. With the concurrence of the Governor's representative, the committee will select the best apparent contractor and proceed to negotiate major terms of agreement. It is the intent of the State to have the contract written and fully executed within about five days of the contractor's presentation.

The project management committee will ask people from four or five organizations representing fishermen and processors to participate in an advisory role with the project management committee during the presentation and selection process.

Members of the management committee will rate each prospective contractor on the following basis:

- 20% Compensation required (the total amount budgeted for this project is \$50,000. If the compensation required exceeds about \$40,000, the scope of work and project feasibility will have to be reevaluated.)
- 40% Demonstrated ability of the firm to acquire accurate basic data and information (previous related work, familiarity with available sources, recognized sub-contractors or associates and so on).
- 40% Demonstrated ability of the firm to organize and evaluate market information and data, present understandable written reports and meet the time deadlines imposed.

Scope of Work

The contractor will deliver to the Office of the Governor written reports which provide in careful detail the following information:

1. Describe the actual or relative magnitude of sales of Bristol Bay red salmon, by product form (canned, frozen, fresh and roe) in each country of final destination.
2. Describe the specific channels used to distribute red salmon products -- ending, if possible, at the point of actual consumption.
3. Identify, where possible, specific firms which handle or distribute major amounts of Bristol Bay red salmon. Concentrate on any important systems of vertical integration established by individual firms and points where actual ownership of products are transferred.
4. Explain how and when red salmon products are further processed, packaged and labeled after leaving Alaska. Describe the circumstances under which various red salmon products are purchased by the final consumer.
5. Describe as fully as possible the existing market demand for Bristol Bay red salmon products. Determine if any special efforts were or are being made to advertise or promote sales. Compare current prices and the movement of inventories with past years. Explain the attitude of major users of Bristol Bay red salmon toward these products. Evaluate the relative effect of alternative salmon supplies to demand.

6. Provide an explanation of how the prices of Bristol Bay red salmon products are established. Determine how prices might be influenced or dictated by seasonal financing conditions and mechanisms. Carefully document a significant number of actual prices paid at various stages in the distribution chain for various product forms and categories of quality produced during the 1979 and 1980 seasons. Relate prices to costs and margins at appropriate points (especially consider any major factors which are likely to influence production costs).
7. Present a well-reasoned analysis of expected market demand for Bristol Bay red salmon harvested in 1981 and, based on various possible magnitudes of supply, estimate an appropriate range of increases or decreases in current wholesale prices which might be expected.

Time Frame and Deliverables

- | | |
|--------------|--|
| May 1, 1981 | The contractor will deliver a readable draft report of progress and a press-type summary of important conclusions. |
| May 15, 1981 | The contractor will deliver a final, complete report. The contractor will also provide a clear and objective summary of the final report. Depending on the information to be presented, the summary might be five or six pages. The summary will be widely distributed to people involved in the Bristol Bay salmon fishery. |
| June 1, 1981 | The contractor will monitor important market indicators and report any substantive changes in the form of a press-type summary. |

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT

MEMORANDUM

State of Alaska

TO: Commissioner W. R. Nix
Department of Public Safety

DATE: January 16, 1981

FILE NO:

TELEPHONE NO: 269-5642

FROM: ^{TJZ}
Colonel T. R. Anderson
Director
Alaska State Troopers

SUBJECT: Bristol Bay
Contingency Plan

Preface

During the past few years there has been a movement among fishermen to organize so as to be able to bargain collectively with the buyers.

Events Leading to 1980 Strike

During the 1979 season, the per pound price of red salmon was established at \$1.25. An excess of supply for that year resulted in diminished marketability of the large catch. Consequently, there were considerable quantities of unsold, frozen red salmon going into the 1980 season. This was a factor precipitating the drastic reduction in the per pound price offered in 1980 to 40%.

A large run projection (50 million) in 1980 provided the fishermen with the opportunity to organize and strike over the price being offered. There would be no fishing until the price was raised.

~~The strike resulted in numerous threats of violence, some alleged assaults and some instances of boat ramming, including one incident in which the Department of Public Safety vessel, Vigilant, was rammed by a fishing boat.~~

~~Several Troopers and Fish and Wildlife Officers were sent to Bristol Bay to quell any further acts of violence. The arrival of the Department of Public Safety personnel had the expected effect of reducing the potential for life and property threatening activities.~~

By the end of three weeks, the per pound price had been negotiated up to 60% and the fishermen returned to work.

The 1981 Contingency Plan

~~In an effort to minimize the possibility of a recurrence of unlawful activity on the fishing grounds, the Commissioner of Public Safety has directed that a 1981 Bristol Bay contingency plan be developed. At this time however, the preliminary indications are that the factors necessary for a strike this season will be absent, one of the more salient of these being the projection of a significantly reduced run of red salmon which means the fishermen will not have time to strike without significant and perhaps devastating financial losses.~~

DEPARTMENT OF PUBLIC SAFETY
COMMISSIONER'S OFFICE
Juneau, Alaska

FEB 03 1981

Preseason Intelligence

One of the more vital aspects of our preventative efforts will be the gathering and assessment of information from the field and from the participants of the Bristol Bay fisheries themselves prior to the season. To this end, a system has been established within the Department of Public Safety which links field activities with the Commissioner's office with a resultant two way flow of information.

Captain Harcourt Tew, Alaska State Troopers, has been assigned to coordinate the flow of information between the office of the Commissioner and the field under the following system:

All intelligence from the field will be directed to Lieutenant Jent, CIB, in Anchorage. He will be responsible for forwarding it to Captain Tew in Juneau with copies to Colonel Anderson, Colonel Stickles, and Captain Swackhammer, Detachment Commander of the affected area.

Tentative Schedule of Events

The foregoing dates are merely to establish a general time frame and are not intended to portray the actual days on which these events will occur.* This will be progressively "fine tuned" as the fishing season approaches and more information is received.

- May 10 Local and some out of state fishermen prepare boats and equipment.
- May 15 The Public Safety Academy will have completed and distributed a 60 minute training tape on various safety aspects of water borne enforcement. This tape will be viewed by all personnel participating before departing for Bristol Bay. The tape will include such things as: vessel boarding procedures, use of survival gear, small boat handling in rough seas, and officer safety related to on board contact with fishermen.
- May 25 The Field Operations Commander arrives in Bristol Bay. Captain Swackhammer, Commander of the Detachment which includes the Bristol Bay fishing grounds, is assigned the responsibility of acting as the Field Operations Commander (FOC) and will coordinate activities in the field such as:
- intelligence
 - communications
 - logistics
 - equipment/supply needs
 - general supervision
 - other

*Some activity dates are firmly established at this time. Those events will be noted with the word 'will' being underlined.

January 16, 1981

The Field Operations Commander will remain in the Bristol Bay area as long as needed.

May 29 All personnel will have viewed the training tape by this date.

June 1 Corporal Schadle and Trooper Whitaker, Alaska State Troopers, will arrive in Bristol Bay (Schadle to King Salmon, Whitaker to ^{King Salmon} Dillingham). They will each fly a Department of Public Safety Super Cub throughout their respective areas. It is expected that they will make considerable personal contact with the people in the area while in uniform. They will be gathering and giving information during their travels with the main objective being high visibility of uniformed Troopers.

June 1-7 Commercial king salmon fishing starts in the Dillingham area. The increased fishing for kings last year is believed to have been a result of the forecasted strike. No strike related problems developed during this period last year.

June 8-10 Alaska State Trooper personnel selected to participate in the effort will begin to arrive in Anchorage for staging and eventual en masse movement to Bristol Bay.

June 1-10 Fish and Wildlife Protection will be utilizing an Alaska Department of Fish and Game 32' vessel for enforcement in Bristol Bay. The vessel will be available only until June 10 as of now.

June 10 Red salmon fishery opens.

June 10 ~~Eight Troopers will be sent to Bristol Bay if needed.~~ Selected personnel will fly as a unit in a chartered twin.

June 10 Two chartered float equipped helicopters will be sent to Bristol Bay from Anchorage. On board will be three additional Alaska State Trooper personnel:

- Trooper G. Hooper; video
- Trooper G. Lewis, video
- Trooper J. McGhee, MEDIVAC

Department of Public Safety video equipment will be used continually in the area and the taping of fishing related activities will be made obvious in an effort to prevent potential violent conduct. Trooper McGhee will serve as the Department of Public Safety on site medical technician.

June 15-18 MV Vigilant will arrive in Bristol Bay.

June 22 Projected run will start to peak.

July 4-7 Actual run peaks (based on past years).

Aircraft Transportation to Bristol Bay

Of the fixed wing equipment available, Ray Tremblay has recommended utilizing the Volpar twin to transport the eight Alaska State Trooper personnel to Bristol Bay. This aircraft can be chartered from Troy Air in Anchorage. It will carry eight passengers plus gear to the area in approximately one hour at a cost of \$430.00 plus 5% tax.

One Department of Public Safety Grumman Goose will remain on standby in Kodiak for use in the area as needed.

On Site Aircraft Transportation

Two Department of Public Safety Super Cubs will be available for use by Alaska State Trooper pilots as needed. Fish and Wildlife Protection will make the necessary provisions to see that the 100 hour maintenance requirements, if needed, can be performed in the field with no more than approximately six hours "down time."

Helicopters

Bell Jet Rangers on floats can be obtained through Alaska Helicopter at a cost of \$375.00 per hour plus fuel (burn rate approximately 35 gallons per hour). A minimum of three hours per day must be guaranteed. Flight time to King Salmon is one and one half hours.

All aircraft used in the operation will be clearly marked as State Trooper aircraft.

Watercraft

There will be three Boston Whalers (17, 19, and 21 feet) available. The Vigilant will be carrying a shore boat also.

Liaison with U.S. Coast Guard

Commissioner Nix is presently working on identifying the role which the Coast Guard expects to play.

Communications

Presently there is a VHF transceiver at the Fish and Game facility in King Salmon. There is also a single side band unit. Captain Swackhammer is working with the Division of Communications in assessing the engineering/labor needs in order to make existing Department of Public Safety equipment (i.e., MX 360 portables) compatible with the King Salmon repeater.

Ground Transportation

Captain Swackhammer will arrange for needed vehicles.

Meals/Lodging

Existing costs and insufficient dining facilities in the area may necessitate providing one meal charge per day in addition to allowing a \$21.00 per day meal allowance.

An Alaska Department of Fish and Game bunkhouse in King Salmon will adequately house all participating Alaska State Trooper personnel. Department of Public Safety has been authorized priority use.

The availability of facilities at Clark's Point and Egegik will be assessed by Department of Public Safety personnel.

Dillingham Fish and Wildlife has a three bunk facility which may have one bunk available to Alaska State Troopers during the period in question.

While it appears now that the likelihood of another stike by fishermen in Bristol Bay is minimal, the preparations and planning now underway by the Department of Public Safety should have a substantial impact on minimizing the ability or desire of participants in the fishery to generate violent or other unlawful conduct should a strike occur.

WHY
HERE?

Prisoner HandlingI. Felony Arrests

Individual(s) arrested for a strike related felony will be flown to Anchorage as soon as possible to minimize the risk of such a person being able to incite others to violence. Corporal Schadle is the designated pilot should this be necessary.

?eq.?

II. Misdemeanor Arrests

Misdemeanor arrests will be handled by either the King Salmon or the Dillingham magistrate.

III. Mass Arrests

Captain Swackhammer will have a twin aircraft on standby to be utilized for mass prisoner movements. This aircraft may be as large as a ten place Navajo but no smaller than a Beech Baron. In the event of mass arrests, the prisoners will be flown directly to Anchorage.

January 16, 1981

IV. Existing Prisoner Holding Facilities

Presently there is a four prisoner facility at the Dillingham Jail and a two prisoner facility in Naknek.

V. District Attorney's Office

District Attorney Larry Weeks will assign one member of his staff to Bristol Bay if needed.

Attachment

ATTACHMENT

Additional Equipment:

Based on the projected use of fourteen Alaska State Trooper personnel, the following additional equipment will be needed:

03 Float coats	@ \$46.45 each	\$139.35
06 Pair hip boots	@ \$30.45 each	\$182.70
*14 Heavy duty rain trousers	@ \$44.95 each	\$629.30
*14 Heavy duty rain jackets	@ \$48.95 each	\$685.30

The Imperial survival suit is available through Alaska Marine at \$299.00 each. They normally carry 12 suits in stock during the spring. Allow one week for delivery from Seattle.

*Helly-Hanson (Norwegian Made)

Alternative Fixed Wing Twins:

Troy Air:

Navajo six plus gear, \$975.00 plus 5% tax.

Anchorage Airways:

Cessna Titan, up to eight passengers but limited gear, \$325.00 per hour dry. Burns 30 gallons per hour, two hour trip.

Evergreen:

Twin Otter, 15 passengers, \$2,400.00, one and one half hour flight time.

Jet Alaska:

Lear, six passengers, \$1,800.00, 45 minutes.

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AS A UNIT IN THE ORIGINAL DOCUMENT.**

P6 #

MEMORANDUM

TO: Senator Jalmar Kerttula
President of the Senate *ki*

FROM: Senator Arliss Sturgulewski *AS*
Chairman, Hearing Committee

Senator Pat Rodey, Chairman *Pat*
Senate Judiciary Committee

DATE: March 27, 1981

SUBJECT: Bristol Bay Fishery Hearing Report

The Special Judiciary Hearing Committee was charged with conducting a series of fact-find hearings on the Bristol Bay fishery. The results of these hearings and recommendations for action were to be reported to the Senate.

The attached report summarizes the findings of the Hearing Committee and presents a series of recommendations for further action.

The report of the Governor's Bristol Bay Task Force is also attached. *Av Gross, Chairman*

The Special Judiciary Hearing Committee report makes the following recommendations:

Recommendation No. 1

Legislative support for the Department of Commerce and Economic Development's market study needs to be shown. Although the time frame for the current study is extremely short, the approach taken by DCED should provide a comprehensive picture of the existing Bristol Bay marketing structure and alternative types of price settlement.

Recommendation No. 2

Direct the Governor to prepare a plan for developing line agency capability to develop a similar understanding of the market system and market potential for all Alaskan fisheries. The plan for achieving this ongoing market analysis should be presented to the Legislature in January of 1982.

Recommendation No. 3

An analysis is needed of how other U.S. and foreign fisheries are organized, from the fishermen, processors, brokers through to the final markets. The purpose of this analysis is to develop an understanding of the various types of existing industry organization and what particular structures could be possible in Bristol Bay. Information developed through this study would be made available to fishermen, marketing associations, cooperatives and processors as well as the general public.

Recommendation No. 4

While efforts of the Alaska Seafood Marketing Institute are directed primarily at increasing the consumer's demand for salmon products, broader research on potential markets for Alaskan salmon and other seafood products needs to be done. Because of the industry's present focus on the Japanese market, there is little knowledge of alternative markets, locations and possible level of demand, both in the U.S. and abroad.

Recommendation No. 5

A program is required that provides assistance to local fishermen and fishermen's groups in actually contacting potential markets. The purpose of this program, whether done through an agency, through contract or through direct financial assistance to fishermen's groups, would be to facilitate contact between fishermen and potential buyers without regard to the type of marketing structure used. While initially focusing on Bristol Bay, the marketing assistance should be available for all Alaskan fisheries.

Recommendation No. 6

A review of the policy guidelines and performance of ARRC, CFAB, AIDA and the pack financing program should be undertaken to identify changes in their statutory direction that would make new domestic processing and marketing operations clearly eligible for these programs. This task might be best carried out by one or a combination of legislative committees.

Recommendation No. 7

The Legislature should direct the Governor to develop a list of public capital facilities required to support the expansion of the fishing industry and community needs in the Bristol Bay region. This list should be based on analysis of infrastructure needs in the region and should present a plan and coordinated approach among executive agencies to provide those facilities. The Governor's recommendations should be presented to the Legislature in January of 1982.

Recommendation No. 8

The Governor's supplemental appropriation request for the Department of Public Safety should be reviewed to determine if that request will provide support capabilities that will allow independence from private facilities and vessels. A supplemental appropriation to run support services for the State Troopers should be considered on a priority basis for this fiscal year.

Recommendation No. 9 - Follow Up

As a final recommendation on legislative oversight, the Governor should provide the 1982 Legislature with a report on the use of the marketing study (Recommendation No. 1) during the 1981 fishing season and the activities of the Department of Public Safety in Bristol Bay this summer.

Attachments

BASIC PROBLEMS -
- FISH MARKETING - MOST RECS
- NEGOTIATIONS PROCESS

SENATE JUDICIARY HEARING COMMITTEE
Report and Recommendations
March, 1981

A special Senate Judiciary Hearing Committee was formed in late February to conduct a series of hearings on the Bristol Bay salmon fisheries and to report to the Senate its recommendations for both legislative and executive action.

Initially these hearings were to focus on two aspects of the Bristol Bay fishery: the State's role in the negotiating process and the public safety concerns related to the settlement of fish price negotiations. Hearings were conducted in Dillingham, and Naknek, with additional hearings in Juneau. The Governor's Bristol Bay Task Force was present at the Dillingham and Naknek hearings. Task Force Chairman Av Gross and Department of Public Safety Commissioner William Nix attended one of the Juneau hearings. (A copy of the Task Force Report is attached to this report.)

The following recommendations are drawn from the testimony of nearly 50 individuals at the three hearings. While the original concerns of the Hearing Committee were the State's role in the negotiating process and in maintaining public safety, it quickly became apparent that a broader approach to meeting Bristol Bay's needs was required to be effective. As the Governor's Task Force report states, much of the stress occurring in Bristol Bay is due to the changing nature of the fishery and the marketing structure. Because the end result of this evolution in the fishing industry is not known, State policies toward the Bristol Bay fishery should neither artificially restrict that change, nor force the adoption of any "new" system.

The recommendations of this report are organized under four topics: Market Study, the Changing Nature of the Bristol Bay Fishery, Capital Improvements and Public Safety. These recommendations provide a coordinated policy approach to Bristol Bay and, ultimately, to the changing nature of the domestic fishing industry Statewide, while maintaining a general concern for public safety and individual rights.

Market Study

Most of those testifying before the Committee recommended that the State fund an objective marketing study. People thought that such a study would allow fishermen to negotiate on a more equal footing with the processors, and would be of most benefit to the majority of Bristol Bay fishermen who regularly fish for the large, established processors. This market study would at a minimum analyze the market for salmon, wholesale prices and trends, effect of pack sizes on prices, and changes in the costs to fishermen and processors

in producing their products. The result would be a recommended range of ex-vessel prices that could be paid for salmon, by type of product (fresh, frozen, canned). Alternative types of price settlements mentioned during the hearings, such as price indexing, percentage of wholesale price and sliding scale agreements should also be considered.

This market price study, as brought out in public testimony, is actually needed in all Alaskan fisheries. The Bristol Bay study could be the first step in the development of an understanding of market conditions related to each of the fisheries in Alaska. In the long run, it is necessary for both the State and the domestic industry to understand the nature of markets for bottomfish, general fish products (fish meal, fish sticks, etc.), crab and herring as well as salmon. With this knowledge, the State is in a better position to create programs to effectively involve Alaska, and Alaskans, in the utilization of the State's fishery resources.

The Governor's Bristol Bay Task Force has announced that the Department of Commerce and Economic Development will have a Bristol Bay market study done by May 15, 1981. The study is to describe the actual inventories, sales, processes and final destination of Bristol Bay red salmon; identify firms and describe the structure used in marketing and distributing these products; describe processing done after the salmon leave Alaska; describe existing demand for Bristol Bay salmon, including sales promotion efforts; relate demand to alternate sources of salmon; explain how prices are set for Bristol Bay salmon, including the effect of financing mechanisms and production costs; and present an analysis of market demand, identifying a range of wholesale prices related to different levels of salmon catch.

Recommendation No. 1

Legislative support for the Department of Commerce and Economic Development's market study needs to be shown. Although the time frame for the current study is extremely short, the approach taken by DCED should provide a comprehensive picture of the existing Bristol Bay marketing structure and alternative types of price settlement.

Recommendation No. 2

Direct the Governor to prepare a plan for developing line agency capability to develop a similar understanding of the market system and market potential for all Alaskan fisheries. The plan for achieving this ongoing market analysis should be presented to the Legislature in January of 1982.

Changing Structure of the Bristol Bay Fishery

Several individuals testified as to the changing nature of the fishing industry in Bristol Bay. There appears to be a general feeling that much of the tension in the Bristol Bay fishery is actually due to this change in the structure of the industry. One component of this change is the desire by many local fishermen to develop a new locally controlled means of marketing their fish as an alternative to the established processing plants. At the same time, most fishermen in Bristol Bay are linked closely to those large processors; cannery fishermen enjoy the benefits of credit, boat storage, ready access to supplies and other benefits in exchange for fishing only for a single processor. Fishermen who violate this unwritten agreement by selling their fish for a higher price to a different processor often find themselves both without a regular buyer and without the benefits of a cannery fisherman.

Fishermen may be unable to actually find markets or make connections with representatives of markets that might otherwise purchase their fish. It was reported to the Committee that there are currently an estimated 125 fishermen who have no markets for their fish. Other fishermen who do manage to organize and find potential markets for their fish outside of the established system report an inability to get their operations "off the ground," due to a lack of front end financing.

In addition, a number of those that testified thought that present State programs involved in fisheries, such as the Alaska Renewable Resources Corporation (ARRC), the Commercial Fishing and Agriculture Bank (CFAB) and the pack loan program, did not provide support for new marketing/processing operations. While some people thought that these State programs were purposefully oriented toward the existing processors, others felt that the inability to use State programs to develop new or expanded processing activities by domestic organizations was a result of unclear policy directions to those programs.

A number of very specific changes in existing State programs were suggested during the hearings. These suggestions ranged from requiring ARRC loans to be made only to wholly-owned Alaskan firms on one hand, to requiring processors to sign a price settlement with fishermen in order to be eligible for ARRC; CFAB or pack loans.

On the whole, people identified the State's role in this changing industrial setting as providing the catalyst for new developments in the industry. This would be accomplished through ensuring easier access to ARRC, CFAB, pack loans and

other funds to be used by new processing operations for organizational, front-end or operating costs prior to the sale of their products.

Recommendation No. 3

An analysis is needed of how other U.S. and foreign fisheries are organized, from the fishermen, processors, brokers through to the final markets. The purpose of this analysis is to develop an understanding of the various types of existing industry organization and what particular structures could be possible in Bristol Bay. Information developed through this study would be made available to fishermen, marketing associations, cooperatives and processors as well as the general public.

Recommendation No. 4

While efforts of the Alaska Seafood Marketing Institute are directed primarily at increasing the consumer's demand for salmon products, broader research on potential markets for Alaskan salmon and other seafood product needs to be done. Because of the industry's present focus on the Japanese market, there is little knowledge of alternative markets, locations and possible level of demand, both in the U.S. and abroad.

Recommendation No. 5

A program is required that provides assistance to local fishermen and fishermen's groups in actually contacting potential markets. The purpose of this program, whether done through an agency, through contract or through direct financial assistance to fishermen's groups, would be to facilitate contact between fishermen and potential buyers without regard to the type of marketing structure used. While initially focusing on Bristol Bay, the marketing assistance should be available for all Alaskan fisheries.

Recommendation No. 6

A review of the policy guidelines and performance of ARRC, CFAB, AIDA and the pack financing program should be undertaken to identify changes in their statutory direction that would make new domestic processing and marketing operations clearly eligible for these programs. This task might be best carried out by one or a combination of legislative committees.

Capital Improvements

As stated by the Governor's Task Force, the full utilization of the Bristol Bay Fisheries resource is a major State concern. The development of new and expanded markets and marketing structures is one aspect of increasing the utilization of Bristol Bay salmon.

However, access by fishermen and new industry operations to this resource requires a range of facilities to support their activities. These facilities include coast harbors, ocean and industrial docks, water supplies, airports, airport industrial areas and roads.

At present, public and private facilities in the Bristol Bay region lack the capacity to handle new developments in the local fishing industry. This, in effect, creates a barrier to the establishment of new marketing operations, new processors, and to the ability of local fishermen to find alternatives to the storage, repair and support services offered by the existing processors. Simply locating land upon which to build private industrial facilities is difficult, although this situation may change with the shift in ownership of large tracts of land to the local Native corporations.

In short, the natural evolution of the fishing industry in Bristol Bay will require basic investment in public infrastructure. A number of individuals testified that fishermen had no place to keep their boats during the summer and no place to unload fish or store equipment. New processors also have no dock space for their operations, are faced with community water systems unable to supply their needs, and under-developed airport facilities that create delays in the transport of fish to markets. The physical difficulty local fishermen and organizations have in getting their products to market undoubtedly affects the ability of those interests to make commitments to potential markets.

Because of the level of industry activity in Bristol Bay, local residents cannot understand the State's apparent disinterest in developing basic facilities in their region. As one individual stated before the Committee, it seems common sense to provide for the infrastructure needs of Bristol Bay's proven natural resource industry on at least an equal basis to the State's assistance in providing infrastructure for unproven renewable and nonrenewable resource developments.

The Department of Transportation and Public Facilities is currently funding a study of the transportation facility needs of Southwest Alaska, including the Bristol Bay region. Transportation facility needs related to both industry activities and community growth will be identified in this study. The estimated completion date for this regional transportation study is June, 1981.

Recommendation No. 7

The Legislature should direct the Governor to develop a list of public capital facilities required to support the expansion of the fishing industry and community needs in the Bristol Bay region. This list should be based on analysis of infrastructure needs in the region and should present a plan and coordinated approach among executive agencies to provide those facilities. The Governor's recommendations should be presented to the Legislature in January of 1982.

Public Safety

One of the Committee's initial charges was to listen to the Bristol Bay residents on the relationship of public safety to the settlement of price disputes. A significant volume of testimony was received on the use of threats and "scare tactics" in the negotiating process. In addition, a number of people testified that the fishermen feel under extreme pressure to ensure a unified approach to price settlement, because the majority of fishermen have no alternative market to the existing processing operations. Fishermen feel that they have to speak with a single unified voice to be effective within the present system.

As market alternatives develop, the emphasis on maintaining the appearance that fishermen are of a single, unified mind will decrease. Different groups of fishermen will be able to develop their own markets and marketing systems. Witnesses testified that changes in the nature of the Bristol Bay fishery will result in more ex-vessel price competition by processors and in a reduction in the use of threats and intimidation in the settlement of price disputes. Individuals or small groups of fishermen will be able to settle for a price they feel acceptable, without appearing to undercut other fishermen's organizations or markets.

However, until the majority of fishermen feel that they have some market flexibility and have the opportunity to control their own position in a more differentiated marketing system, the use of pressure tactics to encourage conformance to marketing association negotiations is likely to continue.

There will be a continuing need for public safety presence in Bristol Bay. The State's public safety effort must be related to the enforcement of existing laws, without purposefully intervening in the negotiating process itself. In general, a low profile coupled with a workable contingency plan will meet public safety needs while minimizing public reaction simply to the visible presence of public safety personnel.

In order to remain as objective as possible in appearance in its public safety mission, the Department of Public Safety should provide its own support services and remain independent of all parties in the negotiating process. The lack of departmental boats and equipment during the 1980 season resulted in State Troopers being placed on barges and facilities operated by the processors. This lack of support capability decreased the ability of the Troopers to carry out their duties, in that they lacked the mobility to respond. In addition, placing individual Troopers on private property was interpreted by some fishermen as a demonstration that the State was more interested in protecting the processors than in protecting the general public safety. This situation should be avoided in the future, if at all possible.

The Governor's Bristol Bay Task Force has recommended that the Department of Public Safety develop a contingency plan for the 1981 Bristol Bay fishing season. The Governor will submit a special appropriation request to the Legislature to fund additional manpower and support services for this coming season. Both Public Safety's contingency plan and the supplemental appropriation request are included in the Task Force Report.

Above all, the State should emphasize that public safety must be maintained in Bristol Bay, as in other parts of the State. The present legal system defines the "unacceptable use of force and pressure tactics." It is important that these laws be enforced equally in all parts of the State and on behalf of all the citizens of the State.

Recommendation No. 8

The Governor's supplemental appropriation request for the Department of Public Safety should be reviewed to determine if that request will provide support capabilities that will allow independence from private facilities and vessels. A supplemental appropriation to fund support services for the State Troopers should be considered on a priority basis for this fiscal year.

Recommendation No. 9 - Follow Up

As a final recommendation on legislative oversight, the Governor should provide the 1982 Legislature with a report on the use of the marketing study (Recommendation No. 1) during the 1981 fishing season and the activities of the Department of Public Safety in Bristol Bay this summer.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY OFFICE OF THE COMMISSIONER

POUCH N - JUNEAU 99811

February 25, 1981

465-4322

The Honorable Joseph Chuckwuk
House of Representatives
Pouch V
Juneau, AK 99811

Dear Representative Chuckwuk:

In response to your letter of concern on the past and future of this Department's position related to the Bristol Bay salmon season, at the outset, the Department will continue to follow its mandate, as it has in the past, of taking such action as necessary to preserve law and order and to protect the lives and property of all Alaskans.

As I am sure you are aware, confrontation begets violence. If confrontation does exist and a deterrent to violence is present during that time to prevent or reduce its capability of occurring, the results are less severe than stopping the violence once it occurs.

The Department's action as related to Bristol Bay was primarily that of detering the violence that was ever present during the confrontation that existed between fishermen and processors as well as fishermen and fishermen at the time of salmon price negotiations in that area.

The information you requested as related to actual cases in the Bristol Bay area is as follows:

Criminal

Data covers Bristol Bay area for April through July of each year.

	1978		1979		1980	
	Off./Arrest	Off./Arrest	Off./Arrest	Off./Arrest	Off./Arrest	Off./Arrest
Homicide/Manslaughter	1	1	1	1	Ø	Ø
Rape	1	1	Ø	Ø	Ø	Ø
Aggravated Assault	Ø	Ø	5	3	8	5
Burglary	5	1	6	1	12	1

February 25, 1981

Larceny	27	2	5	2	17	1
Other Assaults	9	5	5	2	4	1
Vandalism	9	1	6	4	12	2
Weapons	1	1	2	2	1	0
Disorderly Conduct	3	2	2	2	17	6
Arson	0	0	1	1	0	0
All Other Offenses	35	8	20	6	39	7
Total	91	22	53	24	110	23

Fishing Citations Issued

Commercial	60	91	26
Sport Fishing	3	9	2
Total	63	100	28*

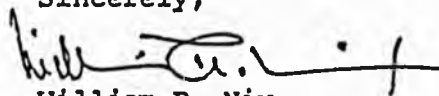
*Note: 1. In 1980 there were no closed water restrictions.

2. In 1980 Fish & Wildlife Officers assigned to land, boat, and aircraft in the Bristol Bay area concentrated on necessary peace keeping activities.

The Department's enforcement intelligence indicated that the prospect of violence in the Bristol Bay area during the 1980 salmon price negotiations was real, and covert and overt acts were committed to substantiate that information. As a result, the Department in its role of crime prevention elected proaction rather than reaction. The outcome related to our presence to reduce the possibility of violence in Bristol Bay was obviously effective.

The position this Department will take in the upcoming 1981 Bristol Bay salmon price negotiation will be a reflection of conditions that prevail during that time and will be solely based on a level necessary for peace keeping and the protection of life and property.

Sincerely,



William R. Nix
Commissioner

cc: Governor Hammond
Senator Pat Rodey
Senator George Hohman
Mr. Avrum Gross

25 Feb 81
5:25 PM

Phone conversation w/ Commissioner Nix / says he will not provide information! Jac



Alaska State Legislature

House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

February 13, 1981

Commissioner William R. Nix
Alaska Department of
Public Safety
Pouch N
Juneau, Alaska

Dear Commissioner Nix:

I am extremely concerned about the upcoming Bristol Bay salmon season and the role that the Department of Public Safety may pursue during the negotiations over salmon prices between the fishermen and the processors.

Governor Hammond is quite concerned himself; in fact, as you know, he appointed Avrum Gross, one of his close political advisors, to head a special task force of which you are a member. The Task Force is to analyze the problems, as perceived by the Governor, that arose last summer and to make certain recommendations to ensure that those problems do not reoccur.

Since your department maintained a high profile during the fishing strike in the Bay area, I would like to know what you, as Commissioner, think happened in Bristol Bay last summer regarding violence, and, certainly, I would like to hear of your concerns regarding this summer's season.

Your department must be aware of specific acts of violence, since the Governor has become so concerned that he has entertained the idea of amending the commercial fisheries limited entry law to provide for the revocation or suspension of permits for those convicted of committing certain crimes during strikes. I would like you to enumerate the specific acts of violence you are aware of that occurred in the Bay. How many arrests were made by your department during the strike? How many persons were prosecuted? How many persons were convicted of committing acts of violence during the last season? (I am looking for solid facts.)

To entertain an extreme idea such as the revocation or suspension of permits, the Governor, in his concern over violence, must be relying on data compiled by your department, or at the very least, he must have been given reports of violence that have been substantiated by your department.

I certainly don't condone violence, but the prospect of revoking or suspending fishing permits is questionable. You can recite the numerous laws designed for public protection. There is no shortage of criminal laws; the issue is simply one of enforcing those laws already on the books.

I would appreciate a quick reponse to the questions that I have posed to you. As I have already said, I am extremely concerned about how the administration perceives the potential problems that may arise in Bristol Bay this summer.

Sincerely,



Representative Joseph Chuckwuk

cc: Governor Jay Hammond
Senator Pat Rodey
Senator George Holman
Mr. Avrum Gross

JC/ah

p. 7-9
2-7-3
— 2

~~18~~

BRISTOL BAY HEARINGS
REPORT

The following document was prepared and released in two stages. It is intended to provide background for the recommendations made to Senate President Kerttula on the Bristol Bay Fisheries.

CONTENTS

- 1.) Hearing report from Dillingham and Naknek
- 2.) Hearing report from Juneau
- 3.) Written testimony and documents presented to the committee
- 4.) The Governor's Bristol Bay Task Force report

1. BRISTOL BAY HEARING REPORT

DILLINGHAM/NAKNEK

PURPOSE

For the purposes of this report, subjects have been consolidated and selected quotations used to illustrate the concerns and perceptions of individuals appearing before the committee. The report does not attempt to present the Task Force's views or comments during the hearing, but rather to let the individuals in Bristol Bay express their concerns in their own words.

This is not a final report. Additional hearings will be held in Juneau on March 16 on the same subject.

INTRODUCTION

On January 28, 1981, Senate President Jay Kerttula requested Senator Pat Rodey, the Judiciary Committee Chairman, to examine the public safety problems which occurred in Bristol Bay during the 1980 salmon season price dispute.

After a preliminary examination, it became clear that the public safety problems could not be divorced from the greater issues of price negotiation and resource utilization, and so the scope of inquiry was enlarged to adequately address the problem.

Senator Rodey was contacted by Avrum Gross, the Governor's appointed director of the Bristol Bay Task Force, about working together on the matter. Senator Rodey agreed to do so in order to speed the hearing process and to avoid unnecessary duplication of effort.

Senator Sturgulewski, Chair of Legislative Budget and Audit, was appointed chair of the Bristol Bay hearings, with Senator Hohman invited as the representative of the District.

Several members of the House representing fishing constituencies also expressed an interest in participating in the hearings, with the House delegation composed of Representatives Chuckwuk and Hurlbert.

The hearing board attending consisted of:

Senator Sturgulewski, Chair
Representative Hurlbert
Representative Chuckwuk

Representing the Governor's Task Force were:

Avrum Gross, Director
Commissioner Nix, Public Safety
Commissioner Skoog, Fish and Game
Commissioner Webber, Commerce & Economic Development
Commissioner Williams, Commercial Fisheries
Entry Commission
Mike Whitehead, Governor's Office

HEARINGS

The initial hearing was held in Dillingham on February 28, from 6:30 p.m. to 10:30 p.m. The hearing was attended by approximately seventy individuals and reached a larger Bay audience by being broadcast over KDLG of Dillingham.

The committee heard testimony or questions from:

Joe McGill	Val Nick Angasan
Andy Golia	Lyman Smith
Joe Clark	Jim Bingman
Jerry Libof	Dave McClure
Fred T. Angasan	Mark Seger
Mitch Kink	Thomas Crandell
Kay E. Larson	Dorothy Hummer
Robin Samuelson	Leon Branswell
Jack McBride	Carl Larson
Laura Schroeder	Stan Small

The second hearing took place in Naknek on March 1, from 12:15 p.m. to 3:30 p.m., and was attended by approximately thirty individuals.

The committee heard testimony or questions from:

John Eckert	Mike Hakala
Mitch Kink	Anthony Balachi
George Gottschalk, Sr.	George Gottschalk, Jr.
Harvey Samuelson	Monty Handy
John Lundgren, Sr.	Allen Aspelund
Richard Johnson	Ralph Angasan

The following topic areas were repeatedly mentioned during the hearings in Bristol Bay as major concerns of local individuals:

- Market Study
- Processing Shortfalls
- Infrastructure Needs
- Pricing Concepts
- Foreign Control
- Public Safety Concerns
- Seafood Marketing
- Pack Lons, AARC, and CFAB

MARKETING STUDY

The single largest topic of discussion was the State's involvement in financing a comprehensive marketing study to provide information to fishermen and processors prior to price negotiation. Each individual who addressed this point cited the lack of data available to fishermen on world market conditions, although it was generally conceded that processors already had the information at their disposal. Typical comments on this subject included:

Andrew Golia (Dillingham): "I feel this study is highly important and could lead to an early price settlement in Bristol Bay. . . I think the importance of this study is that it will give processors and fishermen a starting point in price negotiations this upcoming season."

Jack McBride (Dillingham): "A state-funded study by a firm that could supply credible information to both the fishermen and processors would go a long way to establish a price range within which both the fisherman and processor could feel comfortable to negotiate."

Allen Aspelund (Naknek): "I think if the state would have a similar method (State of Washington market survey) . . . I believe you will create for us fishermen a little trust. . . We don't know what's fair."

Val Angasen (Dillingham): "A study could be conducive for an early settlement, in that the state legislature, the people of Alaska, who the resource belongs to, might have an inkling of an idea whether or not price offers are fair or not fair."

PROCESSING SHORTFALL

Another major point of contention among fishermen is that processors purposefully hold down the number of fish processed, and therefore limit a fisherman's possible income. Bay fishermen firmly believe the state was misinformed on the total capability of processors for the 1980 run.

Mike Hakala (Naknek): "You will also hear the argument that you can get a low price and a lot of volume here in Bristol Bay but. . .they (processors) can't handle the fish. The day it opened they put us on a 6000 lb. limit . . .if that's handling fish, I sure in hell don't know what to say about that."

Kay Larson (Dillingham): "Last year there was also a lot of talk that fishermen should have been willing to take a low price for their fish and make the difference up in quantity. As fishermen who have worked with the canneries for many years, we knew this possibility would not be open to us. We knew that canneries would not increase their production and this proved to be true."

John Eckert (Naknek): "The processors in the Bay here can only process approximately 25 million fish. And on