

ALASKA LEGISLATURE COMMITTEE FILES 1903-1904 00012

2812 SRES SB 51 - SB 62

2812

Senator Bettye Fahrenkamp
Chairman, Senate Resources Committee

January 27, 1983

Assigning nonresidents to guides will increase control of the non-residents. We would propose that permits be issued to the guides in the areas where the Board determines a population of animals warrants allowing nonresidents to hunt.

Nonresident aliens are already required to use a guide and since that requirement became effective enforcement problems with nonresident aliens has declined sharply.

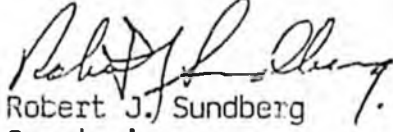
S.B. 12 - Neutral

This bill may prove to be detrimental in the future to some of the smaller fishermen.

S.B. 51 - Neutral

No Comment.

Sincerely,


Robert J. Sundberg
Commissioner

ESTABLISHING SHUYAK ISLAND STATE PARK

SB 51

MULCAHY/V. FISCHER

Establishes Shuyak Island State Park (approximately 12,000 acres), to include state-owned uplands and freshwater bodies (no tidal or submerged lands).

DNR will manage uplands and freshwater bodies; Dept. of Fish and Game will manage fish and game resources. Hunting, fishing, trapping and "other recreational uses" are expressly allowed.

Precludes the State from acquiring land for inclusion in the park by eminent domain.

(A similar bill passed out of Senate Resources last year, passed the full Senate, but died in the House.)

SHUYAK ISLAND PARK AND REFUGE LEGISLATION: SB 730 AND SB 731

THE SETTLEMENT AGREEMENT TO FINALIZE THE KODIAK ISLAND BOROUGH LAND ENTITLEMENT RESULTED IN MANY ADJUSTMENTS TO THE ORIGINAL KODIAK ISLAND BOROUGH SELECTIONS. IN THE CASE OF SHUYAK ISLAND THE MOST DESIRABLE AREAS (THE WEST AND EAST COASTAL AREAS) WERE GIVEN UP AND LESS DESIRABLE LANDS WERE TAKEN IN THE CENTER OF THE ISLAND. THE STATE, THROUGH THE DEPARTMENT OF NATURAL RESOURCES, STRESSED THE WEST SIDE OF THE ISLAND WAS OF GREATER INTEREST TO THE STATE FOR STATE PARK LAND AND THE DEPARTMENT OF FISH AND GAME STRESSED THE EAST SIDE OF THE ISLAND SHOULD BE PRESERVED AS GAME HABITAT.

IN FINALIZING THE SHUYAK ISLAND SELECTIONS THE BOROUGH INCLUDED A CLAUSE IN THE SETTLEMENT AGREEMENT TO LOCK THE STATE INTO KEEPING THE RELINQUISHED BOROUGH SELECTIONS ON THE ISLAND AS PARK AND REFUGE LAND. THE CLAUSE STATES THAT IF THE STATE EVER CHANGES THE INTENDED PARK AND REFUGE USE THE BOROUGH HAS THE FIRST RIGHT TO OBTAIN THE RELINQUISHED LANDS. BOTH THE PARK AND GAME PEOPLE STATED THAT THEIR ABILITY TO HOLD TO THIS AGREEMENT WOULD BE STRENGTHENED IF LEGISLATION WAS PASSED TO DEDICATE THE LANDS. THE BOROUGH AGREED TO INTRODUCE SUCH LEGISLATION AS AT THE TIME OF NEGOTIATIONS IT WAS TOO LATE FOR THE STATE TO INTRODUCE IT.

ALSO IN THE NEGOTIATIONS OF THE OUT OF COURT SETTLEMENT, THE STATE REPRESENTATIVES DIVIDED UP THE REMAINDER OF THE ISLAND TO ABSORB ANY LANDS RELINQUISHED BY THE BOROUGH. (AS 41.20.507 (b) OF SB 731 AND AS 16.20.035 (c) OF SB 730). ALONG WITH THIS THEY INCLUDED ALL THE TIDE AND SUBMERGED LANDS OUT TO APPROXIMATELY THE THREE MILE LIMIT. AT THIS POINT THE NEGOTIATIONS WERE WEARING THIN. RATHER THAN NEGOTIATE THE ISSUE ANY FURTHER, THE BOROUGH STATED IT WOULD MAKE A REASONABLE EFFORT TO INTRODUCE THE PARK AND REFUGE LEGISLATION BUT WOULD NOT SUPPORT THE INCLUSION OF THE TIDE AND SUBMERGED LANDS.

Borough Statement

AT THIS POINT THE INTRODUCED LEGISLATION DOES NOT INCLUDE ANY TIDE AND SUBMERGED LANDS. THE KODIAK ISLAND BOROUGH ASSEMBLY VOTED TO HOLD THIS POSITION EVEN THOUGH SUBSEQUENT PROPOSALS WERE MADE TO INCLUDE THE TIDE AND SUBMERGED LANDS OUT TO THE 10 FATHOM DEPTH (60 FEET) WHICH EXTENDS UP TO ONE MILE OFFSHORE AND INCLUDES THE EXTENSIVE BAY AREAS. BOTH PARKS AND GAME WANT THE WATER INCLUDED. ONE OF THE BIGGEST CONCERNS OF THE KODIAK ISLAND BOROUGH IS THAT PRESENTLY OPEN FISHING WATERS MAY BE CLOSED OR VESSEL USE IN THESE WATERS COULD BE CLOSED BY A DIRECTORS ORDER.

IF ANY TIDE AND SUBMERGED LANDS ARE INCLUDED IN THE LEGISLATION IT WILL BE NECESSARY TO INCLUDE A COMPATABLE USE CLAUSE. WITHOUT IT THE PARKLAND REFUGE DESIGNATIONS COULD PRECLUDE THE PLACING OF WARFS, DOCKS, PILING, ETC. IN TIDE AND SUBMERGED LANDS TO UTILIZE THE ADJACENT UPLANDS. ANOTHER CLAUSE SHOULD BE ADDED TO ALLOW FISHING, (BOTH COMMERCIAL AND SPORT) WITHIN THE PARK AND REFUGE WATERS. THESE CLAUSES WERE INCLUDED IN THE FEBRUARY 6, 1982 DRAFT OF THE BILLS.

AS A BOTTOM LINE ISSUE THE KODIAK ISLAND BOROUGH'S INTERESTS ARE PROTECTED BY THE AGREEMENT OF SETTLEMENT AND CONSENT DECREE APPROVED BY THE COURT. THE EFFORTS OF THE STATE AGENCIES TO EXPAND THE PROPOSED LEGISLATION TO INCLUDE TIDE AND SUBMERGED LANDS GOES BEYOND THE ORIGINAL ISSUE OF THE BOROUGH SELECTION ENTITLEMENT AND ERRODES THE KODIAK ISLAND BOROUGH'S OPPORTUNITIES TO ENHANCE ITS GENERAL WELFARE AND USE OF ITS LAND ENTITLEMENT.

SIGNED BY DALE P. TUBBS,
LAND CONSULTANT FOR THE
KODIAK ISLAND BOROUGH



Official Business

Alaska State Legislature

Senate

Pouch V
State Capitol
Juneau, Alaska 99811

Sectional Analysis of SB 51

Section one:

Sec. 41.20.530 establishes that the purpose of the Shuyak Island State Park is to protect the recreational and scenic resources, the fish and wildlife habitat, and to preserve the use of the area for hunting, fishing, trapping, and other recreational activities.

Sec. 41.20.532 (a) states that the state-owned uplands and freshwater bodies in the following areas are designated as the Shuyak Island State Park. This is the area in green on the map.

(b) states that if the Kodiak Island Borough gives any of the land in the following sections back to the state, it may be added to the park by proclamation of the Governor. This is the area in blue with black cross-hatching.

Sec. 41.20.534 (a) designates the Department of Natural Resources as the agency with responsibility for management of the uplands and freshwater bodies in the park.

(b) designates the Department of Fish & Game as the agency with the responsibility for management of the fish and game resources in the park.

(c) requires the Department of Natural Resources to consult with the Department of Fish and Game before adopting regulations affecting the park.

(d) requires the Department of Fish and Game to consult with the Department of Natural Resources before adopting regulations affecting the park.

Sec. 41.20.536 (a) states that DNR will designate incompatible uses in the park.

(b) states that shooting in the park is allowed, except in areas that are closed because of public safety.

(c) allows ADF&G to engage in stream rehabilitation and enhancement.

(d) states that regulations governing public uses in the park will provide reasonable access for hunting, fishing, and trapping.

(e) requires that reasonable access be allowed to the Department of Public Safety and the Department of Fish and Game for the purposes of management and enforcement of fish and wildlife.

Sec. 41.20.538 allows the state to purchase property in the park. The state may not acquire land by eminent domain.

Section two provides for an immediate effective date.

NOTE: The proposed park on Shuyak Island is approximately 12,000 acres.

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. S.B. 51
 Title An Act establishing Shuyak Island State Park
 Requested by Mulicanv Date 1/20/83

II. FISCAL DETAIL
 Agency Affected Natural Resources - Parks
 Program Category Affected Parks & Recreation
 BRU, Program, Or Subprogram(s) Affected Park Operations
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-			

FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

The park, if established, would be placed under passive management until such time that the level of visitor use or the development of on-site facilities required visitor services or maintenance.

HW
1/24/83

IV. DATE _____ PREPARED BY _____
 Original: Legislative Finance AGENCY Natural Resources
 cc: Budget and Management PHONE 465-2400
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/82)

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTIETH LEGISLATURE

FISCAL NOTE

Expenditure Type
 Revenue Type

I. REQUEST

Bill/Resolution No. SB 51
Title Act Establishing the Snuyak Island State Park
Requested by Senator Kaimowitz Date _____

II. FISCAL DETAIL

Agency Affected Department of Public Safety
Program Category Affected Fish & Wildlife Protection
BRU, Program, Or Subprogram(s) Affected Fish & Wildlife Protection
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact.

IV. DATE January 27, 1983 PREPARED BY Robert Stickle Phone 269-5535
DIVISION F&W Protection Initials _____
Original: Legislative Finance DEPARTMENT OF PUBLIC SAFETY Initials RS
cc: Budget and Management Prime Sponsor (First Legislator Named) _____
33-001 (Rev. 11/82) CMB Reviewed by: Eric Laschever

LAND PLANNING REPORT
PROPOSED SHUYAK ISLAND STATE PARK
SHUYAK ISLAND
September 23, 1981

Kodiak Island Borough
Kodiak, Alaska
RECEIVED

NOV - 3 1981

7 10 11 12 13 14 15 16 PM

Existing Classification - Forestry - SC-80-037
Recommended Classification - Public Recreation
Acreage - Approximately 13,000 acres

Proposed Classification/Justification

The proposed classification is public recreation. This classification action will implement the Agreement of Settlement and Consent Decree between the State of Alaska and the Kodiak Island Borough.

Location

The subject parcel is located on the western portion of Shuyak Island and includes adjacent small islands and offshore rocks. Shuyak Island is the northernmost major island in the Kodiak archipelago. It is 50 miles north of Kodiak, Alaska and 85 miles southwest of Homer, Alaska.

Legal Description

(Unsurveyed land--All sections are protracted)

Beginning at the $\frac{1}{4}$ corner common to Sections 31 and 32, T19S, R20W, S.M., which is the Point of Beginning, and which is offshore in the vicinity of the SW corner of Shuyak Island;

Thence northeasterly, approximately 1.0 mile to the C-W-W $\frac{1}{64}$ th corner of Section 29, T19S, R20W, S.M. in Shuyak Harbor;

Thence, within Shuyak Harbor, northeasterly 0.52 miles to the W $\frac{1}{16}$ th corner common to Sections 20 and 29, T19S, R20W, S.M.;

Thence east leaving Shuyak Harbor along the section line between Sections 20 and 29 and the $\frac{1}{4}$ corner common to Sections 20 and 29, T19S, R20W, S.M.;

Thence northeasterly approximately 2.5 miles to the corner common to Sections 9, 10, 15 and 16, T19S, R20W, S.M.;

Thence north between Sections 9 and 10, T19S, R20W, S.M., approximately 0.25 miles to the point of mean high tide on the south shore of Big Bay;

Description of Shuyak Island

SHUYAK ISLAND
September 23, 1981
Page 2

(Unsurveyed land--All sections are protracted) (continued)

Thence meandering easterly and northerly in a counter-clockwise direction along the mean high tide line of Shuyak Island to a point common to the W 1/16th line in the north-half of the north-half of Section 10, T19S, R20W, S.M.;

Thence north along the W 1/16th line approximately 150 feet to the section line common to Sections 3 and 10, T19S, R20W, S.M.;

Thence, east 0.5 miles between Sections 3 and 10 to the E 1/16th corner of Sections 3 and 10, T19S, R20W, S.M.;

Thence north 0.5 miles along the E 1/16th line of Section 3 to the C-E 1/16th corner of Section 3, T19S, R20W, S.M.;

Thence west 0.25 miles along the E-W $\frac{1}{2}$ line of Section 3, T19S, R20W, S.M.;

Thence north 0.25 miles along the NW $\frac{1}{4}$ line of Section 3 to the C-N 1/16th corner of Section 3, T19S, R20W, S.M.;

Thence north-northeasterly approximately 1.65 miles to the C-E-W-SW 1/256th corner of Section 26, T18S, R20W, S.M.;

Thence east 0.80 miles along the S 1/16th line of Section 26 to the S 1/16th corner of Sections 25 and 26, T18S, R20W, S.M.;

Thence south 0.25 miles between Sections 25 and 26 to the corner common to Sections 25, 26, 35 and 36, T18S, R20W, S.M.;

Thence east between Sections 25 and 36, T18S, R20W, S.M., and Sections 30 and 31, T18S, R19W, S.M. approximately 1.75 miles to the intersection with the mean high tide line on the west shore of the unnamed bay that connects to Shangin Bay;

Thence meandering southerly and easterly along the mean high tide line of said unnamed bay to Shangin Bay and then continuing southerly, easterly and northerly along the mean high tide line of Shangin Bay to a point common to the N 1/16th line of Section 32, T18S, R19W, S.M.;

Thence east along the N 1/16th line of Sections 32 and 33 approximately 0.3 miles to the NW 1/16th corner of Section 33, T18S, R19W, S.M.;

SHUYAK ISLAND
September 23, 1981
Page 3

(Unsurveyed land--All sections are protracted) (continued)

Thence northeasterly approximately 1.5 miles to the section corner common to Sections 22, 27, 28 and 21, T18S, R19W, S.M.;

Thence north along the west boundary of Sections 22, 15, 10, 3 and 34, 5.0 + miles to the corner common to Sections 27, 34, 33 and 28, T17S, R19W, S.M.;

Thence, northwesterly, 4.2 miles + to the corner common to Sections 7 and 18, T17S, R19W, S.M., and Sections 13 and 12, T17S, R20W, S.M.;

Thence southwesterly, 9 miles + to the corner common to Sections 12, 13, 14 and 11, T18S, R21W, S.M.;

Thence southwesterly, 5.4 miles + to the corner common to Sections 3, 10, 9 and 4, T19S, R21W, S.M.;

Thence southeasterly 4.7 miles + to the $\frac{1}{4}$ corner of Section 35, T19S, R21W, S.M.;

Thence east along the E- $\frac{1}{2}$ line of Sections 35 and 36, T19S, R21W, S.M. to the $\frac{1}{4}$ corner common to Section 36, T19S, R20W, S.M. and Section 31, T19S, R20W, S.M.;

Thence east approximately 1.0 mile along the E- $\frac{1}{2}$ line of said Section 31 to the $\frac{1}{4}$ corner common to Sections 31 and 32, T19S, R20W, S.M., which is the Point of Beginning of this description.

The above description encompasses State owned and subsequently acquired uplands, tidelands and submerged lands. Those lands which are uplands total approximately 13,000 acres.

Background

The Kodiak Island Borough pursuant to AS 29.18.201-.213 is entitled to select 56,500 acres from State general grant land within its boundaries and has filed such selections in the manner provided. However, a considerable portion of the land selections filed by the Kodiak Island Borough were administratively rejected by the State. As a result the Kodiak Island Borough filed three separate judicial appeals of the administrative decisions in the Superior Court, Third Judicial District under case numbers 3AN-80-3070 (Woody Island), 3AN-80-6710 (Land Classification), and 3AN-81-1385 (Shuyak Island). Both parties desired to settle the question of which lands will be conveyed to the Kodiak Island Borough without extended litigation and entered into an agreement of settlement and consent decree which was approved and adopted by the court.

Background (continued)

Section 7 of the Agreement of Settlement and consent decree provides both parties shall support legislation to create a State park denominated the "Shuyak Island State Park" on the subject parcel.

Section 8 of the Agreement of Settlement and consent decree provides that in the event the lands to be included in the proposed "Shuyak Island State Park" are not finally included by legislation such lands shall be at all times classified and managed by the State in a manner maintaining and enhancing such lands for wildlife habitat and public recreation purposes.

Physical Description

Shuyak Island is the northernmost and smallest of the major islands in the Kodiak Island Archipelago, which is formed by the Kodiak Mountains, a structural southwest continuation of the Kenai-Chugach Mountains. The area is characterized by an irregular coastline with many fiords and islands. Short, swift, clear streams, small lakes and numerous small ponds are widely scattered over the glacially sculptured topography. Unlike the larger islands of the group the topography of Shuyak Island is of rather low relief with elevations ranging from 0 to 660 feet above sea level with predominantly gently rolling slopes.

Shuyak Island is in a maritime climatic zone, however, climatic data for the area is sporadic. The only major recording station is on Kodiak Island, with supporting data from ship movement through the areas. The maritime climatic zone is strongly influenced by the marine environment and characterized by moderately heavy precipitation, cool temperatures, high cloud and fog frequency with little or no freezing weather. Temperature patterns are characterized by relatively cool summers and warm winters, as compared to interior land temperatures at similar latitudes. The mean high temperature for January is 32 to 36° F while the mean high temperature for July is only 56 to 62° F. Above freezing temperatures, which are common during all winter months, usually keep the snow depth from becoming excessive at low elevations. However, the warm temperatures at low elevations also result in wet heavy snow with high water content.

Severe storms with high winds are common in the area. Surface winds are more hazardous to human activities in the area than temperature or precipitation. Sustained extreme wind speeds during storms may range from 50 to 75 knots, with gusts as high as 100 knots. From June through September when the air contains the most moisture and is warmer than the water, fog is common and the principal cause of reduced visibility.

The vegetation on Shuyak Island is characterized by well developed extensive stands of large size, over-mature Sitka spruce, stands of pole size Sitka spruce, sedges and other water tolerant plants in the lowland areas, and alder and grasses in the non-timbered areas.

Resource Values

Timber

Extensive commercial stands of mature and over-mature timber are the primary resource value of Shuyak Island. It is estimated there are 23,518 acres of timber land and 10,250 acres of non-timber land on the island.

Wildlife/Fisheries

There is a thriving deer herd on the island. Brown bear and elk are also present but there is little information available as to numbers or concentration. There is a high density of both sea otter and harbor seals in the bays and fiords of Shuyak Island as well as sea lions along the northeasterly end of the island.

There are numerous seabird colonies along the coastline and particularly on the small islands and offshore rocks within the area.

Agriculture

The raising of field crops is not feasible due to the poor soils and cool summer temperatures. Grazing of livestock might be possible, however, there would be bear-livestock conflicts. In addition competition between livestock and deer for available food supplies would present problems.

Reasons for State Selections

Extensive commercial stands of mature timber and potential of subsurface mineral resources were prime considerations in State selections. In addition the numerous fiords and small islands along the coast provide excellent habitat for marine mammals and seabird colonies as well as an area of unsurpassed natural beauty with a nearly unlimited potential for outdoor recreation.

Socio/Economic Conditions

The economic mainstay of the Kodiak Island Archipelago is fishing and seafood processing. The major species taken include king, tanner, and dungeness crab, salmon, halibut and shrimp. Employment in the area tends to be seasonal because of the heavy dependence on the fishing and seafood processing industry. Other employment available includes Federal, State and local government positions, trade and service industries, tourism, finance, insurance, real estate, construction, transportation and communications.

Socio/Economic Conditions (continued)

There are no communities on Shuyak Island. The City of Kodiak, the only major community in the archipelago, is 50 miles south of Shuyak Island and has a population of approximately 6,000.

Existing/Adjacent Land Use

Shuyak Island is uninhabited and used only to a limited extent for hunting and recreation.

Coastal Zone Consistency

Shuyak Island is within Alaska's Coastal Zone. Because no developments or new uses will result from this classification action there will be no adverse effects on the coastal resource.

Statewide Plan

The Statewide plan identifies the western portion of Shuyak Island as recreation and also the subsurface resource as minerals. This classification will support the Statewide plan.

Recommendations

The Southcentral District recommends the classification of Public Recreation for the lands within the proposed Shuyak Island State Park to implement the Agreement of Settlement and Consent Decree.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF PARKS

BILL SHEFFIELD, GOVERNOR

Kodiak District
S.R. Box 3800
Kodiak, Alaska 99615

Ph# 486-6339

ALASKA STATE PARKS
KODIAK CITIZENS ADVISORY BOARD
RESOLUTION NO. 83 - 1

A RESOLUTION OF THE ALASKA STATE PARKS KODIAK CITIZENS ADVISORY BOARD
REQUESTING STATE LEGISLATION TO CREATE THE SHUYAK ISLAND STATE PARK.

WHEREAS, in 1981 the Kodiak Island Borough Assembly adopted Resolution
No. 81 - 72 - R requesting state legislation to create the Shuyak Island State
Park, and

WHEREAS, the primary purpose of such state legislation would be to protect
and enhance the area's considerable recreational, cultural, scenic and wildlife
resources and to protect the natural and wild coastline,

BE IT FURTHER RESOLVED by the Kodiak State Parks Citizen Advisory Board
that this resolution be sent to the Department of Natural Resources and Senator
Mulcahy and Representative Zharoff and implore their assistance in the intro-
duction and successful adoption of state legislation to create the Shuyak Island
State Park.

PASSED AND APPROVED UNANIMOUSLY this 7th day of December, 1982
by the Kodiak State Parks Citizens Advisory Board.

By

Bill Herman

Chairman

Attest:

By:

Ed J. Johnson
Park Ranger

RESOLUTION NO. 81-72-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY REQUESTING STATE LEGISLATION TO CREATE THE SHUYAK ISLAND STATE PARK.

WHEREAS, on August 14, 1981 the Superior Court ordered the Agreement of Consent Decree to effectively dismiss the appeals the Kodiak Island Borough brought against the Alaska Department of Natural Resources in regards to its lands selections, and

WHEREAS, a condition of the Agreement of Settlement and Consent Decree is that the Kodiak Island Borough is to use its best efforts to have legislation introduced to create a State Park and State Game Refuge on Shuyak Island for those portions not to be conveyed to the Kodiak Island Borough, and

WHEREAS, the primary purpose is the creation of Shuyak Island State Park to protect and enhance the areas recreational, natural, cultural, scenic, and wildlife resources and to protect the areas natural and wild coastline, and

WHEREAS, the Kodiak Island Borough has caused to be prepared a proposed bill entitled "An Act Creating the Shuyak Island State Park".

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that legislation entitled "An Act Creating the Shuyak Island State Park" be introduced and assigned a number providing for the creation of said park.

BE IT FURTHER RESOLVED by the Kodiak Island Borough Assembly that the Borough administration be directed to send this resolution to Senator Mulcahy and Representatives Sutcliffe and Zharoff and implore their assistance in the successful adoption of this legislation.

PASSED AND APPROVED this 1st day of October, 1981 by the Borough Assembly.

KODIAK ISLAND BOROUGH

by M. D. T. O. H.
Borough Mayor

ATTEST:

By *Shirley Miller*
Borough Clerk

I, Margaret D. Duros, do certify this to be a true and correct copy of Resolution No. 81-72-R passed and approved by the Kodiak Island Borough Assembly on October 1, 1981.

Margaret D. Duros
Notary Public in and for the State of Alaska
My Commission Expires: October 14, 1984

MAR 21 1983

KODIAK ISLAND BOROUGH
RESOLUTION NO. 81-72-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY REQUESTING STATE LEGISLATION TO CREATE THE SHUYAK ISLAND STATE PARK.

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WHEREAS, the primary purpose is the creation of Shuyak Island State Park to protect and enhance the areas recreational, natural, cultural, scenic, and wildlife resources and to protect the areas natural and wild coastline, and

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NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that legislation entitled "An Act Creating the Shuyak Island State Park" be introduced and assigned a number providing for the creation of said park.

BE IT FURTHER RESOLVED by the Kodiak Island Borough Assembly that the Borough administration be directed to send this resolution to Senator Mulcahy and Representatives Sutcliffe and Zharoff and implore their assistance in the successful adoption of this legislation.

PASSED AND APPROVED this 1st day of October, 1981 by the Borough Assembly.

KODIAK ISLAND BOROUGH

By W D JOHNSON
Borough Mayor

ATTEST:

By Shirley Miller
Borough Clerk

NOTE: ALL REFERENCES TO AS 41 IN THE SENATE AND HOUSE VERSIONS ARE DIFFERENT BECAUSE STATUTE REVISOR UPDATED TITLE 41 BETWEEN THE '83 AND '84 SESSIONS.

(HOUSE) HCS SB 51(FIN)

(SENATE) SB 51

Page, 1 line 10

Deleted language in Senate bill.

ARTICLE 17. SHUYAK ISLAND STATE PARK.

Page, 1 lines 17-18

continued use of the area for sport and subsistence hunting and fishing, trapping, and recreational activities.

continued use of the area for hunting, fishing and trapping purposes and other recreational activities.

Page 1, lines 27-29

The uplands and freshwater bodies owned or acquired by the state within the following described parcel are designated as the Shuyak Island State Park:

(a) The state-owned uplands and freshwater bodies and those uplands acquired by the state in the future lying within the following parcel are designated as the Shuyak Island State Park.

Page 2, line 1-page 3, line 14 (description of park)

*See attached map. Sponser (Sen. Mulcahy) concurs with this

Page 2, line 2-page 3, line 16 (description of park)

*See attached map.

Deleted language that was in Senate bill.

(b) If the Kodiak Island Borough relinquishes to the state its selection, selection approval, or patent to any of the following described land, that land may be added to the Shuyak Island State Park by proclamation of the governor:

(1) T18S, R19W, S.M.

Section 29: All uplands not included in (a) of this section

Section 31: All uplands not included in (a) of this section

Section 32: All uplands not included in (a) of this section

(2) T18S, R20W, S.M.

Section 26: All uplands not included in (a) of this section

Section 34: All uplands not included in (a) of this section

Section 35: All uplands not included in (a) of this section

Section 36: All uplands

(3) T19S, R19W, S.M.

Section 5: All uplands

Section 6: All uplands

(4) T19S, R20W, S.M.

Section 1: N $\frac{1}{2}$

Section 2: N $\frac{1}{2}$

Section 3: All uplands not included in (a) of this section

Section 10: All uplands within N $\frac{1}{2}$ and SW $\frac{1}{4}$ not included in (a) of this section.

Page 3, lines 22-23

consistent with the sustained yield principle and the purposes and provisions of this chapter.

Page 3, lines 26-28

The fish and game habitat and breeding areas shall be managed to ensure that the fish and game resources of the park continue on a sustained yield basis.

Page 4, lines 9-11

(f) The commissioner of natural resources shall permit reasonable camping within the Shuyak Island State Park on an extended basis on request.

Page 4, lines 12-15

(g) Nothing in AS 41.21.170-41.21.178 prohibits the Department of Fish and Game from engaging in stream rehabilitation enhancement and development under AS 16.06.092 on land within the Shuyak Island State Park.

Page 4, lines 16-18

(h) The Department of Public Safety and the Department of Fish and Game shall have necessary access for fish and game management, research, and enforcement purposes.

Page 4, line 24

consistent with the purposes and provisions of this chapter.

Page 4, line 27

The fish and game habitat and breeding areas shall be managed to sustain the fish and game resources of the park in perpetuity.

No equivalent subsection in Senate version.

Page 5, lines 16-19

The exact same subsection appears here as subsection (c) under "COMPATIBILITY OF USES."

Page 5, lines 23-25 The exact same section appears here as subsection (e) under "COMPATIBILITY OF USES."

Page 4, lines 22-24

(b) Use of a weapon in the Shuyak Island State Park shall be allowed except in unique areas that may be closed for purposes of public safety by regulation by the commissioner of natural resources.

Page 5, lines 13-15

(b) Discharge of a firearm in the Shuyak Island State Park is expressly allowed, except in those areas closed by regulation by the commissioner of natural resources for purposes of public safety.

Page 4, line 25-page 5, line 2

(c) The regulations governing public use of the Shuyak Island State Park shall provide ample access for legal sport and subsistence hunting and fishing, trapping, and recreational uses. Except to protect public safety the commissioner of natural resources may not restrict the exercise of sport or subsistence fishing or hunting, or trapping permitted under law or under a regulation of the Board of Fisheries or the Board of Game within the Shuyak Island State Park.

Page 5, Lines 20-22

(d) The regulations governing public use of the Shuyak Island State Park shall provide reasonable access for fish and game management, research, and enforcement purposes.

Page 5, lines 3-6

ADDITIONS TO THE PARK. Land may be added to the Shuyak Island State Park only by an act of the legislature. The commissioner of natural resources may not acquire land within the boundaries of the Shuyak Island State Park by eminent domain.

Page 5, line 26-page 6, line 1

PURCHASE AUTHORIZED. The commissioner of natural resources may acquire, by purchase in the name of the state, title to or interest in real property lying within the boundaries of the Shuyak Island State Park. The state may not acquire land by eminent domain for inclusion in the Shuyak Island State Park.

THE REST OF THE HOUSE VERSION INCLUDES SECTIONS THAT WERE NOT IN THE SENATE VERSION OF SB 51. A SECTIONAL ANALYSIS OF THOSE SECTIONS FOLLOWS:

SECTION 2

(a) The commissioner of DNR shall seek an amendment to the 1981 Settlement between the state and Kodiak Island Borough to make uplands on the southwest corner of Shuyak Island available to the borough for Municipal Land Selection.

(b) The commissioner of DNR shall seek a relinquishment of borough lands selected under AS 29.18.201-2918.213 and an amendment to the 1981 settlement between the state and Kodiak Island Borough to include certain lands of equal acreage to lands described in Sec. 2 (a) in the Shuyak Island State Park.

(c) Subsections (a) and (b) of this section are repealed six months from the date of this act if the 1981 Settlement is not amended as proposed in subsections (a) and (b).

(d) If the 1981 Settlement is amended as proposed in subsections (b) and (c) then additional lands legally described are added to the park.

SECTION 3

Subject to the availability of funds, DNR shall construct public use cabins within the park. (Fiscal note shows 2 cabins built per year).

SECTION 4

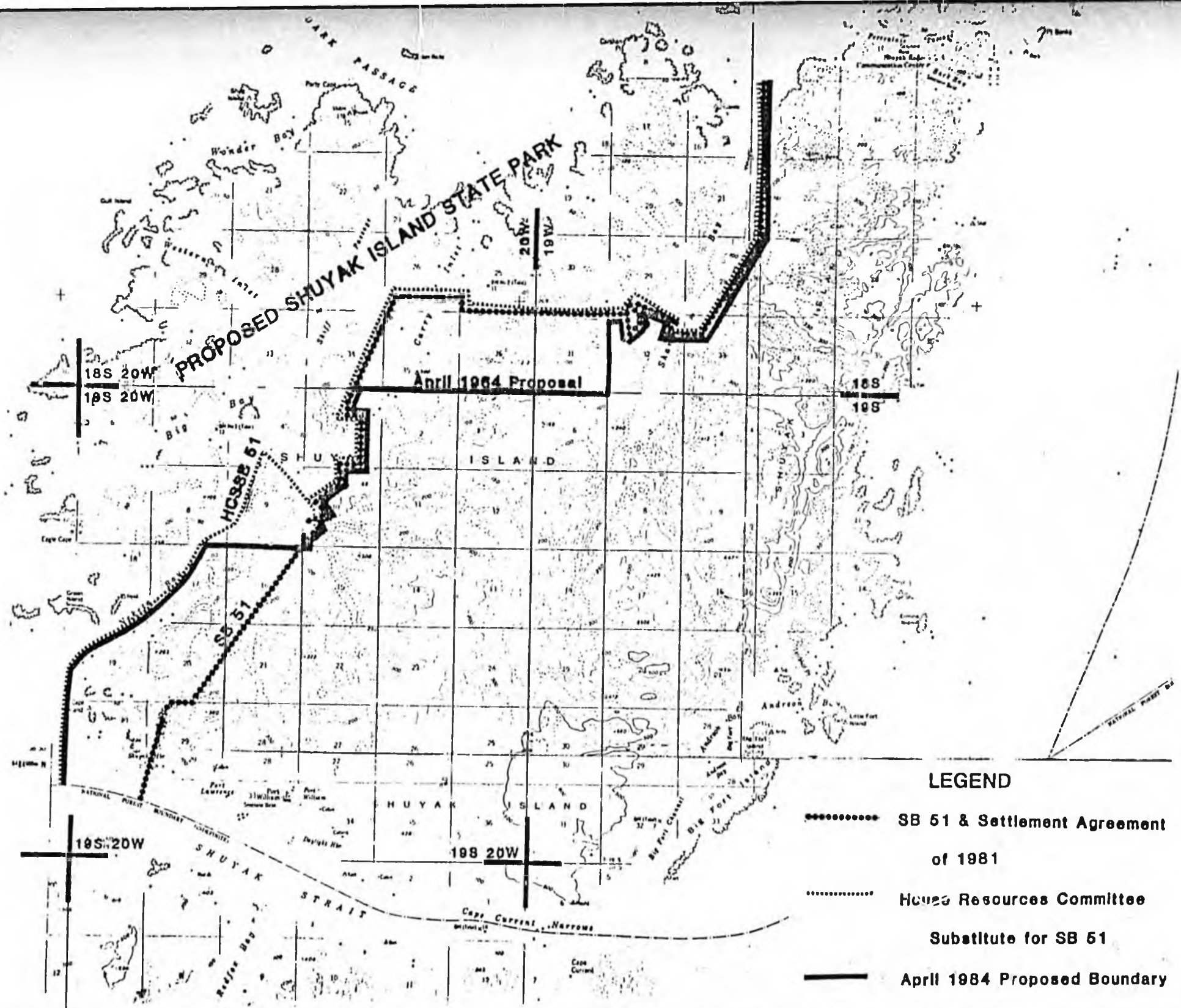
The commissioner of DNR shall identify the inland boundary of the park as described in AS 41.21.172 as enacted in Sec. 1 of this Act or as added under Sec. 2 at its beginning and its end and not less often than each one-eighth of a mile.

SECTION 5

Within 5 years after the effective date of this Act, the commissioner of DNR shall identify and offer for sale, 500 acres of state owned land within the Kodiak Island Borough. The land shall be of good quality, reasonably accessible to residents of the City of Kodiak, and may not include land proposed as of Feb. 1, 1984 by DNR for sale by the department in FY '84, '85, or '86. The land disposals shall be held in the City of Kodiak. The commissioner of DNR shall submit a report on compliance with this section to the legislature of the second regular session of the 16th Alaska State Legislature.

SECTION 6

If the commissioner of DNR does not report to the legislature that 500 acres have been identified and offered for sale within 5 years of the effective date of this Act, then SECTION 1 of this Act will be repealed July 1, 1990.



PROPOSED SHUYAK ISLAND STATE PARK

April 1984 Proposal

HCRS 51

SB 51

LEGEND

- SB 51 & Settlement Agreement of 1981
- House Resources Committee Substitute for SB 51
- April 1984 Proposed Boundary

file 1983

COMMITTEE REPORT

HOUSE

(11)

FURTHER:

3/13/84

Date: 5-4-84

The Committee on FINANCE has had SB 51

"An Act establishing the Shuyak Island State Park; and providing for an effective date."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^{HS}ACS for SB 51 (Fin) same title
- new title
- and recommends DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note 5-3-84
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Albert H. Adams

VP Bettsworth

T. H. Martin

W. Furness

Ben Dussard

John Duncan

Fred F. Zharoff

Jim Ward

WILLO H. FRITZ

Albert H. Adams
CHAIRMAN

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 5/3/84

REQUEST
Bill/Resolution No.: ³⁸⁵¹ HCSS (Fin)
Title: Shuyak Island State Park

FISCAL DETAIL
Agency Affected: DNR
Program Category Affected: NRMEC

Sponsor: Mulcahy
Requestor: _____
Date of Request: _____

BRU, Program or Subprogram(s) Affected:
Parks and Recreation

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		15.0	16.0	17.0	18.0	19.0
200 TRAVEL		2.0	2.5	3.0	3.5	4.0
300 CONTRACTUAL		6.0	6.7	7.5	8.3	9.3
400 SUPPLIES		36.5	40.0	44.0	48.5	53.0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		59.5	65.2	71.5	78.3	85.3
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		59.5	65.2	71.5	78.3	85.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1/3	1/3	1/3	1/3	1/3
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

GENERAL FUND

ANALYSIS: Attach a separate page for analysis

Prepared By: Neil Johannsen Phone: 276-2653
Division: Parks and Recreation Date: 5/3/84

Approved by Commissioner: James D. Samuel Deputy Date: 5/3/84
Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

FISCAL BACKUP FOR DNR FISCAL NOTE ON
HCS SB 51 (Fin) -- SHUYAK ISLAND STATE PARK

FUNDING REQUEST:

	FY 85	FY 86	FY 87	FY 88	FY 89
<u>line 100:</u>					
Park Ranger I (4½ mos)	15.0	16.0	17.0	18.0	19.0

The operating funds that have been requested will fund a part-time Park Ranger whose major function will be to coordinate the youth employment crews working in the Park on construction of two cabins per year for the foreseeable future. His/her other responsibilities will include general recreation management, master planning for the park, coordinating a public cabin reservation system, and providing liaison with local public, Native corporation, and Borough representatives.

<u>line 200:</u>					
Travel for Ranger	2.0	2.5	3.0	3.5	4.0

Travel funds will be provided for the Ranger (youth crews will be funded by YCC program).

<u>line 300:</u>					
Delivery of materials	5.0	5.5	6.0	6.5	7.0
Printing, mail, communications	1.0	1.2	1.5	1.8	2.3

<u>line 400:</u>					
Cabin construction materials (2/yr)	34.5	37.5	41.0	45.0	49.0
Office and park management	2.0	2.5	3.0	3.5	4.0

TOTAL OPERATING FUNDS	59.5	65.2	71.5	78.3	85.3
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S

B

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2



Alaska State Legislature

RESOURCES SUBCOMMITTEE ON FISHERIES

Senate

Official Business March 24, 1983

Pouch, V
State Capitol
Juneau, Alaska 99811

TO: Senator Bettye Fahrenkamp, Chairman
Senate Resources Committee

FROM: Senate Resources Subcommittee on Fisheries

SUBJ: SB 52

The subcommittee has taken testimony and recommends replacing SB 52 with CS SB 52(Res) and reports CS SB 52(Res) back to the committee as a whole with the following recommendations.

Members	Recommendation
Senator Mulcahy <u>Bob Mulcahy</u>	<u>Do Pass</u>
Senator Eliason <u>Al Eliason</u>	<u>" "</u>
Senator Gilman <u>Alan Gilman</u>	<u>No Pass</u>

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: SB 52 Date on Bill: 1/18/83
 Title: "An act relating to the licensing of commercial fishing."
 Sponsor: Mulcahy
 Requestor: Resources & Finance

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating		\$9,300	\$13,700	\$14,200
Total		\$9,300	\$13,700	\$14,200

b. Revenues:

Revenue	(\$28,100)	(\$33,700)	(\$36,600)
---------	------------	------------	------------

2. Source of funds to offset fiscal impact of bill:

None given.

3. Assumptions:

Implementation of program creates a loss of revenue as 7% of Resident Crewmembers would qualify for \$15.00 Crewmember license. The loss in revenues comes from the General Fund and from the Sick & Disabled Fisherman's Fund. In FY 84 \$6,600 from the General Fund, \$21,500 from the S&DF, FY 85, \$10,900 from the General Fund, \$22,800 from the S&DF, FY 86, \$11,500 from the General Fund, and \$24,100 from the S&DF.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Mary Delella - Spec. Asst. Phone: 465-2300
 Division: Revenue Date: 2/22/83
 Approved by Commissioner: Robert D. Heath Date: 2/22/83
 Department: Revenue

5. Distribution:

Original to Legislative Finance
 Copy to OMB
 Copy to Sponsor
 Copy to Requestor

2/15/83

I. REQUEST

Bill/Resolution No.: Senate Bill 52
 Title: "...licensing of commercial fishing..."
 Sponsor: Senator Mulcahy
 Requestor: Resources and Finance

II. FISCAL DETAIL

Agency Affected Department of Labor
 Program Category Affected Worker Protection
 BRU, Program of Subprogram(s) Affected: Fishermen's Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
Fisherman's Fund		(5.5)	(11.8)	(12.5)	(13.3)	(14.1)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL: N/A

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Maureen McClintock
 Division: Workers' Compensation Division

Phone: 465-2790

Date: 3/9/83

Approved by Commissioner: Jim Robison
 Department: Labor

Date: 3/9/83

LEG:A:8

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/8/83

Detail Analysis for Senate Bill 52

This bill would revise the cost for resident crewmember commercial fishing licenses for approximately 1,238 individuals in FY'84. The cost will be reduced from \$30.00 to \$15.00 for all residents who have a net family income falling within the poverty guidelines established by the Federal Community Services Administration and the Department of Revenue.

In preparing this fiscal note the following assumption have been made:

1. Effective date of January 1, 1984.
2. Six percent increase per annum in the number of crewmember licenses issued (CY 1982 used for bases).
3. Seven percent of resident crewmembers would qualify.
4. Loss of General Funds (40% of fee) will be reflected in the Department of Revenue's fiscal note.

Below is a chart which identifies the expected number of crewmember licenses to be issued annually and the projected loss of revenues to the Fishermen's Fund.

	<u>Total Crewmembers</u>	<u>Low-Income Crewmembers</u>	<u>Total Loss (1)</u>	<u>Fishermen's Fund Loss(2)</u>
CY'82	15,736			
FY'83	16,680			
FY'84	17,681	1,238	\$ 9,300 (3)	\$ 5,500
FY'85	18,742	1,312	19,700	11,800
FY'86	19,867	1,391	20,900	12,500
FY'87	21,059	1,474	22,100	13,300
FY'88	22,323	1,563	23,500	14,100

(1) Loss is \$15.00 per "low-income" crewmember.

(2) Fishermen's Fund receives 60% of the fees assessed.

(3) Annual Loss of \$18,600 is revised for effective date of January 1, 1984.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: November 30, 1983

I. REQUEST

Bill/Resolution No.: CSSB 52 am
Title: Licensing of Commercial Fishing
Sponsor: Senate Resources Committee
Requestor: _____
Date of Request: _____

II. FISCAL DETAIL

Agency Affected: Fish and Game
Program Category Affected: NDMEC
BRU, Program of Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						
TOTAL						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

OFFICE OF
MANAGEMENT & BUDGET

NOV 30 1983

IV. ANALYSIS: Attach a separate page for any Analysis

BUDGET REVIEW

Prepared By: Beverly Reaume Phone: 465-4120
Division: Administration Date: _____

Approved by Commissioner: [Signature] Date: 11/29/83
Department: Fish and Game

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

9/14/83

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: November 30, 1983

REQUEST

Bill/Resolution No.: SB 52
Title: "...licensing of commercial fishing..."
Sponsor: Senator Mulcahy
Requestor: Resources and Finance
Date of Request: March 9, 1983

FISCAL DETAIL

Agency Affected: Labor
Program Category Affected: Worker Protection
BRU, Program or Subprogram(s) Affected: Fishermen's Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER *		<5.8>	<11.5>	<11.5>	<11.5>	<11.5>
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

The impact is on the Fishermen's Fund.

ANALYSIS: Attach a separate page for analysis

Prepared By: Jacquelyn McClintock Phone: 465-2790
Division: Workers' Compensation Date: _____
Approved by Commissioner: Jim Robinson Date: 12/11/83
Agency: Labor

LEG:A:13
Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

JAN 10 1984

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE

BILL/RESOLUTION NO: SB 52

TITLE: "An Act relating to licensing of commercial fishing"

AGENCY AFFECTED: Department of Labor

Page 2

This bill would revise the cost for resident crewmember commercial fishing licenses for approximately 1,282 individuals in Calendar Year 1985. The cost will be reduced from \$30.00 to \$15.00 for all residents who have a net family income falling within the poverty guidelines established by the Federal Community Services Administration and the Department of Revenue.

In preparing this fiscal note the following assumptions have been made:

1. Effective date of January 1, 1985.
2. No significant increase in the number of licenses sold from Calendar Year 1982 is anticipated.
3. Seven percent of resident crewmembers would qualify.
4. Loss of General Funds (40 percent of fee) will be reflected in the Department of Revenue's fiscal note.

The projected loss in revenue to the Fishermen's Fund will therefore be as follows:

Number of licenses sold in Calendar Year 1982	18,300
Number of low-income Crew Members	$x .07$ <u>1,282</u>
Total Loss in Revenue	$x \$15$ <u>\$19,230</u>
Total Loss to Fund	$x .60$ <u>\$11,538</u>

The same loss would be projected for Fiscal Year 1986 through Fiscal Year 1989. The impact on Fiscal Year 1985 would be only \$5,760, as the law would take effect January 1, 1985.

LEG:A:13

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

January 20, 1982

SUBJECT: Amendments to commercial fishing license laws (Work Order No. 12-2210)

TO: Senator Bob Mulcahy

FROM: Edward H. Hein *EHA*
Legislative Counsel

Enclosed is my draft of amendments intended to make uniform the terminology used for licensing of commercial fishermen. The following is a short section-by-section summary of the proposed changes.

Secs. 1 and 2 simply amend the statutory reference to the crewmember fishing license statute. Sec. 3 likewise amends the statutory references to crewmember licenses. I have also amended the title of the section to more accurately reflect the subject matter of the subsection (b). In both subsections (a) and (b), upon the recommendation of the revisor of statutes, I have deleted the provisions which exempt the commissioner of revenue and the limited entry commission from liability for embezzlement or other misappropriation of funds by a licensed vendor. The revisor and I have concluded that the bond which the commissioner requires is adequate protection for the state and the licensees.

Sec. 4. This is my revision of the current commercial fishing license/crewmember license statute. I have provided a basic annual fee of \$30 for residents and \$90 for non-residents and have provided for a \$15 fee for those who are eligible for the poverty permits and the poverty crewmember license. I should note at this point that in reviewing the amendments with Darrill Johnson of the Limited Entry Commission and Linda Lockridge of the Department of Revenue, it was pointed out that the poverty licenses are virtually impossible to administer. Mr. Johnson said that ever since

Senator Bob Mulcany
Page 2
January 20, 1982

the state repealed the state income taxes there has been no easy source of information to verify whether a person is eligible for the poverty permit. He said that the commission is forced to obtain income data the Internal Revenue Service in Ogden, Utah, and that process is extremely slow, creating a further hardship on the applicant. As a consequence, Mr. Johnson said, the commission had lowered some license fees to \$15 in order to allow persons to obtain an inexpensive permit without having to demonstrate that they were poor. It appears to me that this administrative solution may not be in accordance with the legislative intent of the poverty permit statute, AS 16.43.160(c). The same considerations, of course, would apply for the poverty crewmember license which I have created in AS 16.05.485.

Sec. 5 is a new section which distinguishes the commercial fishing license from the crewmember fishing license. Subsection (a) sets the fee for the crewmember license at the same rate as the commercial fishing license. In addition, I have had added a subsection (d) which provides a \$2 fee for duplicate licenses. That is the current fee being charged for duplicates.

Sec. 6 simply cleans up the language in the unlawful purchases statutes and changes the statutory reference to the crewmember fishing license.

Sec. 7 is a substantial rewording of the license forfeiture statute. The existing section is very poorly worded. I have clarified what licenses we are talking about and have made more precise the options the court has when dealing with a person convicted of violating the licensing statutes. These forfeiture provisions are in the nature of a criminal penalty and therefore ought to be as precise as possible. Much of the language was taken from AS 16.43.360. Note that, as in that section, I have included the option of ordering a suspension of fishing rights. This may amount to a substantive change, although one cannot legally fish without a license or permit.

Secs. 8 and 9 merely change the statutory reference for the crewmember fishing license and remove the language which equated the crewmember license with the commercial fishing license.

CC
Senator Bob Mulcahy
Page 3
January 20, 1982

CC
Sec. 10 deletes the language allowing the commission to give a permit applicant credit for the amount paid for the commercial fishing license under AS 16.05.480. This language was confusing in that it made it appear as if a permit holder first had to obtain a crewmember license, show the commission he had paid for it, and then the commission would deduct that amount from the fee for one of the permits. In fact, it is both the practice of the commission and the intent of the legislature that permit holders not be required to obtain a crewmember license or a commercial fishing license separately from their permit. My revision of AS 16.05.480 and addition of AS 16.05.485 obviates the need for the language I have deleted in this section.

Sec. 11 increases the minimum entry permit fee to \$30 so that all permit fees will cover the cost of the commercial fishing license. I also noted in the first sentence of subsection (b) the exception for the poverty permit provided for in subsection (c).

Sec. 12 amends the language of the fishermen's fund dedication to eliminate any ambiguity about what license fees the 60 percent is taken from.

Sec. 13 merely changes the statutory reference to the crewmember license.

~~Sec. 14 deals with a section related to the Alaska State income tax. Because the state income tax has been repealed the Department of Revenue intends to propose repealing this section. They have not enforced it since tax year 1978. I have clarified the language dealing with the phrase "commercial fishing license" in case that the section is not repealed.~~

¹⁴
Sec. 15: This section amends the statutory exclusion from the fisheries business tax passed during the last session. I have simply clarified the language without changing the substance of it.

¹⁵
Sec. 16 merely amends the statutory reference to crewmember fishing license and eliminates the language which equated the crewmember fishing license with the commercial fishing license. This section is part of the CFAB loan statutes.

CC
Senator Bob Muricany
Page 4
January 20, 1982

16
Sec. ~~17~~ adds an effective date for the first of next year. This was requested by both the Department of Revenue and the Limited Entry Commission because their licensing is done on a calendar year basis and they said that changing fees during the middle of the year would create numerous administrative problems.

I would note that this bill draft is intended to be a comprehensive whole whose parts are interrelated. Changing the provisions of one section may necessitate changing provisions of additional sections. I will be happy to work with you and the committee to make further changes if requested. Please contact me if you have any questions regarding this work draft.

Both Linda Lockridge with the Department of Revenue and Darrill Johnson of the Limited Entry Commission have requested they be sent copies of the work draft or of the bill if it is introduced. I told them I would forward that request to you.

EHH:ljb

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

TO: Senate Resources Committee Members

FROM: Senate Resources Committee Staff

RE: Hearing, 4/13/83

DATE: April 12, 1983

The following 3 bills have been heard by the Resources Subcommittee on Fisheries and will be addressed by Senator Mulcahy at the Wednesday hearing:

SB 2 PROVIDING FOR A LICENSE EXEMPTION FOR COMMERCIAL FISHING VESSELS 24 FEET OR LESS.

The Subcommittee recommends adoption of a Committee Substitute that would exempt all vessels used for the commercial harvesting of salmon in the administrative area know as Arctic-Yukon-Kuskokwim from the licensing requirement.

SB 52 RELATING TO THE LICENSING OF COMMERCIAL FISHING.

The Subcommittee recommends adoption of a Committee Substitute that would require that every person engaged in commercial fishing hold a commercial fisheries license which could be purchased either as a crewmember license or as an entry permit. A portion of the fees from this commercial fisheries license would go to the Fisherman's Fund.

HB 267 RELATING TO HERRING STRIPPING.

HB 267 would extend the time that herring stripping (the process by which herring roe is extracted from the carcass) is allowed to take place in the Bering Sea until 1986. The Board of Fisheries does have a regulation in place that will govern carcass disposal in the Bering Sea.

Also scheduled for the Wednesday hearing are:

SJR 21 RELATING TO THE USE OF LAKE GRACE, AN AREA WITHIN THE MISTY FJORDS NATIONAL MONUMENT, FOR THE GENERATION OF HYDROELECTRIC POWER FOR THE KETCHIKAN AREA.

SJR 21 would urge Congress to adopt legislation either eliminating the Lake Grace area from the Misty Fjords National Monument or permitting the development of the Lake Grace area for its hydro potential.

Lake Grace was determined to be of substantial potential value for a damsite before its designation as part of Misty Fjords National Monument. The nearby community of Ketchikan wishes to pursue its development to meet future power needs.

HB 187 RELATING TO REGULATION, LICENSING AND FEE FOR FUR FARMING.

HB 187 relieves the current permitting burden on fur farmers by eliminating the \$100 fee for a fur farming license, reducing the fee from \$100 to \$3 for collecting animals for fur farming purposes, and eliminating the requirement for a permit for importing and exporting mink and fox for fur farming. In addition, Commissioner Neve of DEC has committed to administrative changes in the current permitting procedures to more accurately reflect the needs of fur farmers and the types of activities they engage in.

The meeting is scheduled for Wednesday, April 13 at 3:00 pm in the Beltz Room. It is hoped that final committee action could be taken on these bills at this time.

MEMORANDUM

State of Alaska

TO: The Honorable Bob Mulcahy
Senate
MAIL STOP: 3100

DATE: January 25, 1983

FILE NO:

TELEPHONE NO:

FROM: John Williams
Derrill Johnson
Commercial Fisheries Entry Commission
MAIL STOP: 0302

SUBJECT:

As requested by your office, the following comments are offered by the Entry Commission regarding the above referenced working draft. As we indicated last session, the Commission supports your clarification of Title 16, regarding crewmember licensing, commercial licensing and their relationship to interim-use and entry permits. We offer the following technical suggestions:

1. Sec. 16.05.470(b) page 2, line 16, should read, "...for the interim use or entry permit as specified by regulation."

Reason: Commission regulation 20 AAC 05.980, Assistance by Designated Agent, spells out exactly what constitutes assistance for which a 15% retention is allowed.

2. Sec. 16.05.710, License Forfeiture (a)(1) page 4, line 18, should read "(1) a forfeiture of all rights to a crewmember fishing license,"...and (b) (1) line 28, same page should read: "(1) a forfeiture of all rights to a (the) crewmember fishing license,"...

Reason: A recent Alaska Court of Appeals decision (Prettyman v. State, Opinion No. 175, October 6, 1982) has highlighted an inadvertent limitation on criminal sentencing which this section neatly corrects. The addition of the passage is suggested by John Grissberg of the Department of Law.

3. Sec. 8. AS 16.10.310, as you no doubt are aware, needs to comply with the durational requirement change in residency.

4. Sec. 14, AS 43.75.017 (1) page 7, line 3, should read: "by a person holding a valid commercial license or crewmember license, or entry permit or interim-use permit..."

Reason: A commercial license or crewmember license holder can operate a vessel engaged in fishing as long as there is a permit holder on board. The commercial license/crewmember may even own the vessel. A vessel utilized as a tender or processor must have licensed personnel on board, but not a permit holder.

5. Sec. 15. AS 44.81 210(a) (20), See our comments in suggestion No. 3.

6. During the second half of the 12th legislature, legislation cleaning up foreclosure procedures in the State commercial fisheries loan program was passed. It is suggested that a similar amendment be proposed to cleanup the C.F.A.B. loan program. Because you are

proposing to amend this statute in Sec. 15, you may wish to consider rewriting AS 44.81.250(c) to remove unworkable provision for assumption of foreclosed notes and allow C.F.A.B. the greatest flexibility possible to protect their members against financial loss.

JW:DJ:dan

CITATION Sec. 16.05.450.
CATCH LINE

ISSUANCE OF LICENSES.

*Sec 1
amends
this*

TEXT (a) The commissioner of revenue or his authorized agent shall issue a crewmember fishing license under AS 16.05.480 to each qualified person who files a written application at a place in the state designated by the commissioner, containing the reasonable information required by the commissioner together with the required fee. The application shall be simple in form and shall be executed by the applicant under the penalty of perjury.

(b) The Commercial Fisheries Entry Commission shall issue a vessel license under AS 16.05.490 to each qualified vessel for which a written application has been filed at a place in the state designated by the commission, containing the reasonable information required by the commission together with the required fee. The application shall be simple in form and shall be executed by the applicant under the penalty of perjury.

(c) Repealed by sec. 19 ch 105 SLA 1977.

HISTORY (Sec. 3 art III ch 94 SLA 1959; am sec. 1 ch 163 SLA 1962; am sec. 7 ch 31 SLA 1963; am secs. 1, 2 ch 92 SLA 1971; am sec. 1 ch 145 S 1972; am secs. 2, 3, 19 ch 105 SLA 1977)

CITATION Sec. 16.05.460.
CATCH LINE

*Sec 2
amends
this*

COMMISSIONER OF REVENUE MAY APPOINT AGENTS.

TEXT The commissioner of revenue may appoint qualified persons as his agents to receive applications, issue licenses, and collect license fees under AS 16.05.440 - 16.05.480, and to assist in the completion of annual application or renewal forms for interim-use permits and entry permits issued under AS 16.43.010 16.43.380.

HISTORY (Sec. 4 art III ch 94 SLA 1959; am sec. 8 ch 31 SLA 1963; am sec. 4 ch 105 SLA 1977)

CITATION Sec. 16.0 .470.
CATCH LINE

*Sec 3
amends
this*

FEE FOR ISSUANCE OF LICENSES AND INTERIM-USE OR ENTRY PERMITS.

TEXT (a) A person appointed and authorized by the commissioner of revenue to sell licenses under AS 16.05.440 - 16.05.480, except salaried employees of the state, shall retain the sum of 15 per cent of the fee for the issuance of a license. An agent shall transmit monthly to the commissioner all license fees collected by him, less the authorized commission, together with a full accounting of the fees. The commissioner shall make monthly remittances of the fees collected to the proper state official. The commissioner is not liable for defalcation or failure to account for the fees collected by an agent, but he shall require a bond in the sum he considers adequate, conditioned upon the faithful accounting of money collected.

(b) A person appointed by the commissioner of revenue under AS 16.05.460 to issue licenses under AS 16.05.440 - 16.05.480, except salaried employees of the state, shall retain the sum of 15 per cent of the interim-use or entry permit fee for assisting

in completion of the annual application or renewal form for the interim-use or entry permit. An agent shall transmit promptly to the Commercial Fisheries Entry Commission all application or renewal forms and fees collected by him, less the authorized commission, together with a full accounting of the fees. The commissioner and the Commercial Fisheries Entry Commission are not liable for defalcation or failure to account for the fees collected by an agent, but the commissioner shall require a bond in the sum he considers adequate, conditioned upon the faithful accounting of money collected.

HISTORY (Sec. 5 art III ch 94 SLA 1959; am sec. 9 ch 31 SLA 1963; am sec. 1 ch 8 SLA 1977; am secs. 5, 6 ch 105 SLA 1977)

CITATION Sec. 16.05.480.
CATCH LINE

TEXT COMMERCIAL FISHING LICENSE.
LIMITED EFFECTIVE DATE

(a) -EFFECTIVE UNTIL JANUARY 1, 1982- A person engaged in commercial fishing shall obtain a commercial fishing license. The fee for the license is \$10 for residents, and \$30 for nonresidents. Except for those which are also entry or interim-use permits, all commercial fishing licenses are nontransferable. The commercial fishing license shall be retained in the possession of the licensee, readily accessible for inspection at all times. No more than one fee may be charged annually against a person. For the purposes of this section, "commercial fishing license" includes entry permits and interim-use permits issued under ch. 43 of this title and crewmember fishing licenses.

POSTPONED EFFECTIVE DATE
-EFFECTIVE JANUARY 1, 1983- A person engaged in commercial fishing shall obtain a commercial fishing license. The fee for the license is \$30 for residents, and \$90 for nonresidents. Except for those which are also entry or interim-use permits, all commercial fishing licenses are nontransferable. The commercial fishing license shall be retained in the possession of the licensee, readily accessible for inspection at all times. No more than one fee may be charged annually against a person. For the purposes of this section, "commercial fishing license" includes entry permits and interim-use permits issued under AS 16.43 and crewmember fishing licenses.

(b) A person applying for a resident commercial license under this section shall provide the proof of residence which the department requires by regulation.

(c) Repealed by sec. 12 ch 123 SLA 1978.

HISTORY (Sec. 6 art III ch 94 SLA 1959; am sec. 19 ch 131 SLA 1960; am sec. 1 ch 93 SLA 1966; am sec. 2 ch 42 SLA 1968; am sec. 8 ch 105 SLA 1977; am secs. 1, 2, 12 ch 123 SLA 1978; am sec. 1 ch 79 SLA 1982)

CITATION Sec. 16.05.680.
CATCH LINE

See 3
amends
this

See 4
repeals
&
re-enacts
this

Sec 5 →
adds a
new section
here

Sec 6
amends
this

TEXT

UNLAWFUL PURCHASES.

It is unlawful for a person, his agent, or his representative
(1) to have in his employ, in the harvesting, transporting or purchasing of fish, a fisherman who neither is licensed under AS 16.05.480 nor is the holder of a permit issued under AS 16.43.010 16.43.380,
(2) to purchase fish from a fisherman who neither is the holder of a permit issued under AS 16.43.010 16.43.380, nor is exempt under AS 16.05.660, or
(3) to purchase fish from an association other than one to which a permit has been issued under AS 16.05.662.

HISTORY

(Sec. 10 art III ch 94 SLA 1959; am sec. 2 ch 96 SLA 1963; am sec. 2 ch 73 SLA 1970; am sec. 11 ch 105 SLA 1977)

~~Sec 5~~
~~adds a~~
~~new sec-~~
~~from here~~
Sec 7
repeals
&
re-enacts
this

CITATION Sec. 16.05.710.
CATCH LINE

LICENSE FORFEITURE.

TEXT

Upon a first or second conviction of a person for a violation of secs. 440 - 720 of this chapter or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, forfeit the commercial fishing license of the person for a period of one year. Upon a third conviction, the court may, in addition to the penalty imposed by law, forfeit the commercial fishing license for a period not to exceed three years.

HISTORY

(Sec. 11 art III ch 94 SLA 1959; am sec. 1 ch 112 SLA 1961; am sec. 1 ch 75 SLA 1966)

CITATION Sec. 16.10.310.
CATCH LINE

POWERS OF THE DEPARTMENT.

TEXT

(a) The department may
(1) make loans to
(A) individual commercial fishermen who have been state residents for a continuous period of five years immediately preceding the date of application for a loan under AS 16.10.300 - 16.10.370 and have had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43 for any one of the past five years, and who actively participated in the fishery during that period, for the purchase of entry permits;
(B) an individual who has been a state resident for a continuous period of five years immediately preceding the date of application for a loan under AS 16.10.300 - 16.10.370, who (i) because of lack of training or lack of employment opportunities in the area of residence does not have occupational opportunities available other than commercial fishing; or (ii) is economically dependent on commercial fishing for a livelihood and commercial fishing has been a traditional way of life for the individual in Alaska, for the repair, restoration or upgrading of existing vessels and

Sec 8
amends
this

gear, for the purchase of entry permits and gear, and for the construction and purchase of vessels;

Sec 9 amends this

(C) corporations, partnerships, or joint ventures, 100 percent of which are owned by individual commercial fishermen who have been state residences for a continuous period of five years immediately preceding the date of application for a loan under AS 16.10.310(a)(1)(B) and have had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43 for any one of the past five years, and who actively participated in the fishery during that period, for the repair, restoration or upgrading of existing vessels and gear, for the purchase of gear, and for the construction and purchase of vessels;

(2) designate agents and delegate its powers to them as necessary;

(3) adopt regulations necessary to carry out its functions;

(4) establish amortization plans for repayment of loans, which may include extensions for poor fishing seasons or for adverse market conditions for Alaskan products;

(5) enter into agreements with private lending institutions, other state agencies, or agencies of the federal government, to carry out the purposes of AS 16.10.300 - 16.10.370;

(6) enter into agreements with other agencies or organizations to create an outreach program to make loans under AS 16.10.300 - 16.10.370 in rural areas of the state.

(b) The department shall consult with the Department of Fish and Game on regulations and procedures established under this chapter.

HISTORY (Sec. 1 ch 134 SLA 1972; am sec. 3 ch 54 SLA 1973; am sec. 3 ch 128 SLA 1975; am sec. 1 ch 154 SLA 1977; am sec. 3 ch 83 SLA 1978; am secs. 2 - 7 ch 72 SLA 1979; am sec. 7 ch 113 SLA 1982)

CITATION Sec. 16.43.160.

CATCH LINE

FEES.

TEXT

(a) The commission shall establish annual fees for the issuance and annual renewal of entry permits or interim-use permits. The amount paid by a permit holder under the provisions of AS 16.05.480 shall be credited by the commission toward payment of the fee charged under this section. No more than one credit may be obtained annually by a person. LIMITED EFFECTIVE DATE

(b) -EFFECTIVE UNTIL JANUARY 1, 1983- Annual fees established under this section shall be no less than \$10 and no more than \$750 and shall reasonably reflect the different rates of economic return for different fisheries.

POSTPONED EFFECTIVE DATE

-EFFECTIVE JANUARY 1, 1983- Annual fees established under this section shall be no less than \$10 and no more than \$750 and shall

Sec 10 amends this

Sec 11 amends this

reasonably reflect the different rates of economic return for different fisheries. The amount of an annual fee for a nonresident shall be three times the amount of the annual fee for a resident.

(c) The resident holder of an entry permit or interim-use permit who has a net family income falling within the Federal Community Services Administration poverty guidelines, adjusted by the commission to reflect appropriate cost-of-living differentials, is subject to a maximum annual fee of \$15.

HISTORY (Sec. 1 ch 79 SLA 1973; am sec. 15 ch 105 SLA 1977; am sec. 4 ch 123 SLA 1978; am sec. 2 ch 79 SLA 1982)

CITATION Sec. 23.35.060.

CATCH LINE

CREATION AND ADMINISTRATION OF FISHERMEN'S FUND.

TEXT There is created a fund, designated as the "fishermen's fund." The Department of Revenue is the custodian of the fund and the Department of Labor shall administer it. The fund shall be composed of 60 per cent of the money derived by the state from all commercial fishermen's licenses and money appropriated to carry out the purpose of AS 23.35.010 - 23.35.150.

HISTORY (Sec. 4 ch 100 SLA 1951; am sec. 1 ch 99 SLA 1955; am sec. 16 ch 105 SLA 1977; am sec. 11 ch 123 SLA 1978)

CITATION Sec. 23.35.150.

CATCH LINE

DEFINITIONS.

TEXT In this chapter

(1) "commissioner" means the commissioner of labor;

(2) "council" means the Fishermen's Fund Advisory and Appeals Council;

(3) "department" means the Department of Labor;

(4) "fisherman" means a person who is licensed by the state to engage in commercial fishing under AS 16.05.480 or who is the holder of a permit issued under AS 16.43 and who, at the time injury is sustained or illness is contracted, is actually so engaged or is occupied in Alaska in preparing or dismantling boats or gear used in commercial fishing;

(5) "fund" means the Fishermen's Fund;

(6) "occupational disease" means hernia; varicose veins of the leg; the respiratory diseases, bronchitis, pleurisy, and pneumonia caused by or aggravated by the fishing endeavor, but excluding the common cold and influenza; rheumatism, arthritis and those musculoskeletal diseases (such as bursitis, traumatic sciatica, and tenosynovitis) directly caused by or aggravated by the fishing endeavor; and does not include a disease not common to both sexes, venereal disease, or a condition arising out of an attempt of a fisherman to injure himself or another.

(7) "approved medical facilities" and "medical care" include the facilities of, or the care and treatment prescribed or performed by, a practitioner or chiropractic

Sec 12 amends this

Sec 13 amends this

licensed by the state under AS 08.20,
HISTORY (Sec. 13 ch 64 SLA 1959; am sec. 1 ch 33 SLA 1960; sec. 4 ch 100
SLA 1951; am sec. 1 ch 99 SLA 1955; sec. 5 ch 100 SLA 1951; am
sec. 2 ch 99 SLA 1955; am sec. 1 ch 59 SLA 1957; sec. 8 ch 100
SLA 1951; am sec. 1 ch 77 SLA 1962; am sec. 1 ch 51 SLA 1972; am
sec. 17 ch 105 SLA 1977)

CITATION Sec. 43.75.017.
CATCH LINE

EXCLUSION FROM FISHERIES BUSINESS TAX.

TEXT A person is not liable for the fisheries business tax under AS
43.75.015 when the fishery resource is frozen aboard a fishing
vessel if

*See 14
amendments
this*

- [
- (1) the vessel is operated as a commercial fishing vessel under a valid commercial fishing license;
 - (2) the fishery resource is not processed beyond heading, gutting or cleaning, freezing and glazing;
 - (3) the fishery resource was caught by the vessel; and
 - (4) the fishery resource is sold by the person claiming an exclusion from the tax to a fisheries business licensed under AS 43.75.011 - 43.75.140.

HISTORY (Sec. 7 ch 117 SLA 1981)

CITATION Sec. 44.81.210.
CATCH LINE

POWERS OF THE BANK.

TEXT (a) The bank may

- (1) make variable rate or fixed rate loans to individuals who are residents and who are engaged in commercial agriculture or fishing, including harvesters, processors, suppliers and marketers, or to corporations, partnerships or joint ventures engaged in commercial agriculture or fishing, the majority interest of which is beneficially owned by residents of the state and a majority of the owners of which are residents of the state, if the recipient of the loan is a member of the bank; however, the bank may make a loan under this paragraph to a corporation, partnership, or joint venture for the purchase of a new or existing fishing vessel or for the repair or renovation of an existing fishing vessel, the primary purpose of which is to commercially harvest fishery resources only if the corporation, partnership, or joint venture is wholly owned and controlled by residents of the state and if the recipient of the loan is a member of the bank.
- (2) make and alter bylaws necessary or desirable to carry out its corporate functions;
- (3) establish amortization plans for repayment of loans, which may include extensions for poor fishing or farming seasons, or for adverse market conditions for Alaskan products;
- (4) enter into agreements with regional institutions of

the federal farm credit system, private lending institutions, and other state agencies or agencies of the federal government, to carry out the purposes of AS 44.81.010 - 44.81.350;

- (5) adopt, alter, and use a corporate seal;
- (6) sue and be sued in the name of the bank;
- (7) issue bonds to carry out any of its corporate purposes and powers;
- (8) sell, lease as lessor or lessee, exchange, donate, convey or encumber in any manner by mortgage or by creation of any other security interest, real or personal property owned by it, or in which it has an interest, when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;
- (9) incur secondary liability by guaranty or endorsement of the obligations of another corporation or legal entity when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;
- (10) make loans as provided in (1) of this section in participation with financial institutions, and establish and regulate the terms of the loans;
- (11) make contracts and execute instruments necessary or convenient in the exercise of its corporate powers;
- (12) acquire by purchase, lease, bequest, devise, gift, the satisfaction of debts, or the foreclosure of mortgages, and hold, maintain, use, operate, and convey real or personal property;
- (13) borrow money and issue secured and unsecured evidence of indebtedness for a corporate purpose or to fund, refund, pay, or discharge outstanding obligations, and enter agreements and contracts concerning these obligations;
- (14) secure the payment of its obligations by pledge or mortgage or other lien on its contracts, revenues, income, or property;
- (15) appoint officers, employees, trustees for certificate holders, and agents, and prescribe their powers and duties;
- (16) provide technical services to members of the bank; for the purpose of this paragraph, "technical services" includes services that will enhance the ability of the member to obtain financial assistance from the bank;
- (17) make loans, as provided in (1) of this section, secured by liens subordinate to valid first liens and security agreements granted to a private lending institution;
- (18) participate with state departments and agencies in formulating policy and in planning for the development of commercial fishing and agriculture in the state;
- (19) do what is necessary or desirable to carry out the corporate purposes and powers expressed or implied in AS 44.81.010 - 44.81.350;
- (20) make loans to individual commercial fishermen for limited entry permits; a loan under this paragraph may be made only to an individual commercial fisherman who has been a state resident for a continuous period of five years

Sec 15
amends
this

immediately preceding the date of application for the loan and who has had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43.010 - 16.43.380 for any one of the past five years, and who has actively participated in the fishery during that period; loans made under this paragraph are subject to the provisions of AS 44.81.230;

(21) indemnify a director, officer or employee of the bank and his heirs, executors and administrators against all liabilities and related expenses including, but not limited to, court costs and attorney fees, judgments, and the cost of reasonable settlements, incurred by him in connection with or arising out of an action or proceeding brought against him because of an act or omission in the performance of his official duties as director, officer or employee of the bank regardless of whether he is a director, officer or employee at the time the expenses or liabilities are incurred;

(22) accept the pledge of a limited entry permit as security for a loan made under AS 44.81.010 44.81.350 for the repair, restoration, or improvement of a commercial fishing vessel or commercial fishing gear, or for the construction or purchase of a commercial fishing vessel, subject to the conditions set out in AS 44.81.230 - 44.81.250 on pledges of limited entry permits.

(b) The provisions of (a)(21) of this section do not authorize the bank to indemnify a director, officer or employee of the bank who is adjudged liable for negligence or misconduct in the performance of his official duties.

HISTORY

(Sec. 3 ch 159 SLA 1978; am sec. 4 ch 53 SLA 1979; am secs. 7-10 ch 51 SLA 1980; am sec. 6 ch 109 SLA 1981; am sec. 52 ch 113 SLA 1982)

Effect of amendments. — The 1981 amendment added "or interim-use permit" preceding "if a person knowingly" in the introductory language of subsection (a). Also in subsection (a), the amendment

deleted "or" from the end of paragraph (1), added "or" at the end of paragraph (2) and added paragraph (3). The amendment also added subsection (i).

Sec. 16.43.360. Penalties. (a) A person who violates a provision of this chapter or a regulation promulgated under this chapter is, upon conviction, guilty of a class B misdemeanor and is punishable by a fine of not more than \$5,000 for a first conviction, and a fine of not more than \$10,000 for a second or third conviction. Upon a third conviction, the person forfeits all interim-use and entry permits held by the person and loses eligibility for future issuance or transfer of interim-use or entry permits for a period of three years. Upon a first or second conviction under this section, the court may in its discretion order a forfeiture of interim-use or entry permits held by the person, as well as a loss of eligibility for future issuance or transfer of interim-use or entry permits, or order a suspension of fishing rights under interim-use or entry permits held or to be held by the person for a period of not more than three years. This subsection does not apply to violations of AS 16.43.140(a).

(b) A person who knowingly makes a false statement of fact in the application for or renewal of an interim-use permit or an entry permit or vessel license application or renewal or in the application for a transfer under AS 16.43.170 — 16.43.180, or a person who assists another by knowingly making a false statement of fact in support of the other person's application for issuance or renewal of an interim-use permit or an entry permit or vessel license is guilty of a misdemeanor and shall forfeit all interim-use permits and entry permits held by him and shall lose eligibility for interim-use permits and for entry permits for a period of three years and is punishable by a fine of not more than \$5,000.

(c) Repealed by § 12 ch 47 SLA 1981.

(d) If a permit holder is charged by the state with violating a provision of AS 16.43.010 — 16.43.380 or a regulation adopted under AS 16.43.010 — 16.43.380, he may not transfer, under AS 16.43.170, any interim-use or entry permit he may hold, until after the final adjudication or dismissal of the charges.

(e) Notwithstanding any other provision of this section, no interim-use or entry permit may be transferred while under suspension, without the consent of the commission.

(f) An entry permit forfeited under this section that is taken as security for a loan under AS 16.10.333 or AS 44.81.230 shall be reassigned as provided in AS 16.10.337 or AS 44.81.250.

(g) A person who violates the provisions of AS 16.43.140(a) is

(1) upon a first conviction, guilty of a class E misdemeanor and may be sentenced to a definite term of imprisonment of not more than 90

days, or forfeiture of the person's fishing vessel, or both, and shall be sentenced to a fine of not less than \$5,000 nor more than \$10,000 and loss of commercial fishing privileges for a period of one year after the date of conviction;

(2) upon a second conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than \$10,000 nor more than \$20,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges for a period of two years after the date of conviction;

(3) upon a third or subsequent conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than \$20,000 nor more than \$50,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges for a period of five years after the date of conviction.

(h) A person convicted of violating the provisions of AS 16.43.140(a) forfeits the value of the fishery resources found on board the person's vessel at the time of the violation. (§ 1 ch 79 SLA 1973; am § 7 ch 73 SLA 1977; am §§ 7—9 ch 123 SLA 1978; am §§ 10, 12 ch 47 SLA 1981; am §§ 4, 5 ch 94 SLA 1982)

Cross references. — As to sentences for misdemeanors, see AS 12.55.135.

Effect of amendments. — The 1978 amendment, in the first sentence of subsection (a), inserted "or assists in the violation of," "is" preceding "upon conviction," and "or third," substituted "and" for a semicolon following "for a first conviction" and deleted the language providing a penalty for a third conviction from the end of that sentence. The amendment also added the second and third sentences of subsection (a), and in subsection (b), inserted "knowingly" near the beginning and near the middle, "or renewal of" near the beginning, "or vessel license application or renewal" near the beginning, and "or renewal" near the middle, deleted "a material" preceding "fact" near the beginning and near the middle, and substituted "vessel license" for "transfer of an entry permit, upon conviction" near the middle and "three years and is punishable by a fine of not more than \$5,000" for "five years" at the end. Moreover, the amendment added subsection (e).

The 1981 amendment repealed subsection (c) which read "If a permit holder is convicted of a violation of AS 43.20.335 and the violation relates to income derived from commercial fishing under this title, he shall forfeit all interim-use permits and entry permits held by him and shall lose eligibility for interim-use permits and for entry permits for a period of five years" and added subsection (f).

The 1982 amendment, effective June 16, 1982, in subsection (a), deleted "or assists in the violation of" following "violates" and inserted "class B" preceding "misdemeanor" in the first sentence, substituted "forfeits" for "shall forfeit" in the second sentence, substituted "by the person" for "by him" in two places in the next-to-last sentence, and added the present last sentence. The amendment also added subsections (g) and (h).

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 0.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 16.43.380. Definitions. In this chapter

(1) "commission" means the Alaska Commercial Fisheries Entry Commission;

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STATE OF ALASKA
THE LEGISLATURE

FOUCH Y - STATE CAPITOL
JUNEAU ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 13, 1983

SUBJECT: Commercial fishing licenses
(W. O. No. 13-0471)

TO: Senator Bob Mulcahy

FROM: Edward H. Hein *EHL*
Legislative Counsel

Enclosed is the draft you requested to reintroduce SB 755 from the 12th Legislature.

Note that I have updated the bill in the following ways: (1) references to sexually explicit pronouns have been neutralized; and (2) section 14 of the old bill has been deleted because that section of the statutes was repealed last year.

The section-by-section analysis of the bill I sent you last year (January 20, 1982) is still valid, except that the material in sec. 14 should be deleted and the three paragraphs that follow it should be renumbered accordingly.

If you have any further comments or questions about this bill draft, feel free to contact me at your convenience.

EHH:csh

Enclosure

SENATE BILL 52
PROPOSED AMENDMENTS
DEPARTMENT OF LABOR

Memo
→

AMENDMENT 1. Rewrite Sec. 4 to read

Sec. 16.05.480 COMMERCIAL FISHING LICENSE. (a) A person engaged in commercial fishing shall obtain a commercial fishing license. A commercial fishing license is included in, and need not be issued separately from, a crewmember fishing license issued under AS 16.05.485 or a permit issued under AS 16.43. The annual fee for a commercial fishing license is \$30 for a resident and \$90 for a nonresident. However, if a resident is eligible for a permit under AS 16.43.160(c) or purchases a crewmember license under AS 16.05.485(b), the fee is \$15.

(b) The annual fee for a commercial fishing license is included in the fee for a crewmember fishing license issued under AS 16.05.485 and the first fee paid during a calendar year for an entry permit or interim-use permit issued or renewed under AS 16.43.

AMENDMENT 2. Rewrite Sec. 5(a), into two subsections

Sec. 16.05.485. CREWMEMBER FISHING LICENSE. (a) A person engaged in commercial fishing who does not hold a valid permit issued under AS 16.43 shall obtain a crewmember fishing license.

(b) A resident who has a net family income falling within the Federal Community Services Administration poverty guidelines, adjusted by the Department of Revenue to reflect appropriate cost-of-living differentials, may be issued a poverty crewmember license. Reletter rest of section 5.

AMENDMENT 3. Rewrite sections 8, 9 and 15 to read

"have had a [CREWMEMBER OR] commercial fishing license under AS 16.05.480"

AMENDMENT 4.

Delete section 13. No change needed.

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 10, 1983

SUBJECT: Department of Labor proposals for amendments
to CSSB 52

TO: Senator Bob Mulcahy

FROM: Edward H. Hein *EH*
Legislative Counsel

Enclosed is a draft Resources Committee substitute to SB 52. I have reviewed the amendments suggested by the Department of Labor to sections 4, 5, 8, 9, 15 and 13 of the bill. In my opinion, the amendments are ill-advised.

Their Amendment No. 1 is essentially a rearrangement of Sec. 16.05.480. The amendment takes the first sentence of subsec. (b) and moves it to subsec. (a). I do not think this is necessarily an improvement. If one were going to rearrange this section as this amendment does, it might be advisable to go further and put all the provisions relating to fees together in subsec. (b). I recommend leaving Sec. 16.05.480 as it is in the bill.

Their Amendment No. 2 would remove the reference to fees in Sec. 16.05.485. This would be a mistake. The statutes must state somewhere what the fee is for the crewmember license. The bill intentionally makes the fee for the commercial fishing license the same amount as the fee for the crewmember license. But it would be possible to increase the fee for the crewmember license without increasing the fee for the commercial fishing license. Thus, it is not sufficient to set the fee for only one or the other.

Their Amendment No. 3 raises an interesting question: Do sections 8, 9, or 15 of the bill be interpreted to mean that a person who held a crewmember license under AS 16.05.480 during any of the past five years is ineligible for a loan because the license was not (and could not have been) issued under the new AS 16.05.485? The answer is that some nut might try to read it that way. Therefore, I have amended

Representative Bob Mulcahy
Page 2
March 10, 1983

the statutory reference to read "AS 16.05" instead of either "AS 16.05.480" or "AS 16.05.485". This should solve the problem.

Their Amendment No. 4 is wrong. Section 13 of the bill is necessary. However, as in sections 8, 9, and 15, I have changed the statutory reference to "AS 16.05".

If you have any questions or comments about this bill draft, feel free to contact me at your convenience.

EHH:ljb

Enclosure
1/032

SENATE AMENDMENT

#1 adopted

BY Senator Eliason

To: _____ SENATE BILL No. CSSB 52 (Res)

To: _____ HOUSE BILL No. _____

PAGE: 6 LINE: 13 through 15

Delete: The commission may charge interest at a rate not more than than the rate provided by AS 45.45.010 (a) on a fee not paid during the calendar in which it was due.

SB 52 RELATING TO THE LICENSING OF COMMERCIAL FISHING.

SPONSOR: MULCAHY. THERE IS A RESOURCES COMMITTEE SUBSTITUTE.
SENATOR MULCAHY WILL CARRY ON THE FLOOR. THE RESOURCES COMMITTEE
MAKES ONLY TECHNICAL CHANGES.

Generally, the bill requires that every person engaged in commercial fisheries hold a commercial fisheries license. This license is included in a crewmember license and in an entry or interim-use permit. It is not a separate license. Also allows the Commercial Fisheries Entry Commission to charge interest on late fees.

*held
over*

Original sponsor: Mulcahy

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 52 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act relating to the licensing of commercial
7 fishing; and providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. AS 16.05.450(a) is amended to read:
10 (a) The commissioner of revenue or the commissioner's [HIS]
11 authorized agent shall issue a crewmember fishing license under
12 AS 16.05.485 [AS 16.05.480] to each qualified person who files a
13 written application at a place in the state designated by the commis-
14 sioner, containing the reasonable information required by the commis-
15 sioner together with the required fee. The application shall be
16 simple in form and shall be executed by the applicant under the pen-
17 alty of perjury.
18 * Sec. 2. AS 16.05.460 is amended to read:
19 Sec. 16.05.460. COMMISSIONER OF REVENUE MAY APPOINT AGENTS. The
20 commissioner of revenue may appoint qualified [PERSONS AS HIS] agents
21 to receive applications, issue licenses, and collect license fees
22 under AS 16.05.440 - 16.05.485 [AS 16.05.440 - 16.05.480], and to
23 assist in the completion of annual application or renewal forms for
24 interim-use permits and entry permits issued under AS 16.43.
25 * Sec. 3. AS 16.05.470 is amended to read:
26 Sec. 16.05.470. AGENT'S FEE FOR ISSUANCE OF LICENSES AND ASSIS-
27 TANCE [INTERIM-USE OR ENTRY PERMITS]. (a) A person appointed and
28 authorized by the commissioner of revenue to sell licenses under
29 AS 16.05.440 - 16.05.485 [AS 16.05.440 - 16.05.480], except salaried

1 employees of the state, shall retain the sum of 15 percent of the fee
2 for the issuance of a license. An agent shall transmit monthly to the
3 commissioner all license fees collected by the agent [HIM], less the
4 authorized commission, together with a full accounting of the fees.
5 The commissioner shall make monthly remittances of the fees collected
6 to the proper state official. The commissioner [IS NOT LIABLE FOR
7 DEFALCATION OR FAILURE TO ACCOUNT FOR THE FEES COLLECTED BY AN AGENT,
8 BUT HE] shall require a bond in the sum the commissioner [HE] con-
9 sidered adequate, conditioned upon the faithful accounting of money
10 collected.

11 (b) A person appointed by the commissioner of revenue under
12 AS 16.05.460 to issue licenses under AS 16.05.440 - 16.05.485 [AS 16.-
13 05.440 - 16.05.480], except salaried employees of the state, shall
14 retain the sum of 15 percent of the interim-use or entry permit fee
15 for assisting in completion of the annual application or renewal form
16 for the interim-use or entry permit, as provided by regulations of the
17 Commercial Fisheries Entry Commission. An agent shall transmit
18 promptly to the Commercial Fisheries Entry Commission all application
19 or renewal forms and fees collected by the agent [HIM], less the
20 authorized commission, together with a full accounting of the fees.
21 The commissioner [AND THE COMMERCIAL FISHERIES ENTRY COMMISSION ARE
22 NOT LIABLE FOR DEFALCATION OR FAILURE TO ACCOUNT FOR THE FEES COL-
23 LECTED BY AN AGENT, BUT THE COMMISSIONER] shall require a bond in the
24 sum the commissioner [HE] considers adequate, conditioned upon the
25 faithful accounting of money collected.

26 * Sec. 4. AS 16.05.480 is repealed and reenacted to read:

27 Sec. 16.05.480. COMMERCIAL FISHING LICENSE. (a) A person
28 engaged in commercial fishing shall obtain a commercial fishing li-
29 cense. The annual fee for the license is \$15 for a resident who is

1 eligible for an entry permit or interim-use permit under AS 16.43.-
2 160(c) or who is eligible for a \$15 crewmember fishing license under
3 AS 16.05.485(a). The annual fee for a commercial fishing license for
4 all other residents is \$30. The annual fee for a commercial fishing
5 license for a nonresident is \$90.

6 (b) A commercial fishing license is included in and need not be
7 issued separately from a crewmember fishing license issued under
8 AS 16.05.485 and an entry permit or interim-use permit issued, re-
9 newed, or transferred under AS 16.43. The annual fee for a commercial
10 fishing license is included in the annual fee for a crewmember fishing
11 license issued under AS 16.05.485 and the first fee paid during a
12 calendar year for an entry permit or interim-use permit issued or
13 renewed under AS 16.43.

14 * Sec. 5. AS 16.05 is amended by adding a new section to read:

15 Sec. 16.05.485. CREWMEMBER FISHING LICENSE. (a) A person
16 engaged in commercial fishing who does not hold a valid entry permit
17 or interim-use permit issued, renewed, or transferred under AS 16.43
18 shall obtain a crewmember fishing license. The annual crewmember
19 fishing license fee is \$15 for a resident who has a net family income
20 falling within the Federal Community Services Administration poverty
21 guidelines, adjusted by the Department of Revenue to reflect appropri-
22 ate cost-of-living differentials. The annual crewmember fishing
23 license fee for all other residents is \$30. The annual crewmember
24 fishing license fee for a nonresident is \$90.

25 (b) A crewmember fishing license is nontransferable and shall be
26 retained in the possession of the licensee, readily accessible for
27 inspection at all times.

28 (c) A person applying for a resident crewmember fishing license
29 under this section shall provide the proof of residence that the

Restructured - Same intent.

1 Department of Revenue requires by regulation.

2 (d) If a valid crewmember fishing license issued under this
3 section is lost or destroyed, the person to whom the license was
4 issued may, upon payment of a \$2 fee, obtain a duplicate license. A
5 person who recovers an original license for which a duplicate has been
6 issued shall immediately surrender the duplicate to the Department of
7 Revenue.

8 * Sec. 6. AS 16.05.680(1) is amended to read:

9 (1) to employ a person [HAVE IN HIS EMPLOY,] in the har-
10 vesting, transporting or purchasing of fish unless the person [, A
11 FISHERMAN WHO NEITHER] is licensed under AS 16.05.485 or [AS 16.05.480
12 NOR] is the holder of a permit issued under AS 16.43,

13 * Sec. 7. AS 16.05.710 is repealed and reenacted to read:

14 Sec. 16.05.710. LICENSE FORFEITURE. (a) Upon a first or second
15 conviction of a person for a violation of AS 16.05.440 - 16.05.720 or
16 a federal or state law or regulation for the protection of the commer-
17 cial fish of the state, the court may, in addition to the penalty
18 imposed by law, order

19 (1) a forfeiture of a crewmember fishing license, interim-
20 use permit, or entry permit held by the person;

21 (2) a loss of eligibility to hold a crewmember fishing
22 license, interim-use permit, or entry permit for a period of not more
23 than one year; and

24 (3) a suspension of fishing rights under a crewmember
25 fishing license, interim-use permit, or entry permit for a period of
26 not more than one year.

27 (b) Upon a third conviction, the court may, in addition to the
28 penalty imposed by law, order

29 (1) a forfeiture of the crewmember fishing license,

1 interim-use permit, or entry permit held by the person;

2 (2) a loss of eligibility to hold a crewmember fishing
3 license, interim-use permit, or entry permit for a period of not more
4 than three years; and

5 (3) a suspension of fishing rights under a crewmember
6 fishing license, interim-use permit, or entry permit for a period of
7 not more than three years.

8 * Sec. 8. AS 16.10.310(a)(1)(A) is amended to read:

9 (A) individual commercial fishermen who have been
10 state residents for a continuous period of five years immediately
11 preceding the date of application for a loan under AS 16.10.300 -
12 16.10.370 and have had a crewmember [OR COMMERCIAL] fishing
13 license under AS 16.05 [AS 16.05.480] or a permit under AS 16.43
14 for any one of the past five years, and who actively participated
15 in the fishery during that period, for the purchase of entry
16 permits;

17 * Sec. 9. AS 16.10.310(a)(1)(C) is amended to read:

18 (C) corporations, partnerships, or joint ventures, 100
19 percent of which are owned by individual commercial fishermen who
20 have been state residents for a continuous period of five years
21 immediately preceding the date of application for a loan under
22 AS 16.10.310(a)(1)(B) and have had a crewmember [OR COMMERCIAL]
23 fishing license under AS 16.05 [AS 16.05.480] or a permit under
24 AS 16.43 for any one of the past five years, and who actively
25 participated in the fishery during that period, for the repair,
26 restoration or upgrading of existing vessels and gear, for the
27 purchase of gear, and for the construction and purchase of ves-
28 sels;

29 * Sec. 10. AS 16.43.160(a) is amended to read:

1 (a) The commission shall establish annual fees for the issuance
2 and annual renewal of entry permits or interim-use permits. [THE
3 AMOUNT PAID BY A PERMIT HOLDER UNDER THE PROVISIONS OF AS 16.05.480
4 SHALL BE CREDITED BY THE COMMISSION TOWARD PAYMENT OF THE FEE CHARGED
5 UNDER THIS SECTION. NO MORE THAN ONE CREDIT MAY BE OBTAINED ANNUALLY
6 BY A PERSON.]

7 * Sec. 11. AS 16.43.160(b) is amended to read:

8 (b) Except as provided in (c) of this section, annual [ANNUAL]
9 fees established under this section shall be not [NO] less than \$30
10 nor [\$10 AND NO] more than \$750 and shall reasonably reflect the
11 different rates of economic return for different fisheries. The
12 amount of an annual fee for a nonresident shall be three times the
13 amount of an annual fee for a resident. The commission may charge
14 interest at a rate not more than the rate provided by AS 45.45.010(a)
15 on a fee not paid during the calendar year in which it was due.

16 * Sec. 12. AS 23.35.060 is amended to read:

17 Sec. 23.35.060. CREATION AND ADMINISTRATION OF FISHERMEN'S FUND.
18 There is created a fund, designated as the "fishermen's fund." The
19 Department of Revenue is the custodian of the fund and the Department
20 of Labor shall administer it. The fund shall be composed of 60 per-
21 cent of the money derived by the state from all commercial fishing
22 [FISHERMEN'S] licenses required under AS 16.05.480 and money appropri-
23 ated to carry out the purpose of AS 23.35.

24 * Sec. 13. AS 23.35.150(4) is amended to read:

25 (4) "fisherman" means a person who is licensed by the state
26 to engage in commercial fishing under AS 16.05 [AS 16.05.480] or who
27 is the holder of a permit issued under AS 16.43 and who, at the time
28 injury is sustained or illness is contracted, is actually so engaged
29 or is occupied in Alaska in preparing or dismantling boats or gear

1 used in commercial fishing;

2 * Sec. 14. AS 43.75.017(1) is amended to read:

3 (1) the vessel is operated as a commercial fishing vessel
4 by a person holding [UNDER] a valid entry permit or interim-use permit
5 issued, renewed, or transferred under AS 16.43, or a valid crewmember
6 [COMMERCIAL] fishing license issued under AS 16.05.485;

7 * Sec. 15. AS 44.81.210(a)(20) is amended to read:

8 (20) make loans to individual commercial fishermen for
9 limited entry permits; a loan under this paragraph may be made only to
10 an individual commercial fisherman who has been a state resident for a
11 continuous period of five years immediately preceding the date of
12 application for the loan and who has had a crewmember [OR COMMERCIAL]
13 fishing license under AS 16.05 [AS 16.05.480] or a permit under
14 AS 16.43 for any one of the past five years, and who has actively
15 participated in the fishery during that period; loans made under this
16 paragraph are subject to the provisions of AS 44.81.230;

17 * Sec. 16. This Act takes effect January 1, 1984.

18

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

MINUTES

Bettye Fahrenkamp
Chairman

April 13, 1983
3:05 p.m.

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chair
Senator Ziegler, Vice Chair
Senator Sturgulewski

Senator Eliason
Senator Mulcahy
Senator Vic Fischer

CALENDAR

- | | |
|--------|---|
| SJR 21 | Relating to the use of Lake Grace, an area within the Misty Fjords National Monument, for the generation of hydroelectric power for the Ketchikan area. |
| SB 2 | Providing for a license exemption for commercial fishing vessels 24 feet or less. |
| SB 52 | Relating to the licensing of commercial fishing. |
| HP 187 | Relating to regulation, licensing and fee for fur farming. |
| HB 267 | Relating to herring stripping. |

HB 187

Representative Ringstad reviewed the provisions of the bill: (Sec 1) fur farming is redefined; (Sec 2) eliminates fee; (Sec 3) requires Fish and Game to authorize trapping for breedstock without a permit, and; (Sec 4) streamlines importation regulations and permitting.

In response to a question, Rep. Ringstad stated that federal regulations would still be in effect to control importation of diseased animals.

Bob Hinman, of the Department of Fish and Game, said that the department supports CSHB 187 (Res). They approved of Sec. 3, although it reduces fees, because of the small number issued. In response to a question on Sec. 4, Hinman explained that it ended a conflict between Title 16 and Title 3 over control of import permitting.

Commissioner Richard Neve', Department of Environmental Conservation, submitted a statement in support of the bill and announcing a suspension of regulations to study transfer to DNR of this authority.

Senator Sturgulewski moved that CSHB 187 (Res) be reported out of committee with individual recommendations. There was no objection.

SJR 21

Senator Ziegler reviewed the history of the proposed hydro site and the purpose of the resolution. In answer to a question about the authority for approval of the development, he said the resolution is addressed to Congress and the President, for approval of the transmission line along with the hydro development.

The US Forest Service submitted a letter stating that administrative authority to accommodate the development was possible. Senator Ziegler moved that SJR 21 be reported out of committee with individual recommendations. There was no objection.

HB 267

Senator Mulcahy reported on the testimony heard in the Fisheries Subcommittee hearing on HB 267, which supported the extension of the date from July 1, 1982 to July 1, 1986.

Senator Mulcahy moved that HB 267 be reported out of committee with individual recommendations. There was no objection.

SB 2

Senator Mulcahy moved that a committee substitute for SB 2 be adopted. There was no objection.

Senator Mulcahy said the purpose of the bill is to exempt from licensing the small boat fleet because of the short season for salmon and herring fishing from skiffs. Currently all boats are licensed.

Sgt. Buell Russell, Department of Public Safety, Fish and Wildlife Protection Division, testified that the department had no problem with the bill.

Senator Mulcahy moved CSSB 2 from committee with individual recommendations. There was no objections.

SB 52

Senator Mulcahy moved the committee substitute for SB 52. There was no objection. Senator Mulcahy referred to the sectional analysis and said the bill is basically technical changes. In response to concerns on residency requirement, Senator Mulcahy said that the requirement could be made to conform to other legislation or court decisions if necessary.

Senator Fahrenkamp agreed that the bill was housekeeping changes.

Senator Mulcahy moved CSSB 169 (Res) from committee with individual recommendations. There were no objections.

The meeting adjourned at 3:40 p.m.

from Sen. Mulcahy

Sectional Analysis of SB 52

Section one: This section makes technical changes.

Section two: This section makes technical changes.

Section three: This section makes several technical changes. In addition, it removes liability from the Commissioner of Revenue and the Commercial Fisheries Entry Commission if an agent selling licenses can't account for the fees paid.

Section four: This section rewrites the commercial fisheries license statute. It requires that every person engaged in commercial fisheries hold a commercial fisheries license. It provides a poverty license for people with low income that is \$15.00. It provides a fee of \$30.00 for residents, and a fee of \$90.00 for non-residents. The commercial fisheries license is included in a crewmember license and in an entry or interim-use permit. It is not a separate license.

Section five: This section establishes a new license; the crewmember license. This license is required of any person who commercial fishes and does not hold an entry or interim-use permit. The fees are as follows: \$15.00 for a poverty license; \$30.00 for a resident license; and \$90.00 for a non-resident license. It provides for a \$2.00 replacement license if the original license is lost.

Sections six through ten only clean up language and make technical changes.

Section eleven: This section allows the Commercial Fisheries Entry Commission to charge interest on late fees. It also makes technical changes.

Sections twelve through fifteen make technical changes.

Section sixteen: This section provides an effective date of
January 1, 1984.

Sectional Analysis of CS SB 52(Res)

Section one: This section makes technical changes.

Section two: This section makes technical changes.

Section three: This section makes several technical changes. In addition, it removes liability disclaimer from the Commissioner of Revenue and the Commercial Fisheries Entry Commission if an agent selling licenses can't account for the fees paid.

Section four: This section rewrites the commercial fisheries license statute. It requires that every person engaged in commercial fisheries hold a commercial fisheries license. It provides a poverty license for people with low income that is \$15.00. It provides a fee of \$30.00 for residents, and a fee of \$90.00 for non-residents. The commercial fisheries license is included in a crewmember license and in an entry or interim-use permit. It is not a separate license.

Section five: This section establishes a new license; the crewmember license. This license is required of any person who commercial fishes and does not hold an entry or interim-use permit. The fees are as follows: \$15.00 for a poverty license; \$30.00 for a resident license; and \$90.00 for a non-resident license. It provides for a \$2.00 replacement license if the original license is lost.

Section six cleans up language and makes technical changes.

Section seven: This section rewords the license forfeiture statute. It provides for the forfeiture of licenses, loss of eligibility to hold a license for one year, or a suspension of fishing rights for one year for a first or second offense. For a third or subsequent offense, it provides for the forfeiture of licenses, loss of eligibility to hold a license for three years, or a

suspension of fishing rights for three years. All these penalties are in addition to penalties ordained by law, and are at the court's discretion.

Sections eight through ten: These sections make technical changes.

Section eleven: This section allows the Commercial Fisheries Entry Commission to charge interest on late fees. It also makes technical changes.

Sections twelve through fifteen make technical changes.

Section sixteen: This section provides an effective date of January 1, 1984.

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2

Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE

4016 EVERGREEN
FAIRBANKS ALASKA 99701

907-479-3550



Senate

WHILE IN JUNEAU
POUCH V
JUNEAU ALASKA 99811
OFFICE 907-465-3763
RESOURCES COMMITTEE
907-465-3804
HOME 907-769-9182

January 25, 1983

Dear President Kerttula:

This letter is to notify you officially as President of the Senate that I have an indirect and personal conflict of interest with Senate Bill #62, "An Act relating to an appropriation for a feasibility study Copper River Basin natural gas for electric power generation." This measure has been referred for consideration to the Senate Resources Committee, the committee of first referral. It has a further referral to the Senate Finance Committee.

This conflict of interest arises from the fact that I have now and have had for five years a financial interest in an oil and gas lease in the Copper River Basin. This legislation would directly aid in the development of leases in this area by studying the use of Copper River Basin gas by local utilities in the generation of electricity.

I have been in contact with the Attorney General and his staff as to the proper and legally correct procedure to follow in this situation. He has advised me that if and when the Resources Committee considers SB 62, I should not chair that committee session. Accordingly, if and when the committee considers this legislation, Senator Ziegler, Vice-Chairman of the Resources Committee, will serve as chairman.

It is my utmost desire to avoid any semblance of impropriety that would reflect upon the integrity of this body or any of its members.

Sincerely,

Senator Bettye Fahrenkamp
Chairman
Senate Resources Committee

BF/jp

SENATE
JOURNAL SUPPLEMENT

1/27/83

No. 2

Alaska State Legislature

SB
62



Senate

January 25, 1983

Dear President Keattula:

This letter is to notify you officially as resident of the Senate that I have an indirect and personal conflict of interest with Senate Bill #62, "An Act relating to an appropriation for a feasibility study Copper River Basin natural gas for electric power generation." This measure has been referred for consideration to the Senate Resources Committee, the committee of first referral. It has a further referral to the Senate Finance Committee.

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I have been in contact with the Attorney General and his staff as to the proper and legally correct procedure to follow in this situation. He has advised me that if and when the Resources Committee considers SB 62, I should not chair that committee session. Accordingly, if and when the committee considers this legislation, Senator Ziegler, Vice-Chairman of the Resources Committee, will serve as chairman.

It is my utmost desire to avoid any semblance of impropriety that would reflect upon the integrity of this body or any of its members.

Sincerely,

A handwritten signature in cursive script that reads "Bettye Fahrenkamp".

Senator Bettye Fahrenkamp
Chairman
Senate Resources Committee

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI

POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate Committee on Resources

MEMORANDUM

TO: BETTYE

FROM: JIM

RE: WATER WELL DRILLED IN THE COPPER RIVER BASIN WHICH
ENCOUNTERED NATURAL GAS AT SHALLOW DEPTHS.

DATE: JUNE 14, 1983

Re: your request, Kay Brown has had her staff prepare a memorandum on the 1971 water well drilled in the Copper River Basin which encountered natural gas at shallow depths.

Kay's information indicated that the gas encountered in the Copper River Basin (Billy Buck Well) is shallow, biogenic gas and is not in sufficient quantities to sustain commercial production.

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

MINERALS AND ENERGY MANAGEMENT

Pouch 7-034
Anchorage, Alaska 99510

June 10, 1983

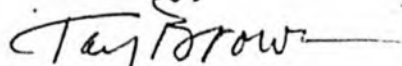
JUN 13 1983

The Honorable Bettye Fahrenkamp
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Fahrenkamp:

The information you requested on the water well in the Copper River Basin is attached. Please let me know if I or my staff can be of further assistance.

Sincerely,


Kay Brown
Director

Attachment: as stated

cc: Esther C. Wunnicke, Commissioner

0794K

MEMORANDUM

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINERALS AND ENERGY MANAGEMENT

State of Alaska

TO: Kay Brown
Director

DATE: June 8, 1983

FILE NO:

TELEPHONE NO: 276-2653

Cass
FROM: Cass Arey
Petroleum Geologist

SUBJECT: Billy Buck Well

At your request, I have investigated the results of a 1971 water well drilled in the Copper River Basin which encountered natural gas at shallow depths.

Well data:

Location: SW 1/4 SE 1/4 Sec. 22 T4N R2W CRM

Total depth: 160 feet

Gas-bearing zone: 158-160', two-foot zone of gravel, water, and gas

Gas analysis: Methane 67.20%

Nitrogen 31.89%

Carbon dioxide .51%

Oxygen .40%

Flow rates: (measured by John Miller, then an employee of the state of Alaska)

970 mcf/day on 3/19/71

680 mcf/day on 3/26/71

Comments:

The well, located approximately 1 mile west of Glenallen, encountered gas at very shallow depths. Although gas escaped from the well for approximately 11 days, sediments in the Glenallen area probably do not contain gas that can be produced at sustained rates.

There are two basic types of gas found below the earth's surface: biogenic (biologically produced) and thermogenic (thermally produced). Biogenic gas deposits sometimes known as "swamp" gas are usually shallow (less than 1000' deep) and are known from many parts of the world. These gas accumulations are the product of bacterial activity upon organic matter - the rotting process.

Shallow biogenic gas accumulations can be dangerous because of their unpredictable depths. In areas prone to biogenic gas, water well or oil well drillers may encounter high-pressure gas at any depth and experience a blowout. In the case of the Billy Buck Well, the driller was curious about whether the gas would ignite, so he threw a lighted match down the well bore. It ignited. Such shallow accumulations of gas are usually found in pockets, and gas is not produced in sustained volumes. The shallow flat-lying beds cannot trap gas in economically producible quantities. This is probably the case for the Billy Buck Well, where volumes decreased from 970 mcf/day to 680 mcf/day in one week.

Kay Brown
Page 2
June 8, 1983

Other data which indicate this to be a shallow biogenic gas accumulation are the gas analyses. Gas analyses showed only methane (dry gas) to be present. Thermogenic gas from a deeper, more extensive accumulation would be expected to contain heavier hydrocarbons such as ethane or propane. Tests indicated that the Billy Buck Well showed dry gas only.

If, as the evidence indicates, the gas encountered in the Billy Buck Well is shallow, biogenic gas it will not be located in quantities which could sustain production.

Since 1971, oil industry efforts to locate deeper producible petroleum reservoirs have all failed. The negative results of the deeper wells reinforce the interpretation that the Billy Buck Well encountered a relatively small volume of very shallow biogenic gas.

Other Information:

John Miller, the former state employee who measured the flow rates, is currently employed by BP Alaska Exploration, Inc. His telephone number is: 279-5422.

0910W CA:ctd

1111

REPORT ON "BILLY BUCK" GAS WELL
to
COPPER VALLEY ELECTRIC ASSOCIATION
by
E. N. Fisher
ROBERT W. RETHERFORD ASSOCIATES

ATTENTION: Mr. Keith Maxwell, Manager

Pursuant to a request made by Mr. Keith Maxwell, Manager, C.V.E.A. a study has been made to determine the present status of the gas deposit discovered near Glennallen, Alaska, on March 12, 1971.

On February 15, 1972 a meeting was held with Mr. O. K. Gilbreth, Chief Petroleum Engineer, Alaska Division of Oil and Gas in Anchorage. Mr. Gibleth was quite aware of the discovery and had on at least two occasions visited the site. During part of the meeting Mr. John Miller also of the Division of Oil and Gas was in attendance. Mr. Miller on two occasions measured the flow from the well and participated in plugging it.

A brief chronological history of the well is as follows:

} 27 days	3/12/71	Discovery date.
	3/14/71	Alaska Department of Oil and Gas contacted by Mr. Buck. Site visited.
	3/19/71	Site visited, flow measured (693 mcf/d from casing (6 inch) 277 mcf/d from around it, total 970 mcf/d).
	3/26/71	Site visited, flow measured (438 mcf/d from casing 242 mcf/d from around it, total 680 mcf/d).
	4/6/71	Well plugged (no flow measurement).

The time from discovery until plugging was 25 days. Reports on the amount of gas flow on the final day are conflicting and in as much as no instruments were available to measure the flow, the reports are based on how the well "sounded" and the flow "felt". There is agreement, however, that there was still substantial flow and no indication that the deposit has nearly exhausted itself.

The deposit was discovered at a depth of approx. 160' while drilling for water on the property of Mr. Wm. Buck. The State's report contained an estimate of 40 psig flowing pressure made by the driller and it was Mr. Miller's opinion that this figure was a maximum. This is further substantiated by the fact that the well cementing crew (Halliburton) was able to seal gas flow from the casing by filling it with water. $(160 \text{ feet} \times \frac{62.4 \text{ #/ft}^2}{144 \text{ in}^2/\text{ft}^2} = 69 \text{ psig})$.

The geology of the area was not developed in detail however the driller reported breaking through a clay layer just prior to the discovery. Mr. Buck reported to the State that a vertical slip-page (fault) of approximately 3 feet occurred through the well site during the 1964 earthquake. Mr. Miller reported seeing traces of the fault during his visits to the site.

After the discovery the Division of Oil and Gas reviewed the well logs of the nearest exploratory well and found no indication of any shallow gas bearing sands. They were unable to determine from their investigations whether the gas discovered originated from swamp gas or leakage from a deeper gas field.

At the time of the discovery, it was reported, several major oil companies expressed interest in it but with no apparent subsequent development.

It is understood that Mr. Fred Schikora, Northern Gas and Oil Company, Fairbanks, was contacted by Mr. Buck, however, Mr. Schikora apparently developed no lasting interest.

A gas sample taken by the State has the following analysis:

Constituent	
CH ₄ (methane)	67.20
N ₂ (nitrogen)	31.89
CO ₂ (carbon dioxide)	.51
O ₂ (oxygen)	.40
H ₂ O (hydrogen disulphide)	<u>trace</u>
Total	100.00

The absence of hydrocarbons heavier than CH₄ (methane) indicates that the gas is not oil associated gas.

Because funding was unavailable from other sources and because the venting gas posed some hazard to the public, the Governor's Office provided funding to the Department of Oil and Gas to seal the well. This was done on April 6th by setting a plug at approximately 90 feet down the casing and pumping grout through the plug into the casing until it appeared at the surface around the casing. Mr. Gilbreth estimated that it would cost in the range of \$3,000 -- \$5,000 to drill through the plug and develop the well. This figure does not include any gas treating or measuring equipment.