

2845

SRES

SB

272

-

SB

279

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**

from Sandy, Falkes

Anchorage wants to buy Central Alaska Utility to provide water to residents in South Anchorage, Sand Lake and Muldoon (total of 60,000 would be serviced). MOA would implement their rate structure in the new areas and believe they will be able to eliminate fire demand and velorem tax as well as any stand by charges.

The purchase price is estimated at \$13 million and they need \$8 million to meet the purchase price (I don't know where the remainder of funds are coming from).

Discussed the off set charge which CAU currently charges developers. It is a levy, or assessment, on developable land for water systems. It is 4¢ per square foot. CAU applied to APUC for an increase to 24¢ and APUC approved 6¢. This levy adds an estimated \$2500 to each \$100,000 home. MOA would eliminate this levy.

On the negatives that could be expected on the purchase, concern by current customers might be expected because of bringing a large block of new customers. MOA believes, however, that by increasing the number of customers, it should lower the amount of increases in future years.

As for upgrades and any capital outlays, MOA doesn't see them coming to the legislature for any other projects as a result of this purchase. They would, of course, continue to need funds for their other normal needs.

In order to find the \$8 million, we discussed decreasing Eklutna to \$30 million. SB 272 would be amended to do this with the \$5 million earmarked for water development in South Anchorage. Jan wanted a CS drafted and memo sent to Bettye Fahrenkamp so the bill could be ready to go as soon as possible after it is waived from CSRA.

One last thing, the Mayor will be adding this project to the Municipality's revised priority list.

SB 272 MAKING A SPECIAL APPROPRIATION FOR PAYMENT AS A GRANT TO THE MUNICIPALITY OF ANCHORAGE FOR EXPANSION OF THE SHIP CREEK TREATMENT PLANT AND PHASE II DESIGN AND CONSTRUCTION OF THE EKLUTNA WATER PROJECT.

SB 272 would make the following appropriations from the general fund for grants to the Municipality of Anchorage:

Sec. 1 \$10.4 million for expansion of the Ship Creek Water Treatment Plant to 24 million gallons per day.

Sec. 2 \$35 million for phase II design of the Eklutna Water Project and construction of the Anchorage to Eagle River segment of the Eklutna project.

Anchorage is currently dependent upon groundwater and surface water from Ship Creek to meet most of its needs. Shortly after 1986 the demand for water is predicted to exceed the supply available from current sources. A study completed in 1982 determined that Eklutna Lake is the least expensive, most environmentally sound, long-term remedy for the Municipality's need for water. Preliminary planning has been completed for the project; final planning and design are currently underway.

Construction of the project is projected to occur from 1984 through 1988, with a total project cost of \$220 million. The municipality intends to request 50% of this amount from the legislature (\$13,684,000 was appropriated last year), and fund the other 50% through the sale of bonds in 1985 and 1986.

Senator Faiks, the prime sponsor, has drafted a Resources Committee Substitute which would reduce the appropriation to Eklutna by \$10 million, the appropriation to Ship Creek by \$3 million, and add a Section 3 which would appropriate \$5 million for purchase by the municipality of Central Alaska Utility, a private utility currently providing water to South Anchorage, Sand Lake and Muldoon. This is based on the results of a study by the Corps of Engineers that for proper long term water planning the CAU and the municipal utility should be merged.



Resource Development Council

for Alaska, Inc.

444 West 7th Avenue, Anchorage, Alaska 99501
Box 10051, Anchorage, Alaska 99510 — 907/278-9615

EXECUTIVE DIRECTOR
Paula P. Easley

APR 25 1983

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Ethel H. "Pete" Nelson
E. Thomas Pargeter

April 15, 1983

Senator Bettye Fahrenkamp
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

DIRECTORS/FOUNDERS

Hameed Ahmad
Russell Anderson
Chuck Becker
Dr. Earl Beistline
Rex Bishapp
Terry Brady
Glen Briggs
Milton Byrd
Frank Chapadas
Robert Childers
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Sandra Quandt
Pat Quinlan
Sig Restad
Irene Ryan
Dale Teel
Joe Thomas
Dick Tindall
James Waketfield
Jack Werner
Lew Williams
Joe Wilson
Don Wald

As you know, there has been strong interest in and support for the Eklutna Water Project to provide a viable water supply to meet the projected needs of the Anchorage basin. While the Resource Development Council has not taken a position of supporting or opposing the Eklutna Water Project, we do feel there is an immediate need to meet the basin's water supply needs.

Increases in residential, commercial and industrial development in Anchorage and surrounding areas will require new water supplies. Some areas in the basin are already in need of more adequate sources of water. Anchorage needs a dependable, long-term water supply to meet current and future consumption needs and to provide for fire protection.

The Resource Development Council encourages you to support efforts to evaluate the alternative sources of water (subsurface waters in the Anchorage and Point MacKenzie areas, the Eklutna Project, etc.) which will lead to the development of a system to meet the Anchorage basin's future needs. The lack of such a system could be a serious impediment to the growth of the area and the state.

Sincerely,

RESOURCE DEVELOPMENT COUNCIL
for Alaska, Inc.

Mano Frey
President

STAFF CONSULTANTS
Boyd Brownfield
Steven H. Hasegawa
Sarah Hemphill
Robert Huck
Frank Jones
William Ogle
Dale Tubbs

encl.

RESOLUTION

EKLUTNA WATER PROJECT

WHEREAS, the Municipality of Anchorage has determined through numerous studies that water demand in Anchorage will exceed water supply by 1988; and

WHEREAS, the Anchorage Water and Wastewater Utility has investigated all viable sources of additional water supply and has found Eklutna Lake to be the most viable source of additional water; and

WHEREAS, the Eklutna Water Project will provide a safe and dependable water supply to the year 2025; and

WHEREAS, the Communities (Peters Creek, Chugiak and Eagle River) along the proposed pipeline route need a supplemental source of water; and

WHEREAS, The Eklutna Water Project will provide for the supply of water in areas currently unable to receive service; and

WHEREAS, the Eklutna Water Project will enable residential, commercial and industrial growth; and

WHEREAS, the Eklutna Water Project will provide increased fire protection; and

WHEREAS, the Municipality of Anchorage has retained a consultant to manage the design and construction of the Eklutna Water Project; and

WHEREAS, design has commenced on portions of the Eklutna Water Project for the first pipeline segment, Ship Creek Water Treatment Plant to Eagle River, scheduled to bid in January, 1984; and

WHEREAS, design for other pipeline segments of the Eklutna Water Project are scheduled to commence in the near future for bidding in late 1984; and

WHEREAS, the funds appropriated for design of the Eklutna Water Project are fully committed and no funds appropriated to construct any portion of the project; and

WHEREAS, in order to keep the Eklutna Water Project on schedule so that deliveries from it can be made to Eagle River in 1985 and to the remainder of the service area by 1988, funding in the amount of \$35,000,000 is required for fiscal year 1984.

NOW THEREFORE BE IT RESOLVED THAT THE ANCHORAGE CHAMBER OF COMMERCE:

Supports and endorses the request made by the Municipality of Anchorage for funds to be appropriated by the State for the Eklutna Water Project in the amount of \$35,000,000 for fiscal year 1984; and

Further, that the State Legislature appropriate the requested \$35,000,000 during the current session of the Legislature and the Governor approve the aforementioned appropriation; and

Further, that copies of this resolution be delivered to Governor Sheffield and to all members of the Thirteenth Alaska Legislature.

Frank Turpin
President

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) 35-3834
(907) 465-3835

Senate Committee on Resources

MINUTES

May 13, 1983
3:09 p.m.

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chair	Senator V. Fischer
Senator Eliason	Senator Mulcahy
Senator P. Fischer	Senator Sturgulewski

CALENDAR

- HB 163 An Act relating to harassment of persons lawfully engaged in hunting, fishing, camping, or trapping.
- SB 272 An Act making a special appropriation for payment as a grant to the Municipality of Anchorage for expansion of the Ship Creek Treatment Plant and phase II design and construction of the Eklutna Water Project; and providing for an effective date.
- SB 279 An Act relating to wholesale prices for canned salmon; and providing for an effective date.

HB 163

Representative Shultz said the purpose of the bill was to afford people the opportunity of legal recourse if they are harassed. Senator Sturgulewski questioned the need for the bill. Senator Vic Fischer questioned exactly what types of circumstances would apply. Senator Eliason questioned whether the state had authority to regulate privately owned land. Representative Shultz said language regarding private land had been included because of Native land claims. There was discussion.

Dennis Kelso, acting Deputy Commissioner of the Department of Fish and Game, suggested looking closely at whether the bill

would cause difficulties with constitutional guarantees. There was discussion.

Ron Somerville, Legislative Committee Chairman of the Alaska Sportsmen's Council, strongly supported the legislation.

Senator Sturgulewski moved to report the bill out of committee with individual recommendations. The motion passed without objection.

SB 272

Senator Jan Faiks, addressing the proposed committee substitute, explained the importance of the three appropriations in the bill. There was discussion of how water rates would be affected, and comparison of Anchorage's water rates to those in other communities.

Senator Vic Fischer moved to adopt the committee substitute. The motion passed without objection.

Bob Smith, general manager of the Water and Wastewater Utility of the Municipality of Anchorage, explained how the money appropriated in the bill would be used, and that additional funding to complete the projects would be provided by the municipality. This was discussed.

SB 279

Senator Fahrenkamp moved to adopt the proposed sponsor substitute as a committee substitute. The motion passed without objection.

Norman Staton, assistant to the Commissioner of Revenue, said the Department has a neutral position on the bill. He agreed with the proposed amendments adopted by the House, and recommended further amendments regarding can and case size. Mr. Staton explained the fiscal note.

Richard B. Lauber, Pacific Seafood Processors Association, said he did not wholeheartedly support the bill, but could live with it. He supported the amendments proposed. He explained historical pricing patterns, and proposed a further amendment allowing for an exemption to the wholesale price for a promotional allowance.

Mitch Kink, general manager of Alaska Independent Fishermen's Marketing Association, explained the formula by which the price paid fishermen for canned salmon is calculated. He opposed the promotional allowance exemption, as it would reduce the price

paid fishermen. There was discussion of whether the proposed legislation would affect the negotiated contract.

Cass Parsons of United Fishermen of Alaska said the contract states the wholesale price is less discounts, so adding a promotional discount would lower the wholesale price, thus lowering the profit to the fishermen. Senator Sturqulewski proposed changing the effective date so that the law would not affect existing contracts. There was discussion.

William H. Beardsley, Department of Commerce, left written testimony with the committee, that clarified the Department's role in implementing SB 279.

Paul Taylor, Audit Division, Department of Revenue, agreed with Mr. Staton's testimony, and clarified that wholesale price reporting under this bill would be mandatory, not voluntary, and specified how reporting was done.

Mr. Lauber argued that since promotional allowances have historically been deducted from the wholesale price, keeping the promotional allowance out of SB 279 would increase the fishermen's profit. There was discussion of past and current statutes, and why the promotional allowance was not negotiated into the contracts.

Senator Sturqulewski requested further information on the impact of the bill before taking action.

The meeting was adjourned at 4:58 p.m.

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
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Senate

Committee on Resources

MINUTES

May 16, 1983
3:08 p.m.

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chair
Senator Ziegler, Vice Chair
Senator Eliason
Senator P. Fischer

Senator V. Fischer
Senator Mulcahy
Senator Sturgulewski

CALENDAR

HB 258 An Act establishing a special investment tax credit; and providing for an effective date.

SB 272 An Act making a special appropriation for payment as a grant to the Municipality of Anchorage for expansion of the Ship Creek Treatment Plant and phase II design and construction of the Eklutna Water Project; and providing for an effective date.

The Committee agreed to send a letter to the Senate President approving the governor's appointments to various boards and positions, reserving the right to vote against confirmation.

SB 272

Senator Sturgulewski moved to report the committee substitute out of committee with individual recommendations. The motion passed without objection.

HB 258

Senator Eliason moved to adopt the proposed committee substitute for discussion. The motion passed without objection.

Commissioner Bob Heath, Department of Revenue, went over the changes in the committee substitute and explained how the proposed state investment tax credit would work.

Senator Sturqulewski felt that very few companies would benefit from the bill, and said that this would reduce tax revenues. She felt the bill would not help the state in this time of declining revenues, and said that no good case had been made for passage of the bill.

Senator Vic Fischer said the bill was designed to promote economic development, but that the bill as written was an abomination. He felt it could be amended to be a good bill, but as it stands, it provides undeserved windfalls.

Senator Mulcahy moved to report the committee substitute out of committee with individual recommendations. The motion passed without objection.

The meeting was adjourned at 3:25 p.m.

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SB 278 ESTABLISHING A WATERFOWL CONSERVATION STAMP.

- RODEY'S BILL:
1. GIVES DEPT. OF FISH & GAME AUTHORITY TO PUBLISH WATERFOWL CONSERVATION STAMPS.
 2. AMENDS THE FISH AND GAME FUND TO INCLUDE MONEY RECEIVED FROM THE SALE OF STAMPS.
 3. PROCEEDS FROM SALE OF STAMPS WOULD BE USED FOR CONSERVATION/ENHANCEMENT OF WATERFOWL.

- RESOURCES C.S:
1. MAKES THE STAMP MANDATORY FOR HUNTERS, AND ESTABLISHES A \$5 FEE.
 - A) EXPERIENCE OF OTHER STATES HAS SHOWN VOLUNTARY PROGRAMS ARE NOT PROFITABLE.
 - B) PERSONS QUALIFYING FOR 25¢ LICENSE (OFTEN RURAL AREAS - RECIPIENT OF WELFARE OR ANNUAL INCOME UNDER \$5,600) WOULD BE EXEMPT.
 2. CLARIFIES THAT PROCEEDS FROM SALE OF STAMPS TO HUNTERS DEDICATED TO FISH AND GAME FUND (PER OUR CONSTITUTION), WHILE SUM EQUAL TO AMOUNT SOLD TO PUBLIC BE APPROPRIATED FROM GENERAL FUND TO FISH AND GAME FUND. (CONSTITUTIONAL PROHIBITION AGAINST DEDICATION OF ANY FEES EXCEPT THOSE PAID BY HUNTERS.)
 3. PRICES FOR SALE OF STAMPS TO PUBLIC WOULD BE DETERMINED BY COMMISSIONER (DNR) BY REGULATION.
 4. EFFECTIVE DATE SEPTEMBER 1, 1985 TO ALLOW TIME TO IMPLEMENT PROGRAM. STAMPS SHOULD BE READY BEFORE NEXT FALL'S HUNTING SEASON.

Alaska State Legislature

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



POUCH V
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Senate

Committee on Resources

MEMORANDUM

TO: Senate Resources Committee Members

FROM: Senate Resources Committee Staff

RE: Committee Meeting, March 5, 1984

DATE: March 1, 1984

On Monday, March 5, at 3:00 pm in the Beltz Room, the following bills will be heard:

SB 278, An Act establishing a waterfowl conservation stamp.

SB 278 amends the Fish and Game fund to include money received from the sale of waterfowl conservation stamps. Proceeds from the sale of stamps would be used for the conservation and enhancement of waterfowl and the administration of the stamp program.

The Alaska Department of Fish and Game will be proposing amendments to the bill to:

- 1) Make the purchase of the stamp mandatory for waterfowl hunters, and establish a \$5.00 purchase price. (The State's current license fee is \$12.00, with an additional mandatory federal stamp fee of \$7.50.)
- 2) Give the Department the authority to sell art prints made from the stamps.
- 3) Specify that the stamp would not be required of hunters until September 1, 1984.

The Department anticipates \$100,000-\$300,000 in revenues from the program, with 25% of these revenues derived from the sale of stamps to hunters, the rest from sale to stamp collectors.

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: SB 278, Waterfowl conservation stamp
DATE: March 5, 1984

The attached Committee Substitute:

1. Clarifies that proceeds from the sale of stamps to hunters will be dedicated to the Fish and Game Fund (per our state Constitution and federal law), while a sum equal to proceeds from the sale of stamps to the public will be appropriated by the legislature to the Fish and Game Fund. This solves the problem raised by our Legislative Legal Division over dedication of any fees other than those paid by hunters.
2. Makes the stamp program mandatory for hunters, and establishes a \$5 stamp fee. The experience of other states has shown that voluntary stamp programs are not generally profitable. However, those persons qualifying for a 25¢ hunting license (recipient of state or federal welfare, annual gross income under \$5600) would be exempt from the stamp requirement.
3. Prices for sale of stamps to public would be determined by the Commissioner by regulation.
4. Effective date of September 1, 1985 to allow time to implement the program. (Per the Department's request.)

APR 29 1983

STATE OF ALASKA
THE LEGISLATURE

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


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 28, 1983

SUBJECT: Dedicated funds
(SB 278)

TO: Senator Bettye Fahrenkamp

FROM: Richard C. Folta 
Legislative Counsel

In my opinion, the above referenced bill does not violate the Alaska Constitution, Article IX, section 7, prohibition against dedicated funds. The waterfowl conservation stamp fees dedication is permissible under an exception in Section 7 for cases where the federal government requires a dedicated fund for state participation in a federal program.

16 U.S.C. 669 mandates a

Prohibition against the diversion of license fees paid by hunters for any other purpose than the administration of said state fish and game department.

The purpose relates to wildlife-restoration projects defined in Sec. 669(a) as

selection, restoration, rehabilitation, and improvement of areas of land or water adaptable as feeding, resting, or breeding places for wildlife, . . . including acquisition by purchase, condemnation, lease or gift . . .

which are identical purposes to those purposes stated in SB 278.

RCF:ljb
17/004

TO: BETTYE

SB 278: WATERFOWL CONSERVATION
STAMP

FROM: SANDRA

March 5, 1984

WATERFOWL CONSERVATION STAMPS WOULD BE PRODUCED AND SOLD BY DEPT. OF FISH AND GAME. SALE PROCEEDS FOR CONSERVATION AND ENHANCEMENT OF WATERFOWL AND ADMINISTRATION OF STAMP PROGRAM.

PROBLEM :

DEDICATION OF FUNDS. PROCEEDS FROM SALE OF STAMPS TO HUNTERS CAN BE DEDICATED TO THE FISH AND GAME PER THE STATE CONSTITUTION AND FEDERAL LAW. SALE OF STAMPS TO PUBLIC (TO STAMP COLLECTORS, FOR EXAMPLE) CANNOT BE DEDICATED.

COMMITTEE SUBSTITUTE HAS BEEN PREPARED MAKING THIS DISTINCTION. "INTENT OF LEGISLATURE THAT SUM EQUAL TO PROCEEDS FROM PUBLIC BE APPROPRIATED TO ADF&G."

RODEY (SPONSOR) CONCURS WITH OUR C.S.

1. CLEAN UP DEDICATION OF FUNDS PROBLEM
2. MANDATORY STAMP FOR HUNTERS, COST \$5 (PER ADF&G REQUEST)
3. WE NEED AN EFFECTIVE DATE. ADF&G SUPPORTS 9/1/85 TO ALLOW TIME FOR IMPLEMENTATION.

QUESTIONS:

1. ADF&G FISCAL NOTE IS \$300,000 ANNUALLY. BACK-UP PROVIDED BY DEPT. ANTICIPATES \$100,000-\$300,000 IN REVENUES ANNUALLY. AFTER ADMINISTRATIVE COSTS, WHAT MONEY LEFT FOR WATERFOWL ENHANCEMENT?
2. HOUSE VERSION OF BILL SETS UP PROCEDURE FOR DESIGN OF STAMP (NATIONALLY KNOWN ARTISTS VS. ALASKAN ARTISTS VS. GENERAL PUBLIC CONTEST). ANY THOUGHTS? ALSO AUTHORITY TO SELL ART PRINTS OF STAMPS.

NOTES:

CURRENT STATE HUNTING LICENSE \$12; MANDATORY FEDERAL STAMP \$7.50. BILL IN CONGRESS NOW TO RAISE FEDERAL STAMP FEE TO \$15.

ALSO BILL IN CONGRESS TO GRANT FEDERAL MATCHING FUNDS UP TO 3 TIMES WHAT IS GENERATED BY A STATE'S STAMP PROGRAM.

*Fed stamp
requirement
State program
implemented?*

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: March 2, 1984

REQUEST

Bill/Resolution No.: SB 278
 Title: Establishing a waterfowl stamp
 Sponsor: Rodey, Kerttula, Josephson
 Requestor: Senate Resources
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Fish and Game
 Program Category Affected: NRMEC
 BRU, Program or Subprogram(s) Affected: Game

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						
CAPITAL						
REVENUE		300.0	300.0	300.0	300.0	300.0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Beverly Reame, Director Phone: 465-4120
 Division: Administration Date: March 2, 1984
 Approved by Commissioner: [Signature] Date: 3-2-84
 Agency: Fish and Game

Distribution (by Agency preparing fiscal note):

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

12/1/83

\$ 178,000

7 million

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 11, 1984

SUBJECT: Wildfowl conservation stamps
(Work Order No. 13-1683)

TO: Representative Mike M. Miller

FROM: Richard C. Folta
Legislative Counsel

Federal law (16 U.S.C. 669(a)) provides that there is a "prohibition against the diversion of license fees paid by hunters for any other purpose than the administration of said state fish and game department."

Under this draft the fees to be paid by wildfowl hunters for the conservation stamps are targeted for the dedicated Fish and Game Fund established in AS 16.05.100. This is required by the above federal act and is authorized by article IX, section 7 of the Alaska Constitution. However, putting fees paid by the public for conservation stamps into the Fish and Game Fund raise a dedicated fund question, since the federal act only requires fees "paid by hunters" to go into a dedicated fund. (See page 21 of the November 30, 1982 formal Attorney General's opinion on the subject)

RCF:•jb
J3/053

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: March 2, 1984

REQUEST

Bill/Resolution No.: SB 278
Title: Establishing a waterfowl stamp
Sponsor: Rodey, Kerttula, Josephson
Requestor: Senate Resources
Date of Request: _____

FISCAL DETAIL

Agency Affected: Fish and Game
Program Category Affected: NRMEC
BRU, Program or Subprogram(s) Affected: Game

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						
CAPITAL						
REVENUE		300.0	300.0	300.0	300.0	300.0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Beverly Reame, Director

Phone: 465-4120

Division: Administration

Date: March 2, 1984

Approved by Commissioner: [Signature]

Date: 3-2-84

Agency: Fish and Game

Distribution (by Agency preparing fiscal note):

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

12/1/83

Constitutional?

3/1/84

I called the Fish and Game Department yesterday and was told that the department makes an estimate each year on the money that is expected to be taken in for hunting, fishing and trapping license fees. The legislature uses the estimate for appropriating funds to DFG. During the year the receipts are put into the general fund instead of a special account for the Fish and Game Fund. This is done for administrative convenience.

Dick Folta

Sandra: See line 16, page 1 for resolving the dedicated fund problem on public purchases.

See page 2 at the top for the exemption provision

delayed effective date
to allow implementation time

SB 278 An Act...

mandatory ADFaG
voluntary SB 278
license fee too? Fiscal

Tom Kothe
Waterfowl Coordinator
Dan Timm
Div Game
ADFaG

- POSITION PAPER FORTHCOMING
- 1) Dept. discretion to have art prints made from stamp. Provides more revenue.
 - 2) Mandatory w/ \$5 fee. 16.05.340
 - 3) effective date immediate - stamp not req'd till 9-1-85
- Fiscal note - ADFaG art prints collectors stamps, Revenue if stamp mandatory, would be handled like licenses

as of 1983, 79 states have stamp programs. 26 mandatory
average annual revenue \$500,000. AK estimate \$100-300,000

~~11 Sports License @ \$25.00~~
Basic Hunting \$12.00

mandatory fed stamp - \$7.50

voluntary state stamp - cost determined by reg.
(most states \$4.50) ADFaG \$3-5 range \$1.25-\$9.00

Bill in Congress fed. matching funds up to 2x profit derived from stamp program
Bill in Congress now to raise to \$15
17,600 sold in Alaska 82-83

25% of revenues from hunters
rest from stamp collectors & art prints

Effective program admin & marketing - how recoup these costs if a voluntary program? Experience in other states...

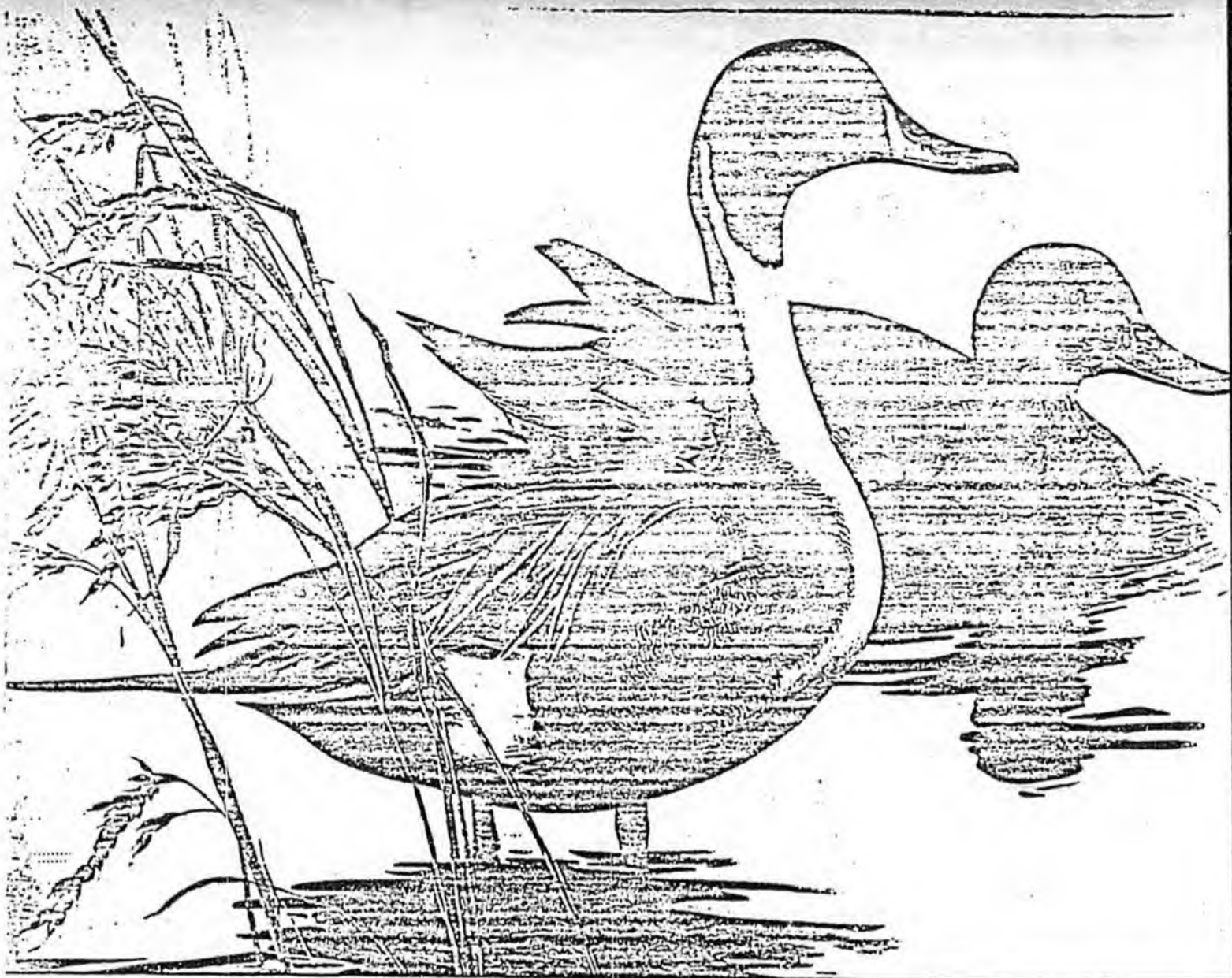
questions: design of stamp

- 1) nationally known artists - would generate most income
- 2) Alaskan artists - reduce value of stamp out of state
- 3) dept. staff
- 4) art contests

production of stamp

- 1) top quality printing
- 2) limited editions
- 3) art prints (\$125)

Fiscal - \$250,000 if voluntary
\$300,000 if mandatory



The '82 Waterfowl Stamp

\$1.2 Million Earned
by '81 Stamp

Article by Mary-Love Bigony
Photos by Glen Mills



Texas' first waterfowl stamp had a successful year in 1981. More than 100,000 people bought stamps and some 16,000 bought art print reproductions of the stamp. Now, as department officials are developing a plan to make the best use of funds generated by stamp and print sales, the second Texas waterfowl stamp is being readied for distribution.

The 1982 Texas waterfowl stamp features a pintail drake and hen by Ken Carlson of Missoula, Montana. Carlson gained prominence in the field of wildlife art in 1970 when he was commissioned to illustrate "The Birds of North America." He won the 1979-80 National Wild Turkey Federation stamp design contest over a field of nationally known artists and was runner-up in the 1976 federal duck stamp judging. This year he was selected by the Foundation for North American Wild Sheep to design its conservation stamp and print. The Montana artist's work has appeared in *Audubon*, *The Naturalist*, *Southwest Art* and *Ducks Unlimited*.

Six other artists entered the 1982 waterfowl stamp competition: Lucy Hall of San Antonio; John A. Ruthven of Georgetown, Ohio; Grant Lathe of Canyon Lake; James Ing of Galveston; Jose Salas of San Marcos; and Anne Ducote of Austin.

The Texas waterfowl stamp was created in 1981 by the 67th Texas Legislature, with funds generated by sales of the stamp and art print reproductions of the stamp to be earmarked for waterfowl habitat acquisition, lease and development as well as waterfowl research, management and protection. Initial estimates in 1981 were that revenue would exceed \$600,000, but when the figures were tallied the total was almost \$1.2 million—\$670,000 from the prints and \$485,000 from the stamps. While all waterfowl hunters are required to have the \$5 Texas stamp, many nonhunters bought the stamp as well to help support waterfowl management in the state.

Sales of prints of the first Texas stamp totaled 16,500, and Martin F. Wood of Collectors Covey in Dallas, publisher of the prints, said it is "the largest selling duck stamp print, state or federal, ever published." Collectors Covey will publish and sell prints of the stamp again this year, and has guaranteed the department a minimum of \$350,000 from print sales. This money, along with that collected from stamp sales, will go into the special waterfowl fund.

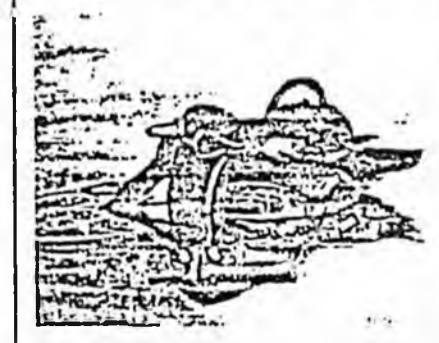
Signed and numbered prints of the 1982 Texas waterfowl stamp are \$130, including the stamp, or \$200 framed. Individuals or art dealers

may buy the 6¼-by 9-inch print by contacting Collectors Covey, 15 Highland Park Village, Dallas, Texas 75205, telephone 214-521-7880. The edition size will be limited to the number of wholesale orders received by August 31 and delivery will be made in the fall.

Like everything else these days, wildlife management is expensive. During the coming years the Texas waterfowl stamp and prints promise to contribute substantial funds that will benefit ducks and geese, and individuals who buy stamps and prints can be assured their dollars will be dedicated to this valuable resource.

Information about the 1983 waterfowl stamp competition will be available at a later date from the Director of Information and Education, Texas Parks and Wildlife Department, 4200 Smith School, Road, Austin, Texas 78744. **

Ken Carlson's painting of a pintail drake and hen (opposite page) was chosen over a field of eight entries. Also entered in the 1982 Texas waterfowl stamp competition were (top row, left to right) pintail in flight by John Ruthven; wood ducks by Lucy Hall; wood ducks by James Ing; green-winged teal by Grant Lathe; (bottom row) wood ducks by Anne Ducote (left) and center) and wood duck and mandarin duck by Jose Salas.



Hunter \$\$ = public land and wildlife galore

JAMES E. HOEFLER,
DNR Wildlife Manager, Grantsburg

Hunter dollars buy public land that can be used by every Wisconsin citizen. They pay for management to produce wildlife of every description.

There are 220 Wisconsin wildlife areas scattered throughout the state. They vary from one acre access sites to 50,000 acre wetland complexes and together encompass more than 580,000 acres.

Managed by DNR to provide abundant and diverse wildlife habitat, they are home to several hundred species of birds, mammals, reptiles and amphibians, including most of Wisconsin's endangered and threatened species.

At areas like Horicon Marsh, Sandhill, Crex Meadows and Mead, you can see a marsh come alive with wildlife on a calm April morning or watch thousands of ducks and geese take to the air on a crisp October afternoon. These are the places to be if you enjoy wildlife.

But where does the money come from to purchase and manage these lands? State taxpayers in general pay some, but the vast majority is paid by Wisconsin hunters.

Most money comes from the sale of hunting licenses and duck stamps. In 1982, 756,005 hunters purchased 1.2 million licenses and stamps. They paid \$13.2 million. This money is put into a special fund called the Segregated Fish and Wildlife Account, and a portion is used to pay for the wildlife management program.

The other major money source is the Pittman-Robertson (P-R) Tax. This is an 11% federal excise tax on all guns, ammunition and archery equipment sold in the United States. The federal government collects this money and distributes it to the states based on the number of licensed hunters in a state, its population and land area. Wisconsin usually ranks 5th or 6th in the amount of P-R money received.

A smaller amount comes from all Wisconsin taxpayers through the Outdoor Recreation Aids Program (ORAP). ORAP money is obtained from the sale of state bonds and a biennial appropriation from the state general fund based on a formula of .0165 of 1% of the state's total equalized tax evaluation.

To date, 415,990 acres of wildlife management lands have been purchased and more than 165,000 acres are leased. Approximately 85% of this land was purchased with money generated



Wildlife areas managed for geese also attract many other species. Photo by author.

from hunters (i.e. segregated funds and P-R). The remaining 15% was purchased with ORAP and other general revenue funds.

Hunters also pay for most of the management and development on these lands. For example, in fiscal year 1982-83, \$8.9 million was spent on wildlife management. It included salaries of all wildlife personnel and purchase, development and management of wildlife lands. Eighty-six percent came from P-R and segregated funds and the remainder primarily from ORAP. Not all P-R and license fee money goes to wildlife management. A good share goes to other programs including law enforcement, administrative services, research, endangered resources, payment in lieu of taxes, wildlife damage and other miscellaneous programs. Hunters, therefore, pay for many activities in addition to wildlife manage-

WILDLIFE MANAGEMENT FUNDING (FY 1982-83)

Type	Source	Amount	% of total
Segregated Funds	Hunting & Trapping License Sales	\$5,321,000	59.5
Duck Stamp	Sale of State Waterfowl Stamps	220,000	2.5
Pittman-Robertson	11% federal excise tax on guns, ammunition & archery equipment	2,169,600	24.3
ORAP	State bonding and general revenue appropriation	1,226,500	13.7
TOTAL		\$8,937,100	100%

Crex annually, but less than one-third come to hunt. The vast majority come to observe wildlife.

One important benefit of wildlife areas is to preserve habitat that might otherwise be lost to development. Millions of acres have already been destroyed and thousands more are lost annually. As human development continues to eat up habitat, wildlife areas will become even more valuable.

But these areas do more than simply preserve habitat. Habitat on them is intensively managed to improve its quality and diversity. Management might consist of manipulating vegetation to make it more productive for a greater number of species, planting dense nesting cover for waterfowl and upland game birds, constructing forest openings for deer and other forest wildlife, or building flowages for aquatic species.

While it is true that hunters provide most of the money and most management is aimed at game species, many nongame species also benefit. These areas are alive with both game and nongame wildlife and the general public is the main beneficiary.

Wildlife populations are not decimated by hunting. Sound wildlife management assures that numbers will remain relatively constant from year to year. Reductions in the quality and quantity of habitat are what cause loss of wildlife. Wildlife areas prevent this loss by maintaining permanent, good quality habitat.

So wildlife areas are a boon to both Wisconsin wildlife and all Wisconsin citizens. To the one they give valuable habitat, to the other, recreational opportunities. And the hunter pays the bill! As long as hunters purchase licenses these areas will continue to produce wildlife for future generations to enjoy.

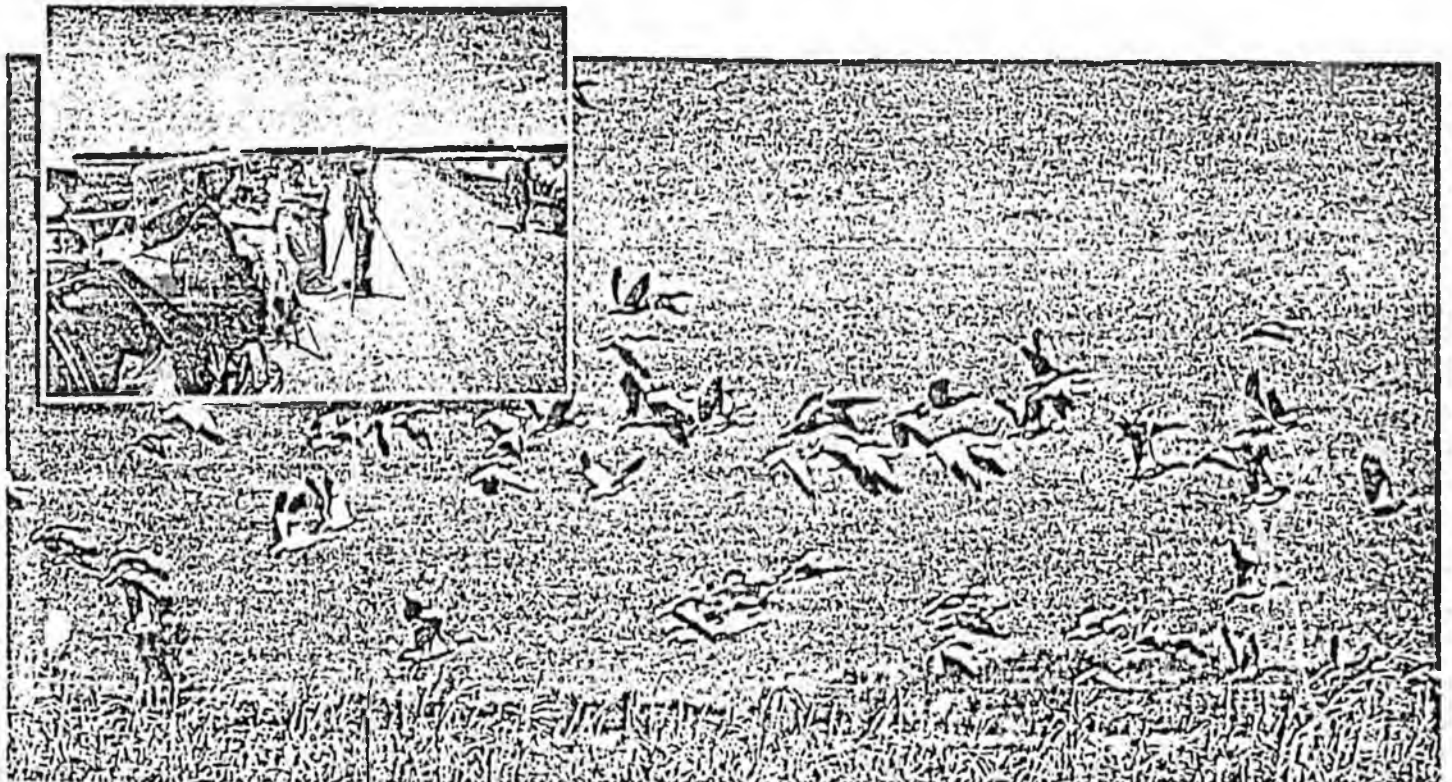
ment, yet most of their money goes there—about 85% annually. And they buy 85% of Wisconsin's wildlife lands! But while hunters and trappers put up most of the dollars, the lands are not for their exclusive use, but rather belong to all the people of Wisconsin. Everyone has an equal right to use them.

More than one million people visit Wisconsin's wildlife areas every year. They come to hunt, trap, fish, picnic, observe wildlife, hike, canoe, photograph, pick berries, cut firewood, study the flora and fauna or just get away from the rigors of everyday life to experience a natural setting.

Although hunting is the major activity, every wildlife area receives non-hunting use, and on certain ones non-hunting is more prevalent than hunting. One example is the Crex Meadows Wildlife Area. More than 100,000 visitors come to

Blue and snow geese at Crex Meadows Wildlife area. Only a third of the 100,000 people who visit Crex every year come to hunt. Photo by author.

Inset: More than a million visitors annually use Wisconsin's 220 wildlife areas to hunt, trap, fish, study nature, pick berries, cut firewood and do myriad other things. Photo by author.



N.C. Waterfowl Benefit from Duck Stamp Print Sale

The North Carolina Wildlife Resources Commission has established the second most successful state waterfowl print program in history—ranking behind the 1981 Texas program. The state's first such print presold 13,652 regular edition prints, well above what the Commission had even dared hope to sell.

"We had hoped to sell 10,000 prints. We're pleasantly surprised, there is no question about that," said Sid Baynes, chief of the Wildlife Commission's Division of Conservation Education and administrator of the duck stamp program.

Another pleasant surprise is the amount of money raised for waterfowl conservation in the state. The original goal was \$250,000, but the commission now expects to receive more than \$400,000 from the sale of prints and stamps.

The stamp and print feature a hen and drake mallard rising from a marsh, and was done by nationally acclaimed wildlife artist Richard Plasschaert of Minnesota. Prints are now available only through private sales from individuals and art dealers at prices which are higher than the original issue price of \$135.

Waterfowl stamps are still available from the Commission's License Section and from hunting and fishing license agents for \$5.50 each.

The License Section has set aside a supply of individual stamps as well as plate blocks of four stamps at a cost of \$22 and entire sheets of 30 stamps at a cost of \$165. Anyone interested in purchasing for collection purposes can do so by contacting: License Section, North Carolina Wildlife Resources Commission, 512 N. Salisbury St., Raleigh, N.C. 27611.

"Our program is unique in that our stamp is voluntary. It is not required to hunt waterfowl," noted Baynes.

He said about 4,500 to 5,000 of the prints were sold in the state. The rest went to sportsmen and print collectors around the nation. Print and stamp collectors are becoming important sources of support for such programs, he said.

Baynes thanked individual sportsmen and conservation organizations for their strong support.

"As in many states, we are in a situation where we need to help ourselves," declared Baynes. "This print program has been a real good way to do that.

"We're selling something to the public that they can enjoy and also invest their money in. We're getting a return on it. It helps us. It helps waterfowl."

STATE STAMP PRINT HISTORY 1971-1982

YEAR	STATE	ARTIST	EDITION SIZE	ELIGIBILITY
1979	Alabama*	Barbara Keel	1,750 s/n + 250 rem	commission by Alabama
1980	Alabama	Wayne Spradley	1,000 s/n	commission by Alabama
1981	Alabama	Jack Deloney	950 s/n	residents/first contest year
1982	Alabama	Joe Michelet	850 s/n	residents
1981	Arkansas*	Lee LaBlanc	7,200 s/n + 600 rem + 500 ex	comm artist & publisher by AR F & G
1982	Arkansas	Maynard Reece	7,440 s/n + 600 rem + 500 ex	comm artist & publisher by AR F & G
1971	California*	Paul B. Johnson	500 s/n	commission by CA/staff artist
1972	California*	Paul B. Johnson	40 s/n stamps destroyed prematurely	commission by CA/staff artist
1973	California	Paul B. Johnson	500 s/n	commission by CA/staff artist
1974	California	Paul B. Johnson	500 s/n	commission by CA/staff artist
1975	California	Paul B. Johnson	500 s/n	commission by CA/staff artist
1976	California	Paul B. Johnson	500 s/n	commission by CA/staff artist
1977	California	Paul B. Johnson	500 s/n	commission by CA/staff artist
1978	California	Ken Michaelson	500 s/n	residents
1979	California	Walter Wolfe	500 s/n	residents
1980	California	Walter Wolfe	700 s/n	residents
1981	California	Robert Steiner	1,150 s/n	residents
1982	California	Robert Richert	550 s/n	residents
1980	Delaware*	Ned Hayne	1,980 s/n	residents + residents of states w/open comp.
1981	Delaware	Charles Rowe	1,981 s/n	residents + residents of states w/open comp.
1982	Delaware	Lois Butler	1,982 s/n	residents + residents of states w/open comp.
1979	Florida*	Dob Binks	1,000 s/n	commission by Florida Game commission
1980	Florida	Ernest Simmons	1,000 s/n	open
1981	Florida	Clark Sullivan	1,000 s/n	open
1982	Florida	Lee Cable	1,250 s/n	open
1975	Illinois*	Robert Eschenfeldt	500 s/n	commissioned by IL
1976	Illinois	Robert G. Larson	500 s/n	residents
1977	Illinois	Richard Lynch	500 s/n	residents
1978	Illinois	Everett Staffeldt	500 s/n	residents
1979	Illinois	John Eggert	500 s/n	residents
1980	Illinois	Dart Kassabaum	500 s/n	residents
1981	Illinois	Jim Trandel	500 s/n	residents
1982	Illinois	Art Sinden	600 s/n	residents

STATE STAMP PRINT HISTORY 1971-1982

YEAR	STATE	ARTIST	EDITION SIZE	ELIGIBILITY
1975	Indiana*	Sonny Bashore	500 s/n	commission by IN/staff artist
1977	Indiana	Sonny Bashore	18 s/n	commission by IN/staff artist
1978	Indiana	Carl "Spike" Knuth	18 s/n	open
1979	Indiana	Diane Pierce	20 s/n	open
1980	Indiana	Dean Rocky Barrick	24 s/n	open
1981	Indiana	Rodney Crossman	30 s/n	open
1982	Indiana	George Metz	50 s/n	open
1972	Iowa*	Maynard Reece	590 s/n	Commissioned by IA
1973	Iowa	Thomas Murphy	500 s/n	residents
1974	Iowa	James F. Landenberger	500 s/n	residents
1976	Iowa	Nick Klepinger	500 s/n	residents
1977	Iowa	Maynard Reece	900 s/n	residents
1978	Iowa	Nick Klepinger	600 s/n	residents
1979	Iowa	Andrew Peters	750 probably not s/n	residents
1980	Iowa	Paul Bridgford	850 s/n	residents
1981	Iowa	Brad Reece	900 s/n	residents
1982	Iowa	Tom Walker	650 s/n	residents
1974	Maryland*	John W. Taylor	500 s/n	commissioned by Maryland Dept. of Nat. Resources
1975	Maryland	Stanley Stearns	650 s/n	residents
1976	Maryland	Louis Frisino	500 s/n	residents
1977	Maryland	Jack Schroeder	850 s/n	residents
1978	Maryland	Stanley Stearns	1,200 s/n	residents
1979	Maryland	John W. Taylor	951 s/n	residents
1980	Maryland	Jack Schroeder	1,175 s/n	residents
1981	Maryland	Arthur R. Eakin	1,250 s/n	residents
1982	Maryland	Roger Bucklin	1,575 s/n	residents
1974	Massachusetts*	Hilton C. Weller	600 edition by heirs	comm. by MA Div. of Fisheries of Wildlife
1975	Massachusetts	Tom Hennessy	500 s/n	open/must be decoy of MA carver
1976	Massachusetts	William P. Tyner	500 s/n	open/must be decoy of MA carver
1977	Massachusetts	William P. Tyner	137 s/n	open/must be decoy of MA carver
1978	Massachusetts	William P. Tyner	175 s/n	open/must be decoy of MA carver
1979	Massachusetts	Randy Julius	175 s/n	open/must be decoy of MA carver
1980	Massachusetts	John Eggert	600 s/n	open/must be decoy of MA carver
1981	Massachusetts	Randy Julius	250 s/n	open/must be decoy of MA carver
1982	Massachusetts	John Eggert	400 s/n	open

STATE STAMP PRINT HISTORY 1971-1982

YEAR	STATE	ARTIST	EDITION SIZE	ELIGIBILITY
1976	Michigan*	Oscar Warbach	500 s/n	commission by MI/staff artist
1977	Michigan	Larry Hayden	650 s/n	residents
1978	Michigan	Richard Timm	700 s/n	residents
1979	Michigan	Andrew Kurzwann	700 s/n	residents
1980	Michigan	Larry Hayden	900 s/n	residents
1981	Michigan	Dietmar Krumrey	1,200 s/n	residents
1982	Michigan	Gijsbert van Frankenhuyzen	1,200 s/n	residents (until 1985)
1977	Minnesota*	David Maass	3,300 estimated not numbered	commission by state
1978	Minnesota	Les C. Kouba	3,500 estimated not numbered	residents
1979	Minnesota	David Maass	3,800 s/n	residents
1980	Minnesota	James Megar	3,500 s/n	residents
1981	Minnesota	Terry Redlin	7,800 s/n	residents
1982	Minnesota	Phil Scholer	6,500 s/n	residents
1976	Mississippi*	Carroll J. & Gwen K. Perkins'	500 s/n	commission by MS game and fish
1977	Mississippi	Allen Hughes	500 s/n	commission by MS Game and Fish
1978	Mississippi	John Reimers	500 s/n	first issue by contest, residents
1979	Mississippi	Carole Pigott Hardy	500 s/n	residents
1980	Mississippi	Bob Tompkins	500 s/n	residents
1981	Mississippi	John Reimers	500 s/n	residents
1982	Mississippi	Jerry Johnson	500 s/n	residents
1979	Missouri	Charles W. Schwartz	1,000 s/n	commission by MO/staff artist
1980	Missouri	David Plank	1,250 s/n	residents
1981	Missouri	Tom Crain	1,000 s/n	residents
1982	Missouri	Gary Lucy	1,800 s/n	residents
1978	Montana*	Harlowe Urdahl	1,300 s/n	residents
1979	Montana	John Michael Marion	600 s/n	residents
1980	Montana	Ron Jenkins	300 s/n	residents
1982	North Dakota*	Richard Plasschaert	9,939 s/n	commission by state
1979	Nevada*	Larry Hayden	1,990 s/n + 500 rem	open
1980	Nevada	Dick McRill	1,990 s/n	open
1981	Nevada	Phil Scholer	2,025 s/n	open
1982	Nevada	Richard Timm	2,200 s/n	open

STATE STAMP PRINT HISTORY 1971-1982

YEAR	STATE	ARTIST	EDITION SIZE	ELIGIBILITY
1980	Oklahoma*	Patrick Sawyer	1,980 s/n	residents
1981	Oklahoma	Lloyd Smith	1,980 s/n	residents
1982	Oklahoma	Jeffrey Frey	1,900 s/n	residents
1982	Ohio*	John Ruthven	9,000 s/n	commission by Ohio
1976	South Dakota*	Robert Kusserow	500 s/n	residents
1977	South Dakota	Don Steinbeck	150 1st ed s/n + 150 1nd ed s/n	residents
1978	South Dakota	John Moisan	300 s/n	residents
1979	South Dakota	John Wilson	300 s/n	residents
1980	South Dakota	John Moisan	300 s/n	residents
1981	South Dakota	John Wilson	500 s/n	residents
1982	South Dakota	Robert Kusserow	500 s/n	residents
1981	South Carolina*	Lee LaBlanc	4,500 s/n	open
1982	South Carolina	Bob Binks	4,000 s/n	open
1979	Tennessee*	Dick Elliot	1,979 s/n	residents
1980	Tennessee	Thompson Phillip Crowe, IV	1,000 s/n	residents
1981	Tennessee	Bob Gillespie	1,200 s/n	residents
1982	Tennessee	Ken Schulz	1,250 s/n	residents
1981	Texas*	Larry Hayden	16,500 s/n	publisher and artist package
1982	Texas	Ken Carlson	9,500 s/n	publisher and artist package
1978	Wisconsin*	Owen J. Gromne	5,800 s/n	commission by state
1979	Wisconsin	Rockne Knuth	1,700 s/n	residents
1980	Wisconsin	Martin Murk	1,250 s/n	residents
1981	Wisconsin	Timothy C. Shultz	1,700 s/n	residents
1982	Wisconsin	William Koelpin	2,300 s/n	residents

1983 DUCK STAMP PRINTS

YEAR	STATE	ARTIST	EDITION SIZE	ELIGIBILITY
1983	New Hampshire*	Richard Plasschaert	Limited to confirmed orders by September 30, 1983	publisher-artist package
1983	Pennsylvania*	Ned Smith	Limited to confirmed orders by September 15, 1983	publisher-artist package
1983	North Carolina*	Richard Plasschaert	Limited to confirmed orders by August 30, 1983	publisher-artist package

A-Engrossed

House Bill 2925

Ordered by the Speaker May 10
Including House Amendments dated May 10

Sponsored by COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires certain migratory waterfowl hunters to obtain special \$5 stamp from State Fish and Wildlife Commission. Requires commission [to appoint Migratory Waterfowl Stamp Committee] to select stamp design and authorizes [committee] commission to arrange for production and sale of art works and stamps. Dedicates proceeds of sale of art works to activities benefiting waterfowl and for costs of stamp and art work design, production and sale.

Effective [January] July 1, 1984.

A BILL FOR AN ACT

1 Relating to wildlife; creating new provisions; amending ORS 496.300; and prescribing an effective date.

2 Be It Enacted by the People of the State of Oregon:

3 SECTION 1. Section 2 of this Act is added to and made a part of ORS chapter 497.

4 SECTION 2. (1) The commission is authorized to issue, upon application, to persons desiring to hunt
5 migratory waterfowl an annual migratory waterfowl stamp and shall charge therefor a fee of \$5.

6 (2) The stamp referred to in subsection (1) of this section is in addition to and not in lieu of the hunting
7 licenses required by ORS 497.102.

8 (3) Notwithstanding subsection (1) of this section, a migratory waterfowl stamp is not required of a person
9 younger than 14 years of age.

10 (4) ORS 497.016 to 497.026 and 497.036 apply to the stamp referred to in subsection (1) of this section.

11 SECTION 3. Sections 4 and 5 of this Act are added to and made a part of ORS chapter 496.

12 SECTION 4. In carrying out its duties, functions and powers with regard to the migratory waterfowl stamp,
13 the State Fish and Wildlife Commission may contract for the performance of those duties, functions and
14 powers. The contract may include, among other matters, provisions for advance payment or reimbursement
15 for services performed pursuant to any such contract. All costs and expenses incurred pursuant to this section
16 shall be paid from the subaccount referred to in ORS 496.300 (4).

17 SECTION 5. (1) The State Fish and Wildlife Commission shall arrange, by contest or other appropriate
18 means, for the selection of the design of the annual migratory waterfowl stamp required by section 2 of this
19 1983 Act and for the production and sale of the stamps.

20 (2) The commission may produce stamps in such number as the commission considers appropriate and may
21 make stamps available for the creation of migratory waterfowl art prints and other related art works and may
22 arrange for the sale of stamps, prints and art works to persons desiring to purchase those items.

23 SECTION 6. ORS 496.300 is amended to read:
24

NOTE: Matter in bold face in an amended section is new; matter [italic and bracketed] is existing law to be omitted.

1 496.300. (1) The State Wildlife Fund is established as an account in the General Fund of the State
2 Treasury. Except as otherwise provided by law, all moneys received by the commission pursuant to the wildlife
3 laws, except such as may be required as a revolving fund for payroll and emergency expenses, shall be paid
4 into the State Treasury and credited to the account. All moneys in the account are appropriated continuously to
5 the commission to carry out the wildlife laws.

6 (2) An amount of the State Wildlife Fund equal to the amounts accruing from licenses issued pursuant to
7 ORS 497.121 (1)(c) and (d) that are used for ocean salmon angling purposes, less the cost of issuing and
8 processing the licenses shall be available only for propagation, management and research projects related to
9 anadromous fish.

10 (3) All moneys received by the commission from the sale of migratory waterfowl stamps shall be deposited in
11 the State Wildlife Fund.

12 (4) All moneys received by the commission from the sale of art works and prints related to the migratory
13 waterfowl stamp shall be deposited in a separate subaccount in the State Wildlife Fund. Moneys in the subaccount
14 may be expended only for activities that promote the propagation, conservation and recreational uses of migratory
15 waterfowl and for activities related to the design, production, issuance and arrangements for sale of the migratory
16 waterfowl stamps and related art works and prints. Expenditures of moneys in the subaccount may be made within
17 this state, in other states or in foreign countries, in such amounts as the commission determines appropriate.
18 Expenditures in other states and foreign countries shall be on such terms and conditions as the commission
19 determines will benefit most directly the migratory waterfowl resources of this state.

20 ~~[(3)]~~ (5) The commission shall keep a record of all moneys deposited in the State Wildlife Fund. The record
21 shall indicate by separate cumulative accounts the source from which the moneys are derived and the individual
22 activity or program against which each withdrawal is charged.

23 SECTION 7. Section 2 of this Act takes effect July 1, 1984.

CONSIDERATIONS FOR AN ALASKA WATERFOWL CONSERVATION STAMP PROGRAM

1. As of 1983, twenty-nine states have instituted their own stamp programs.
2. At least 26 states require waterfowl hunters to purchase their stamps, and some states require it of all bird hunters.
3. The average price of a waterfowl stamp, for 27 states, is \$4.50 (lowest is Massachusetts \$1.25; highest is North Dakota \$9.00).
4. Among the seven states that initiated stamp programs since 1980, total revenues for 1982 were \$3.9 million, averaging over \$500,000 per state.
5. States that recently have adopted stamp programs have produced art prints and collector stamps that are marketed nationally. Considerable income has been derived from outside these states; this would be especially effective for Alaska.
6. Among the seven most recent (1980) programs, an average of 45% of the revenues came directly from stamp sales to hunters; states with fewer hunters (Alaska) derive lower proportions of revenues directly from hunters (S. Carolina 31%, Oklahoma 33%, Ohio 32%).
7. During 1983, approximately 17,600 Federal duck stamps were sold in Alaska.
8. A conservative estimate of revenues from an Alaska Waterfowl Stamp program would be \$100,000 - \$300,000, with less than 30% coming from hunters and a considerable portion coming from art and stamp collectors in other states.

Proportions of revenue derived from hunters and from collectors, for the seven most recent state waterfowl stamp programs.

State	First Year	No. of Hunters	Stamp Price	Hunter Revenue (%)	Collector Revenue (%)	Income/Hunter
Oklahoma	1980	12,000	\$4.00	48,000 (33)	94,300 (66)	11.86
Delaware	1980	10,000	\$5.00	50,000 (52)*	46,000 (48)*	9.60
Arkansas	1981	45,500	\$5.50	250,250 (53)	217,725 (47)	10.29
So. Carolina	1981	17,000	\$5.50	93,500 (31)	206,500 (69)	17.65
Texas	1981	112,500	\$5.00	562,500 (61)	366,245 (39)	8.26
No. Dakota	1982	80,000	\$9.00	720,000 (56)	557,700 (44)	15.97
Ohio	1982	40,000	\$5.50	220,000 (32)	455,000 (68)	16.88
AVERAGE			\$5.64			12.93

* estimated

~~X~~ STATE OF OREGON

Information Report
Wildlife Division
Ralph Denney
September, 1983

WATERFOWL STAMP AND PRINT
HISTORY-DISCUSSION-STAFF RECOMMENDATIONS

INTRODUCTION

In researching the history of waterfowl stamps and related artwork (as defined in HB 2925 attached) it became obvious that this program can become very complicated. To help clarify the following report a few key words and their explanation should be kept in mind.

Design - The original art work from which the stamps and prints are produced.

Stamps - The actual stamp produced from the original design. This stamp is required to be purchased by hunters and in possession while hunting. Income from the stamp will vary according to hunting. Income from the stamp will vary according to hunter numbers, but should remain more or less fixed. In Oregon we have approximately 45,000 waterfowl hunters that will be required to buy the \$5.00 stamp, producing an income of \$225,000 annually. Stamp collectors also purchase waterfowl stamps and can add substantial amounts to the income of the program. High quality stamps sold as singles or in blocks of four are sought by collectors. States have added from \$3,500 to \$60,000 per year on the sale of stamps to collectors. Collector stamp sales vary greatly depending on quality, marketing, and emphasis placed on distribution to collectors.

Prints - These are approximately 6 1/2 X 9 inch reproductions of the original design. Most states (18) do not receive income from the sale of prints. Those states that have required hunters to purchase waterfowl stamps since 1980 have retained the copy rights to the original design, and have added to their income from the sale of prints.

Commission - Enlist, engage, consign.

Limited Edition - As used in this report, means prints are limited to a specific number, or limited to a certain number ordered over a period of time.

Supplemental Sales - This will refer to the sale of stamps and prints as collectors items.

HISTORY

A brief history of waterfowl stamps followed by a history of prints might be helpful, keeping in mind that each is a separate entity, but do go hand in hand.

The federal waterfowl stamp was initiated in 1934 at a price of \$1.00. That initial price has now increased to \$7.50. Design of the stamps was chosen by a contest. Artists submitted their design and the winning design was used to reproduce the stamp. The winner received much notoriety, but no financial reward from the Federal government. The value of being the winner was subsequent sale of the original or prints by the artist or a publisher.

State waterfowl stamps were required first by California in 1971. Subsequently, until 1979 a total of seventeen states required stamps for waterfowl hunting. Total income was derived from stamp sales. Designs were chosen from waterfowl art contests, produced by department artists or commissioned by wildlife artists. States did not retain reproduction right to the design.

From 1980 through 1982 seven states passed laws requiring waterfowl hunters to purchase a stamp. All seven of these states deviated from the past in that they retained reproduction rights to the original design, and profited from the sale of prints. Artists were paid in one way or another for those copyrights.

This year (1983) two additional states require waterfowl stamps and retain reproduction rights for print sales. Pennsylvania is producing stamps for voluntary purchase by hunters and collectors, and are producing prints for sale.

In 1984, Alaska, Georgia, New Jersey, and Oregon will require stamps. It is not known, but is expected that the sale of prints will be included, as is the case with Oregon.

For your information, here is a chronological listing of states that require waterfowl stamps along with the price of the stamp. These states do not sell prints.

<u>Year</u> <u>Initiated</u>	<u>State</u>	<u>Price of</u> <u>Stamp</u>
1971	California	\$5.00
1972	Iowa	\$5.00
1974	Maryland	\$3.00
	Massachusetts	\$1.25
1975	Illinois	\$5.50
1976	Indiana	\$5.00
	Michigan	\$3.75
	Mississippi	\$2.00
	South Dakota	\$5.00
1977	Minnesota	\$3.75
1978	Montana*	\$2.00
	Wisconsin	\$3.25
1979	Alabama	\$5.00
	Florida	\$3.25
	Missouri	\$3.00
	Nevada	\$2.00
	Tennessee	\$6.50

*Montana dropped the stamp after 3 years as cost exceeded income.

Stamp required of all bird hunters. It is now a sticker attached to the license.

The following states require a waterfowl stamp, but do retain reproduction rights for income from the production of prints.

<u>Year Initiated</u>	<u>State</u>	<u>Price of Stamp</u>
1980	Delaware	\$5.00
	Oklahoma	\$4.00
1981	Arkansas	\$5.50
	South Carolina	\$5.50
	Texas	\$5.00
1982	North Dakota**	\$9.00
	Ohio	\$5.50

**North Dakota Stamp required of all bird hunters.

States that will require waterfowl stamps in 1983 and 1984. The three 1983 states have retained reproduction rights.

<u>Year Initiated</u>	<u>StateStamp</u>	<u>Price of Stamp</u>
1983	Pennsylvania***	\$5.50
	New Hampshire	\$4.00
	North Carolina	\$5.50
1984	Alaska	?
	Georgia	?
	New Jersey	?
	Oregon	\$5.00

***Pennsylvania stamp purchases by hunters will be voluntary.

Discussion

Since the income from sale of stamps to hunters is relatively fixed, from this point the discussion will pertain to the potential supplemental sales of stamps and prints.

Stamps

Stamp sales to collectors can, if properly marketed, generate a substantial amount of income to the department.

The following table displays the number of stamps sold to collectors in 1982. Those states with hunter numbers similar to Oregon were chosen for comparison.

1982

<u>Year Stamp</u>	<u>State</u>	<u>Hunters</u>	<u>Price</u>	<u>Collectors</u>	<u>Income From Collectors</u>
1972	Iowa	36,600	\$5.00	3,900	\$19,500
1974	Maryland	38,250	3.00	3,000	9,000
1975	Illinois	52,900	5.50	3,400	18,700
1976	Michigan	46,800	3.75	1,700	6,375
1979	Missouri	43,500	3.00	1,200	3,600
1981	Arkansas	45,450	5.50	8,000	44,000
1982	Ohio	40,000	5.50	10,000	55,000

Arkansas and Ohio top the sales to collectors. These two states are among those that have become involved in supplemental sales. Among the reasons for high collector sales are:

1. Top quality printing to make the stamp desirable to collectors.
2. Stamps packaged to accommodate collectors (numbered blocks of four).
3. Publisher required to buy back stamp to sell with each print sold.

The point to be made is that supplemental stamp sales can be increased substantially if care is taken to accommodate the collector.

Prints

Contacts, through correspondence and telephone conversation were made with those states involved in the supplemental sale of prints. All had at least one year of history of print sales, and made recommendations on the best program to become and remain a top competitor in this highly competitive field.

Each of the seven states contacted has a slightly different program for attaining money through print sales. The attached table summarizes much of this information, but further summarization is discussed here.

Contests

Oklahoma, Delaware, and South Carolina are states that have contests to select the design for stamps and prints. Contests are restricted to residents in Oklahoma, while Delaware allows non-residents of states with open competition to enter. The South Carolina contest is open to anyone.

Texas and Ohio also have a contest of sorts. The open contest in Texas has so many constraints only well known artists with a great deal of financial backing can enter. After one year of open competition, Ohio now has a contest by invitation only.

Arkansas and North Dakota have no contest to select the waterfowl stamp and print design. These states contract directly with publishers for nationally known artists.

All states with contests report no major problems, but it is very time consuming to accept, display, judge, package and return entries. Most judging is done by a committee that is appointed in different ways. In South Carolina a committee handles the contest, bids, printing, etc. but has had bad results of poor quality by accepting low bids on printing. Delaware has a full time person to handle stamp and print sales.

Artist

Those states that have the original design by a nationally known artist have realized the most income for their program. Although other things enter into total sales, the demand for a print from a well-known wildlife artist is greater than a little known artist even though their work may be comparable. Even a known west coast artist would not sell as well in the eastern market.

Artist Payments

Artists have received payment for their design in many ways. In those states entering the program prior to 1960, the artist was on his own. He retained reproduction rights and usually, through a publisher, produced a very limited edition of prints. He sold these prints and retained the profits. Since 1960, the rewards have been greater. The attached table shows the varied way the artists have been rewarded for their design.

Printing

In all cases, the reproduction of prints has been through a publisher. Two states, Texas and South Carolina, highly recommended in-state publishers so that the personal attention aspect was realized. This also keeps money within the state as well as bringing money into the state.

Cost of Prints

The standard cost of a print is \$125.00. Delaware and Ohio require the purchase of a stamp with each print so those prints are \$130.00. New Hampshire, Pennsylvania and North Carolina, will also require a stamp with each print.

Edition Size

Edition number is important. South Carolina, Arkansas and Texas 1981 prints all sold for \$125.00 each. South Carolina limited their edition to 4,500 prints. Their share of profits was \$108,000. Arkansas and Texas limited their edition to 7,700 and 16,500 respectively and realized \$269,000 and \$587,000 respectively. The investors value for prints is now \$150 per print more for South Carolina than for Arkansas or Texas. The point is, that the fewest number of prints makes more money for investors, but less for the state; and on the other hand, the higher number of prints makes more money for the state and less for the investor. The most successful states have limited prints to the number ordered over an advertised six-month period.

Department Share

This varies greatly depending upon the state. As shown in the accompanying table, states have shared percentages of gross sales, percentages of net sales or a flat profit per print sold. Of course, each state wants the most it can receive, but consideration must be given the publisher for his expenses in providing the services needed to make the program the most profitable.

RECOMMENDATIONS

1. Two objectives are recommended.
 1. Make the most money possible to devote to waterfowl management.
 2. Provide a nationwide opportunity for collectors to contribute in the support of waterfowl habitat development for the benefit of Oregon waterfowl hunters.
2. Contest - None
Pattern Oregon's program after the success of Arkansas, North Dakota and, to a degree, Texas.
3. Artist- A nationally known artist design to sell more prints.
4. Artist Payment- Should be arranged by publisher.
5. Publisher- In state with national connections for advertizing and distribution.
6. Printing- Arranged by publisher.
7. Stamps- Publisher should provide stamps of high quality and printed in a form desirable to collectors. The specs can be worked out. He should be required to purchase a stamp for each print sold.
8. Edition Size- Limited to that number ordered over a six-month period. Oregon should attempt to be first on the advertizing market for 1984 prints.
9. Department Share- Most possible while meeting the above objectives.
10. Time Table- timing is critical. For Oregon to be first to advertize 1984 "First of State" prints, a publisher should present a "package" to the department for approval no later than mid-December. Prior to that time, invitations to bid, specifications, and other details must be arranged.

A decision on the recommended program can be made October 21 so that the staff can get the process moving.

Attachments:

HB 2925

Table on State Programs

State Stamp Print History



Official Business

Alaska State Legislature

House of Representatives

Representative Mike Szymanski

SR-A-Box 1304B
Anchorage, Alaska 99502
Phone (907) 349-3373

While in Session:
Pouch V
State Capitol
Juneau, Alaska 99811

January 3, 1984

The Honorable Milo Iritz
House of Representatives
Pouch V
Juneau, Alaska 99811

Re: HB 351

Dear Milo:

The purpose of this letter is to inform you of my recent meeting with Mr. Thomas C. Rothe, Waterfowl Coordinator, State Department of Fish and Game, related to HB 351. The following points were covered during the discussion related to suggestions for changes or modifications to the existing legislation:

1. It was suggested that the stamp be mandatory, similar to the federal stamp and that the initial stamp price be set at \$5.00 and adjusted thereafter by the Board of Fish and Game.
2. It was noted that 25 to 30% of the stamps would be sold to hunters. The balance of the stamps (70 - 75%) would be sold to outside stamp collectors. Therefore, we should capitalize on the interest from the outside and possibly develop a limited number of special issue stamps (i.e. 500) which sells for \$100 a piece and/or develop other marketing techniques where we have groups of 4 stamps in collector issue form generated.
3. We may want to incorporate into the bill a competitive program in the state to design the stamp itself, which would allow artists to compete for the design of the stamp and reward them with \$1000/year award fee for the best selected duck stamp.

4. With regard to the dedication of the funds, it should go to the Alaska Department of Fish and Game, Waterfowl Section, but not be earmarked for anything in particular. Instead, it should probably be put into the general fund use of the Department for Waterfowl Management. It would appear that if we get too specific on it, it may be the only source of funds and it could detour other funds from being used by the department or division.
5. With regard to the effective date of the legislation, it is suggested that the effective date be twelve months after the bill is passed so that time is allowed to search out an appropriate stamp and set up the promotion for circulation.
6. It was noted that we should be very careful in our language so that we don't violate the Constitution with regard to dedication of funds and the provisions set forth in AS 16.05.130. In other words, the bill must be carefully drafted so that it is not found unconstitutional under scrutiny.

In general, I have had very positive discussions with the Waterfowl Coordinator for the State and Alaska Audubon Society officials and others who have indicated that the program would be extremely beneficial to the State of Alaska. I had hoped that we could move this legislation early on during this next session and I will lend any support I can to the effort. Several of the above indicated items were discussed with Denise Zachary of Representative Mike Miller's office in Juneau, who is working on a bill he is drafting to establish a Duck Stamp program. I would suggest that as soon as we get together in Juneau, you and I and Mike Miller sit down and see how we can possibly incorporate his ideas into HB 351 - either that or look at the first committee of referral on the bill he is proposing and HB 351 to see about merging them under one bill.

Keep up the good work, Milo, and I look forward to working with you in Juneau this session.

Sincerely,



Mike Szymanski
Representative

cc: Representative Don Clocksin
Representative Mike M. Miller
Tom Rothe, Waterfowl Coordinator
Julie Kelly, President, Anchorage Audubon Society
Dave Cline, Regional Vice-President, Audubon Society

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

P.O. BOX 3-2000
JUNEAU, ALASKA 99802
PHONE: (907) 465-4100

April 19, 1983

The Honorable Patrick M. Rodey
Senator
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Senator Rodey:

Thank you for your letter of March 30, 1983, requesting our viewpoint on legislation concerning a State duck stamp program in Alaska.

The Department's former waterfowl biologist, Dan Timm, who is now our Regional Management Coordinator in the Anchorage area, has been working several years to accomplish this legislation. Our Department has given careful consideration to this type of bill, and we are on record in several letters supporting the idea. Therefore, we would favor proposed legislation, and would be glad to work with you in drafting the necessary wording.

As you are no doubt aware, the Alaska Constitution does not allow dedicated funds, but presumably, as stated in "Section 3" of the enclosure to your letter, the State will allow the funds to be deposited into the Fish and Game fund. Also, monies will be derived not only from the sale of stamps but also from the royalties of prints made from the stamps.

Thank you for expressing an interest in sponsoring this legislation.

Sincerely,


Don W. Collinsworth
Commissioner

5/14/83 SB271 - (S. Rodey)

provided by Sen. Rodley

A WATERFOWL CONSERVATION STAMP FOR ALASKA

To generate additional funds for the conservation and enhancement of Alaska's waterfowl and waterfowl habitat, a voluntary state waterfowl conservation stamp program is suggested. This program will require Legislative approval.

Proceeds from the voluntary purchase of such stamps would be used for: the conservation and enhancement of waterfowl; the acquisition, lease or otherwise obtained wetlands which are important for waterfowl and/or public use of waterfowl in Alaska; and the administration of the stamp program. Specifically, key habitat in and around refuges could be purchased for better public access and waterfowl protection; islands, potholes and water level control structures could be created to enhance goose and duck nesting and other uses; goose populations could be established through transplants; parking areas, trails and other means of access could be created to enhance public access for use of waterfowl on State lands; and in specific instances, surveys, banding projects and research could be conducted to provide better management of waterfowl.

The idea of a state duck stamp is not new, although all other states require stamp purchase for waterfowl hunting. California initiated the first stamp in 1971, and by 1980 17 states required a stamp to hunt migratory waterfowl (attached table). The price of these stamps varies from \$1.10 in Maryland to \$5.50 in Delaware. Use of revenues from stamp sales varies between states. However, in most cases a major portion is reverted back into the state conservation agencies' budget for wetland acquisition and restoration. Additionally, several states make sizable donations to Ducks Unlimited for the propagation, development, management and control of migratory bird habitat in Canada.

Although Alaska's stamp is not proposed to be mandatory, (there is a moral and legal question of requiring hunters in remote areas to purchase stamps to fund projects that may not benefit them), stamp sales and resulting revenue are expected to be substantial. Federal duck stamp sales for the state have averaged 17,000 during the last decade. While not all of these hunters would likely participate in a voluntary program, surveys conducted in other states indicate that waterfowl hunters are dedicated to habitat acquisition and restoration and favor state duck stamp programs to support these management tools. Results of a survey of Missouri hunters in 1978 showed 72% were in favor of a state duck stamp.

In addition to hunter support, collector interest in state stamps has been rapidly escalating. States having data on stamp purchase by collectors found that from less than 1% (Mississippi) to nearly 50% (Nevada) of their sales have been to collectors. These include 3% to collectors in Missouri, 6-9% in Wisconsin, approximately 9% in Alabama and 17% in Indiana. In fact, state stamp sales in several states exceeded Federal stamp sales by several hundred (Alabama) to several thousand (Nevada) -- a situation suggesting considerable collector activity. Based on this information, ADF&G feels that stamp sales in Alaska would be 10,000 to 15,000 per year, especially if the printing is limited and the program is promoted nationwide.

Act to Establish a Waterfowl Conservation Stamp

Department of Fish and Game Recommendations

1. Require all waterfowl hunters to purchase the stamp.
2. Provide for the sale of art prints and stamps to collectors.
3. Select a nationally-known artist through a competitive artist/publisher process.
4. Use a publisher to handle printing, advertising and marketing of prints.
5. Allow the Commissioner discretion in arranging for publisher contracts, selection of artwork and sale of art prints.

ALASKA STATE SENATE

M E M O R A N D U M

TO: Senator Fahrenkamp
FROM: Senator Rodey *PMR*
DATE: February 15, 1985
RE: SB 278 Establishing a Waterfowl Conservation Stamp

Please consider action on this legislation. There is support from the Department of Fish & Game, and I see no problems anywhere else.

Attached is a letter from Commissioner Collinsworth and some back up information on the proposed program.

Bill

*This Bill shouldn't TAKE
MUCH TIME, hope you can
SCHEDULE IT.*

PAT

purchase voluntary

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

BILL SHEFFIELD, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

March 24, 1984

The Honorable Bettye Fahrenkamp
Chairperson, Senate Resources Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

Re: CSSB 278 (Waterfowl
Conservation Stamp Act)

Dear Senator Fahrenkamp:

This letter is in response to your oral request for advice on March 23, 1984, as to the constitutionality of CSSB 278, establishing a waterfowl conservation stamp and fee. The only constitutional issue raised by this bill is whether it violates article IX, section 7, of the Alaska Constitution, which prohibits dedicated funds under certain circumstances. Article IX, section 7, of the Alaska Constitution provides as follows:

The proceeds of any state tax or licence shall not be dedicated to any special purpose, except as provided in section 15 of this Article or when required by the federal government for state participation in federal programs. This provision shall not prohibit the continuance of any dedication for special purposes existing upon the date of ratification of this section by the people of Alaska.

Upon reviewing CSSB 278, we conclude that it is constitutional as drafted.

The Alaska Constitution specifically excepts from the prohibition against dedicated funds any dedication of funds required by the federal government as a condition to the state participating in a federal program. The Pittman-Robertson Act, 16 U.S.C. §§ 669-669i, is a federal program under which states may receive money for the restoration of wildlife. As a condition to participating in this program, the Act requires the state to pass a law prohibiting the diversion of license fees paid by hunters for any other purpose than the administration of the Fish and Game Department. A regulation promulgated under the

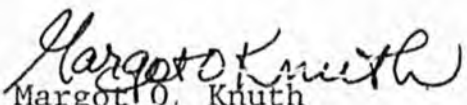
Pittman-Robertson Act provides that only those licences that are for the "express purpose of permitting the holder to hunt or fish for sport or recreation" may be used as the basis for matching funds under the Act. 50 C.F.R. 80.10(c)(1). This means that the only fees that must be dedicated by law in order for Alaska to participate in the program under the Pittman-Robertson Act are those fees expressly required by the state to be paid for the privilege of hunting or fishing for sport or recreation. Accordingly, only those fees expressly required for hunting or fishing may be dedicated under the Alaska Constitution.

CSSB 278 requires possession of the waterfowl conservation stamp before a person may engage in waterfowl hunting. It is only the money received from the sale of the waterfowl conservation stamps to hunters that is dedicated under this bill. Monies received from the sale of waterfowl conservation stamps to the public, as opposed to waterfowl hunters, are not dedicated by this bill. Instead, section 4 of the bill expresses a legislative intent that a sum equal to the amount collected each year from the sale of these stamps to the public be appropriated to the Department of Fish and Game. This legislative intent does not constitute a dedication of those funds.

We therefore conclude that CSSB 278 does not present any constitutional problems. The same cannot be said for the original SB 278, because that bill did not require waterfowl hunters to obtain the stamp as a condition to engaging in waterfowl hunting. Without this condition, the state would not qualify for participation in the Pittman-Robertson Act, and the dedication of funds would then be unconstitutional under Art. IX, sec. 7, of the Alaska Constitution.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By: 
Margot O. Knuth
Assistant Attorney General

MOK:bap

cc: Arthur H. Peterson
Assistant Attorney General

MEMORANDUM

State of Alaska

TO: Dennis D. Kelso
Deputy Commissioner

DATE: February 17, 1984

FILE NO:

Lew Pamplin
FROM: Lew Pamplin
Director
Division of Game
Department of Fish and Game

TELEPHONE NO: 267-2231

SUBJECT: Waterfowl
Conservation Stamp

Attached is a report entitled "State Waterfowl Conservation Stamp/Print Programs - Considerations for Alaska." This report was completed by Mr. Tom Rothe, our waterfowl program coordinator. The report contains the background, justification, and recommendations concerning an Alaskan waterfowl conservation stamp. The recommendations form the basis for the Department's position on this issue.

Enclosure

cc: P. McGuire
B. Hinman
T. Rothe
Regional Supervisors, Game Division
Division Directors
Board of Game

PUBLIC COMMUNICATIONS
RECEIVED
FEB 22 1984

DEPARTMENT OF FISH & GAME

ALASKA DEPARTMENT OF FISH AND GAME

Juneau, Alaska

STATE OF ALASKA

Bill Sheffield, Governor

DEPARTMENT OF FISH AND GAME

Don W. Collinsworth, Commissioner

DIVISION OF GAME

W. Lewis Pamplin, Jr., Director

State Waterfowl Conservation Stamp/Print Programs

Considerations for Alaska

February 1984

STATE WATERFOWL CONSERVATION STAMP/PRINT PROGRAMS

History - Discussion - Recommendations

INTRODUCTION

An Alaska Waterfowl Conservation Stamp program has been proposed in several bills put before the legislature in 1983. The intent of this report is to present a brief history of other state stamp programs, discuss alternatives for various aspects of their operations, and to recommend effective, profitable features for consideration in a program for Alaska.

Unlike many other states that rely on migrant waterfowl from northern breeding areas, Alaska is a major waterfowl production state. Alaska annually produces a fall flight of about 10 million ducks and one million geese to all five North American flyways and neighboring countries. Most of this waterfowl production can be attributed to a few large wetlands districts (i.e., Copper River Delta, Yukon-Kuskokwim Delta, Yukon Flats) and the sheer geographic expanse of wetlands throughout the State. Waterfowl habitat in Alaska becomes especially important to continental populations when drought in the prairies pushes birds north to breed. Most of Alaska's wetlands, however, are only marginally productive in comparison with the

prairies and parklands of the mid-continent, and little is known about the ecological requirements of waterfowl in our coastal, subarctic and arctic regions.

Waterfowl management in Alaska provides both opportunities to evaluate and enhance waterfowl production, and responsibilities to conserve and maintain many populations for the benefit of other states and countries. Waterfowl conservation stamp programs have been very profitable and effective in raising funds to meet these types of challenges.

Although the U.S. Fish and Wildlife Service has major responsibilities for migratory bird management, the Alaska Department of Fish and Game is charged with primary management of resident wildlife and most public uses of these resources in Alaska, leadership in management of waterfowl values on State lands, principal membership in the Pacific Flyway Study Committee and Council, and has assumed major responsibility for management of several species of special interest to the State. Revenues from a state waterfowl stamp would dramatically increase the Department's ability to enhance waterfowl production and public uses on State game refuges and other lands, and more effectively participate in state and Pacific Flyway management processes.

HISTORY OF WATERFOWL STAMPS

In 1934, the Migratory Bird Hunting Stamp Act was passed, authorizing the issuance of what is popularly known as the federal duck stamp; its official name is the Migratory Bird Hunting and Conservation Stamp. All waterfowl hunters are required to purchase the stamp, which has risen in price from \$1.00 at inception to \$7.50. In 1983, over 1.8 million stamps were sold in the United States. Revenues from the program are dedicated to the acquisition, protection and enhancement of wetland waterfowl habitats.

Following the success of the federal program, 29 states adopted similar stamp programs (Table 1) to fund waterfowl and habitat projects in their states and in primary waterfowl production areas elsewhere. For the seven states that initiated stamp programs since 1980, their combined 1982 revenues were over \$3.9 million, and averaged over \$500,000 per state.

California instituted the first state waterfowl stamp in 1971 and, through 1979, 16 states required waterfowl hunters to buy state stamps. Montana sold a bird conservation stamp, beginning in 1978, but undefined objectives and reliance on voluntary purchases made the program unprofitable within three years. These programs sold only stamps and did not acquire reproduction rights to the original design. Various states used art from either department staff, commissioned artists or waterfowl art contests.

Table 1. History and features of state waterfowl stamp programs.

First Year	State	Stamp Price	Reproduction Rights	Art Selection
1971	California	5.00	stamp (print 1984)	resident contest
1972	Iowa	5.00	stamp	resident contest
1974	Maryland	3.00	stamp	resident contest
	Massachusetts	1.25	stamp	open contest
1975	Illinois	5.50	stamp	resident contest
1976	Indiana	5.00	stamp	open contest
	Michigan	3.75	stamp	resident contest (until 1985)
	Mississippi	2.00	stamp	resident contest
	South Dakota*	5.00	stamp	resident contest
1977	Minnesota	3.75	stamp	resident contest
1978	Montana	2.00	stamp	program defunct
	Wisconsin	3.25	stamp	resident contest
1979	Alabama	5.00	stamp	resident contest
	Florida	3.25	stamp	open contest
	Missouri	3.00	stamp	resident contest
	Nevada	2.00	stamp	open contest
	Tennessee	6.50	stamp	resident contest
1980	Delaware	5.00	stamp/print	resident contest
	Oklahoma	4.00	stamp/print	resident contest
1981	Arkansas	5.50	stamp/print	contract
	South Carolina	5.50	stamp/print	open contest
	Texas	5.00	stamp/print	contract
1982	North Dakota**	9.00	stamp/print	contract
	Ohio	5.50	stamp/print	commissioned
1983	Pennsylvania	5.50	stamp/print	contract
	New Hampshire	4.00	stamp/print	contract
	North Carolina	5.50	stamp/print	contract
1984	Oregon	5.00	stamp/print	contract

* stamp voluntary for residents, mandatory at \$50.00 for non-residents.
 ** required purchase by all bird hunters.

From 1980 through 1982 seven more states enacted legislation to produce stamps required for waterfowl hunting. All of these states retained reproduction rights to the design, and profited from the sale of art prints as well as stamps. Artists were paid with flat fees, profit shares or by arrangement with a managing art publisher.

Four more states launched waterfowl stamp and print programs in 1983. Oregon and New Hampshire require stamps of hunters, but Pennsylvania and North Carolina offer them for voluntary purchase. New Jersey may consider enabling legislation for a program in 1984, presumably to offer both stamps and prints.

PROGRAM OBJECTIVES

The two primary objectives for the waterfowl conservation stamp program are:

1. To maximize Alaska's ability to benefit waterfowl and their habitats within the state; and
2. To provide a nationwide opportunity for art and stamp collectors to contribute financial support to the Alaska waterfowl management program, thereby benefiting the Alaskan public.

DISCUSSION

Sources of Revenue

Although the number of hunters and price of the stamp determine the base level of potential revenues, supplemental sales (art prints and collector stamps) have provided a major part of the income, especially in states like Alaska with low numbers of hunters (Table 2).

For the 1982-83 hunting season, approximately 17,600 federal waterfowl stamps were sold in Alaska (includes a small percentage to stamp collectors). Table 3 illustrates potential revenues from an Alaska stamp/print program, and the relative effect of stamp pricing on total income. These projections are quite conservative and are based on the best planning and marketing approaches used by other states (see following sections). If Alaska selected a price of \$5.00, equivalent to most states, hunters would probably contribute only 25-30% of the revenues. The bulk of revenues would come from out-of-state sales. Because income from hunters is relatively fixed, the following discussion focuses on aspects of maximizing the vital supplemental sales.

Nationwide sales of prints and stamps to collectors has proven immensely profitable to state waterfowl programs, and has sparked considerable competition among states to tap the market. The key elements of success include: a top quality design by a well-known artist; top quality printing and products that accommodate collector desires; and effective program administration and marketing.

Table 2. Proportions of 1982 revenues derived from hunters and from collectors, for the seven most recent state waterfowl stamp programs

State	First Year	No. of Hunters	Stamp Price	Hunter Revenue	(%)	Collector Revenue	(%)	Income/Hunter
Oklahoma	1980	12,000	\$4.00	48,000	(33)	94,300	(66)	11.86
Delaware	1980	10,000	\$5.00	50,000	(52)*	46,000	(48)*	9.60
Arkansas	1981	45,500	\$5.50	250,250	(53)	217,725	(47)	10.29
So. Carolina	1981	17,000	\$5.50	93,500	(31)	206,500	(69)	17.65
Texas	1981	112,500	\$5.00	562,500	(61)	366,245	(39)	8.26
No. Dakota	1982	80,000	\$9.00	720,000	(56)	557,700	(44)	15.97
Ohio	1982	40,000	\$5.50	220,000	(32)	455,000	(68)	16.88
AVERAGE			\$5.64					12.93

* estimated

Table 3. Analysis of fee levels and potential revenues for an Alaska waterfowl stamp program, assuming 17,000 waterfowl hunters (1982-83) collectors purchase 10,000 stamps and 5,000 art prints (\$40 royalty/print).

Stamp Fee	Hunter Revenue	(%)	Collector Revenue	(%)	Total Revenue
\$6.00	102,000	(28)	260,000	(72)	362,000
\$5.00	85,000	(25)	250,000	(75)	335,000
\$4.00	68,000	(22)	240,000	(78)	308,000
\$3.00	51,000	(18)	230,000	(82)	281,000
\$2.00	34,000	(13)	220,000	(87)	254,000

Example comparison: Reduction of stamp fee from \$6.00 to \$2.00 lowers cost to hunters by 66%, lowers total revenue only 30%.

Selection of art work

Those states that have used original art by nationally-known artists have realized the most income for their programs. Although artists that are little-known or even popular regionally may produce comparable work, market demand and investment values are higher for works by artists known across the country.

Other states use a variety of ways to select the original art design. Among the programs established before 1980, offering only stamps, most implemented art contests, either open to all entrants or restricted to state residents. With the introduction of art print sales and national marketing emphasis since 1980, several states (e.g., Texas, Ohio) have restricted their contests to well-known artists or done them by invitation only. Arkansas and North Dakota have foregone contests, and contract with art publishers for nationally-known artists.

States with contests report no major problems, but considerable effort is involved in working with a selection committee, and receiving, displaying, judging, and returning entries. Major considerations in the method of art selection are: (1) number and caliber of local artists; (2) national marketability of the products; and (3) funds and staff required to administer the process.

Stamp and print products

Stamps - Stamp collectors purchase from 1 to 50% of state waterfowl stamps, depending on particular state programs. In several states (e.g., Alabama, Nevada) sales of state stamps far exceed federal stamp sales. Arkansas and Ohio top sales to stamp collectors. Reasons for success relate to accommodating the values of stamp collecting in product designs:

1. Top quality printing to enhance aesthetic value.
2. Numbered stamps and numbered plate blocks (four stamps).
3. Stamp issue limited to sales during a specific period.
4. Publisher required to purchase stamps for each art print sold.

Art prints - Investment values and revenues from art print sales are dependent on selected artist and design, quality of printing and the edition size. Several states recommend printing by an in-state publisher to ensure quality work and personal attention. However, South Carolina reports problems in print quality resulting from selection of low-bid contractors.

The usual cost of a print is \$125.00, or \$130.00 with the stamp. Total print revenues are dependent on the edition size and the states' profit share from the publisher. Effects of edition size can be illustrated from 1981 sales by South Carolina, Arkansas, and Texas.

South Carolina had a quite limited edition of 4,500 prints, took a \$24 profit share and netted \$108,000. Arkansas had a larger edition of 7,700 and a \$35 profit share, gaining \$269,000. Texas, with an edition of 16,500 took \$35.50 per print and brought in \$587,000. The art investment value of South Carolina's print is now \$150 more than those of Texas and Arkansas. The principle is that small editions increase print values to investors with smaller profits to the state; large editions maximize program revenues but lower investment values. The recent successful programs in Texas, North Dakota, and North Carolina balance these factors by limiting editions to the number of pre-sale orders received within a fixed period.

Program administration

It is evident that state stamp programs present many options and require substantial planning and oversight to manage all the factors vital to success. Prior to 1980, stamp sales were more localized, and artists were compensated only with recognition and reproduction rights. As the potential for national marketing of supplemental sales grew, artist rewards and program operations became greater. In recent programs artists are being paid with fixed fees, retention of artist proofs, profit shares, and/or through contracts with publishers.

State fish and game departments and other government offices devote varying efforts to administer stamp/print programs, depending on the type of operations chosen. Art contests consume considerable time

from staff and a selection committee that is usually not paid. Depending on state licensing procedures, sales and distribution of stamps and prints add more staff effort; Delaware has a full-time person to deal with sales. ADF&G waterfowl program consists of one coordinator and one biologist.

To minimize cost and staffing of government administration, many states have gone to contract arrangements with publishers. Some, like North Dakota and Arkansas, contract out everything from selection of the art to sales of prints. States with contests usually contract for printing, marketing, and distribution of prints. Stamps are sold by government offices and agents.

Contracting has proven profitable, not only because of reduced administrative effort, but also because the profit motive of contract publishers ensures product quality, broad marketing, and greater sales.

State staff need only to oversee product fidelity and marketing strategy. Artist/publisher contracts usually contain additional provisions such as:

- Specifications of waterfowl subjects to be featured.
- Specifications of product quality and format.
- Publisher buy-back of stamps for each print.
- Publisher provides free "conservation edition" prints for fund raising events.

-Publisher will advertise nationally (Ducks Unlimited Magazine, Field and Stream, etc.).

State contracting is subject to specific regulations. If product quality and national marketing can be ensured by an in-state publisher there are benefits to local businesses and closer contract oversight.

RECOMMENDATIONS

Incorporation of the following recommendations into the Waterfowl Conservation Stamp Bill would satisfy the objectives of this program. Nevertheless, the Department of Fish and Game strongly supports passage of this bill even if these recommendations are modified.

1. Revenue - Require the purchase of a state stamp by waterfowl hunters age 16-60 years.

A mandantory program would maximize out-of-state supplemental sales by:

- (a) Demonstrating a firm state commitment to protect and enhance national waterfowl and wetland resources;
- (b) Solidly establishing the stamp/print program and decreasing the chances of short-term unprofitability (e.g., Montana);

(c) Assuring collectors of continuing stamp/print series that will promote repeat purchases and investment values; and

(d) Stabilizing revenues to permit continuity and cost-effective management of funded waterfowl projects.

2. Administration - Printing, marketing and artist payment should be handled by the publisher.

Provided that high quality work and national sales connections can be demonstrated, an in-state publisher should be selected through a competitive process. Department share of the profits should be the highest negotiable.

3. Art selection - The publisher should contract for the original design from a nationally-known artist.

The most successful state programs (e.g., Arkansas, North Dakota and, to a degree, Texas) contract for nationally-known artists. If a contest is desirable, competition should be by invitation or open nationally. Alaska has a dearth of waterfowl artists and few known outside the state.

4. Stamps - Publisher should provide high quality stamps that are numbered and arranged in sheets and plate blocks for collectors. Publisher should buy a stamp for each print sold. Stamps should be sold by the Department through license vendors at widely accessible locations.

5. Art prints - Publisher should provide high quality prints that are advertised and sold nationally. Edition size should be limited to the number ordered during a six-month pre-sale period. Alaska should attempt to be the first to advertise among states for the initial year of the program.

6. Time table - The stamp program should become effective for the 1985-86 hunting season. Sufficient lead time is necessary to establish program operations and effective early marketing, because the first year issue of stamps and prints is by far the most profitable. A publisher package should be selected no later than January 1985.

7. Cost - The price of the stamp should not be less than \$3.00 and not more than \$5.00. Fees should be waived for low-income families under provisions of AS 16.05.340(5). The price of the art print should be \$125.00.

Attachments: Texas waterfowl stamp program (article)
Wisconsin hunter revenues (article)
North Carolina waterfowl stamp print sale (article)
State Stamp Print History
Oregon Stamp Bill (HB 2925, 1983)

SENATE AMENDMENT

BY Halford

To: _____ CS SENATE BILL No. 278 (Res)

To: _____ HOUSE BILL No. _____

PAGE: 2 LINE:

Delete: (b)

[(5) QUALIFIES FOR AN EXEMPTION UNDER REGULATIONS ADOPTED BY THE DEPARTMENT FOR RESIDENTS OF RURAL AREAS OF THE STATE AND COMMUNITIES IN THE STATE WITH A POPULATION OF 4,500 OR LESS NOT CONNECTED BY ROAD OR RAIL TO ANCHORAGE OR FAIRBANKS.:]

Insert new (d):

(d) The department shall by regulation exempt waterfowl hunting in rural areas of the state not likely to benefit from programs described in AS 16.05.130 (b) 2-4 from the requirement for a waterfowl stamp.

Adopted

In context

*Sec. 3. AS 16.05 is amended by adding a new section to read:

Sec. 16.05.826. WATERFOWL STAMP AND FEE. (a) The department shall publish waterfowl stamps for sale to licensed waterfowl hunters at \$5 a stamp and to the public at prices to be established by the commissioner by regulation.

(b) A person may not engage in waterfowl hunting without having the current year's waterfowl stamp in the person's actual possession, unless that person

(1) qualifies for a 25 cent license fee under AS 16.05.340 (a)(6).

(2) is a resident under the age of 16;

(3) is 60 years of age or older and has been a resident for at least one year;

(4) is a disabled veteran eligible for a free license under AS 16.05.341; or

[(5) QUALIFIES FOR AN EXEMPTION UNDER REGULATIONS ADOPTED BY THE DEPARTMENT FOR RESIDENTS OF RURAL AREAS OF THE STATE AND COMMUNITIES IN THE STATE WITH A POPULATION OF 4,500 OR LESS NOT CONNECTED BY ROAD OR RAIL TO ANCHORAGE OR FAIRBANKS.:]

(c) A waterfowl stamp is valid until January 31 of the year following the year of issue of the stamp.

(d) The department shall by regulation exempt waterfowl hunting in rural areas of the state not likely to benefit from programs described in AS 16.05.130 (b) 2-4 from the requirement for a waterfowl stamp.

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT P. 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

March 5, 1984
3:11 pm

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chairman
Senator Ziegler, Vice Chair
Senator Eliason
Senator Mulcahy
Senator Sturgulewski

CALENDAR

SB 278, An Act establishing a waterfowl conservation stamp.

SB 366, An Act relating to protection of forested land.

SJR 31, Relating to the capture of orcas in Alaska waters.

SB 278

Senator Rodey, sponsor of the bill, explained that proceeds from the sale of stamps would be used for the conservation and enhancement of waterfowl and said the bill has the support of conservation and sport hunting groups. He supported the Committee Substitute, as it clears up any questions over dedication of funds.

Dan Timm, Regional Management Coordinator, Game Division, and Tom Rotne, Waterfowl Coordinator, Game Division, Alaska Department of Fish and Game, testified in support of the Committee Substitute, which would make the purchase of the stamps mandatory and specify that the stamp would not be required of hunters until September 1, 1985. They answered questions from members of the committee regarding the Department's administrative costs, the process of requesting proposals for design and publishing of stamps, and how the Department plans to use the revenues generated.

Jay Nelson, Executive Director, Alaska Environmental Lobby, spoke in support of the Committee Substitute, and urged the state to become more actively involved in waterfowl management.

Ron Sommerville, Alaska Outdoor Council, testified in support of the Committee Substitute.

Jim King spoke in support of the bill, urging the state to take more control over the management of its waterfowl.

Senator Sturgulewski moved to adopt the Committee Substitute. There was no objection.

Senator Mulcahy moved CS SB 273 with individual recommendations. There was no objection.

SB 366

John Sturgeon, State Forester, Department of Natural Resources, testified in support of the bill, explaining that transferring responsibility for firefighting to local service areas would remove the duplication of effort by the state and municipalities.

Ginny Chitwood, Alaska Municipal League, testified in opposition to those sections of the bill that would give municipalities primary responsibility for fire suppression within service areas, expressing concern over municipalities' capabilities and the costs they would incur.

Senator Fahrenkamp asked that Sturgeon and Chitwood work with Committee staff to prepare a Committee Substitute that would address the needs and concerns of both the state and the municipalities.

SJR 31

Senator Vic Fischer spoke in support of the Committee Substitute and moved it be adopted and moved from Committee with individual recommendations. There was no objection.

The meeting adjourned at 4:27 pm.

Offered: 3/6/84
Referred: Finance

Margo Knot 3/27/84
Says this provision is
unconstitutional.

Original sponsors: Rodey, Kerttula
and Josephson

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 278 (Resources) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a waterfowl stamp and fee; and
7 providing for an effective date."

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

9 * Section 1. AS 16.05.110 is amended to read:

10 Sec. 16.05.110. COMPOSITION OF FUND. The fish and game fund
11 shall be made up of the following money and other money the legisla-
12 ture appropriates, that [WHICH] shall be deposited and retained in the
13 fund until expended:

14 (1) money received from the sale of state sport fishing,
15 hunting, and trapping licenses. [AND] special permits, and waterfowl
16 stamps and limited edition prints purchased by hunters;

17 (2) proceeds received from the sale of furs, skins, and
18 specimens taken by predator hunters and other employees;

19 (3) money received in settlement of a claim or loss caused
20 by damage to the fish and game resources of the state;

21 (4) money received from federal, state, or other govern-
22 mental unit, or from a private donor for fish and game purposes;

23 (5) interest earned upon money in the fund;

24 (6) money from any other source.

25 * Sec. 2. AS 16.05.130 is amended by adding a new subsection to read:

26 .b) Money accruing to the state from waterfowl stamp fees and
27 sales of limited edition prints from hunters may not be diverted to a
28 purpose other than (1) the conservation and enhancement of waterfowl;
29 (2) the acquisition, by lease or otherwise of wetlands that are

1 important for waterfowl and public use of waterfowl in the state; (3)
2 waterfowl related projects approved by the commissioner; and (4) the
3 administration of the stamp and print program. The department shall
4 maintain a state waterfowl stamp and print account within the fish and
5 game fund to permit separate accounting records for the receipt and
6 expenditure of money derived from the sale of waterfowl stamps and
7 prints. The department shall report annually to the public on the use
8 of money derived from waterfowl stamps and prints.

9 * Sec. 3. AS 16.05 is amended by adding a new section to read:

10 Sec. 16.05.826. WATERFOWL STAMP AND FEE. (a) The department
11 shall publish waterfowl stamps and prints for sale to licensed
12 waterfowl hunters at \$5 a stamp and to the public at prices to be
13 established by the commissioner by regulation.

14 (b) A person may not engage in waterfowl hunting without having
15 the current year's waterfowl stamp in the person's actual possession,
16 unless that person

17 (1) qualifies for a 25 cent license fee under AS 16.05.-
18 340(a)(6);

19 (2) is a resident under the age of 16;

20 (3) is 60 years of age or older and has been a resident for
21 at least one year;

22 (4) is a disabled veteran eligible for a free license under
23 AS 16.05.341.

24 (c) A waterfowl stamp is valid until January 31 of the year
25 following the year of issue of the stamp.

26 (d) The department shall by regulation exempt waterfowl hunting
27 in rural areas of the state not likely to benefit from programs
28 described in AS 16.05.130 (b)(2) - (4) from the requirement for a
29 waterfowl stamp.

1 * Sec. 4. LEGISLATIVE INTENT. It is the intent of the legislature that
2 a sum equal to the amount collected each year from the sale of waterfowl
3 stamps and prints to the public under AS 16.05.826(a) be appropriated to
4 the department for the purposes listed in AS 16.05.130(b).

5 * Sec. 5. This Act takes effect January 1, 1985.

Alaska State Legislature

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



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

Committee on Resources

March 8, 1984

Mr. Don Collinsworth, Commissioner
Alaska Department of Fish and Game
P.O. Box 3-2000
Juneau, AK 99802

Dear Commissioner Collinsworth:

As follow-up to the recent Senate Resources Committee hearing on SB 278, establishing a waterfowl conservation stamp, I would appreciate you providing the following information:

- 1) The fiscal note prepared by the Department indicates that the program will generate \$300,000 in revenues annually. Please provide an analysis of how this figure was determined. In addition, please note any administrative costs that the Department will incur in implementing the program.
- 2) Hunting licenses are issued on a calendar-year basis; the waterfowl season runs September through January. How does the Department plan to accommodate this discrepancy?
- 3) Please outline how the Department plans to use the revenues generated from sale of the waterfowl stamps.

Thank you for your attention to this matter.

Sincerely,

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

Bettye Fahrenkamp
Chairman

BF:ss

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

P.O. BOX 3-2000
JUNEAU, ALASKA 99802
PHONE: (907) 465-4100

March 22, 1984

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

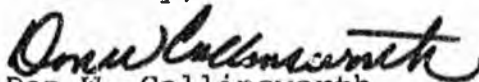
Dear Senator Fahrenkamp:

Thank you for your letter of ^{March} February 8, 1984, regarding the recent Senate Resources Committee hearings on CSSB 278, the waterfowl conservation stamp bill. Enclosed are our most recent estimates of administrative costs and uses of program revenues, and a list of potential projects that could be funded. Please note that we previously underestimated potential income from art prints and have revised new revenue upward to an appropriate level.

With regard to the question about the discrepancy between a calendar year license and a waterfowl season which lasts into January, I do not believe this program would present any additional difficulties for hunters. I would hope that a state stamp would be good for the entire season, including January. Currently, holders of a federal duck stamp who hunt waterfowl in January are required to have the stamp affixed to their previous year's license in their possession. A similar state requirement poses no additional burden on the hunter.

Thank you again for your letter. I appreciate the attention you and your committee have given to this matter.

Sincerely,



Don W. Collinsworth
Commissioner

Enclosure

MAR 26 1984

The Honorable
Bettye Fahrenkamp

-2-

March 22, 1984

cc: Senator Ziegler
Senator Eliason
Senator P. Fischer
Senator V. Fischer
Senator Mulcahy
Senator Sturgulewski

copy for Senator Fahrenkamp's office

March 29, 1984

The Honorable John Ringstad
and Richard Shultz, Chairmen
House Resources Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: CSSB 278 (RES) am
(Waterfowl Stamp Act)

Dear Representatives Ringstad and Shultz:

This letter is to bring to your attention a constitutional problem that exists in the above-referenced bill, which establishes a waterfowl stamp and fee. Several forms of the bill have violated article IX, section 7, of the Alaska Constitution, which prohibits dedicated funds under certain circumstances. On March 24, 1984, we wrote to Senator Fahrenkamp, concluding that the Committee Substitute for Senate Bill 278 was constitutional as drafted. (A copy of this letter is attached.)

I have since learned that the bill was twice amended on the floor of the Senate on March 23, 1984, before it was passed. The second amendment made on March 23, 1984, makes the bill once again unconstitutional. This amendment added the concept of "limited edition prints" to the bill. Now, not only will waterfowl stamps be created and sold, but also limited edition prints of the stamp will be available for sale as artwork to hunters and to the public.

There is no problem in authorizing the creation and sale of limited edition prints. There is, however, a problem in dedicating the funds received from the sale of these prints to the fish and game fund. The only money that can be dedicated to this fund is money received from the sale of licenses, permits, and stamps that are required by law to be possessed by a person engaging in sport or recreational hunting or fishing. Hunters need not possess limited edition prints to engage in waterfowl hunting, and thus the money received from the sale of these prints cannot be dedicated to the fish and game fund.

The Honorable John Ringstad
The Honorable Richard Shultz
Re: CSSB 278

March 29, 1984
Page 2

Instead, money received from the sale of these limited edition prints should be treated the same as money received from the sale of waterfowl stamps to the public. Section 4 of this bill expresses a legislative intent that a sum equal to the amount collected each year from the sale of waterfowl stamps to the public be appropriated to the department for the purposes listed in AS 16.04.130(b). This is what should be done with the limited edition prints, as well, to avoid the dedicated funds problem.

Therefore, to avoid an unconstitutional dedication of funds, CSSB 278 (RES) am should be amended as follows:

Page 1, line 16: delete "and limited edition prints"

Page 1, lines 26-27: delete "and sales of limited edition prints"

Page 2, lines 3 and 4: delete "and print"

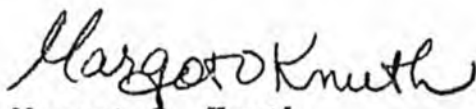
Page 2, lines 6-7 and 8: delete "and prints"

Page 2, lines 11 and 30: before "prints" insert "limited edition."

If you have any questions or comments, please do not hesitate to contact us.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By: 
Margot O. Knuth
Assistant Attorney General

MOK:dlm

Attachment

cc: Arthur H. Peterson

Estimated revenues and costs for a waterfowl conservation stamp/art print program

Income

1,350,000	Sales of 10,000 art prints @ \$135
50,000	Sales of stamps @ \$5.00 to accompany prints (publisher purchase)
85,000	Sales of stamps @ \$5.00 to 17,000 waterfowl hunters
25,000	Sales of stamps @ \$5.00 to 5,000 stamp collectors

1,510,000	Gross revenue
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Costs

1,050,000	Publisher costs for advertising, production, distribution, artist payment and profit (negotiable).
19,000	Dept. of Revenue appropriation for Additional Compensation to license vendors @ \$1.00/stamp for 17,000 hunters, and public announcements on licensing.
4,300	License vendor commission of \$0.25/stamp on 17,000 hunter stamps
10,000	Dept. of Fish and Game, and Administration staff and operations costs in coordination and contracting.

1,083,300	Subtotal
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40,000	Department of Fish and Game costs to manage a waterfowl art contest: publicity, receipt and handling of art, judging, return of unsuccessful entrants.
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1,123,300	Total Costs
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426,700	Net revenue without a contest
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386,700	Net revenue with a contest
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Potential Uses of Waterfowl Stamp Funds

1. Enhance outdoor education and waterfowl viewing opportunities on areas with intense public use, such as Potter Marsh, Mendenhall and Creamer's Field State Refuges.
2. Acquire public access and important wetland habitats associated with State Game Refuges and Critical Habitat Areas.
3. Evaluate habitat changes, enhancement opportunities and predation for dusky Canada geese on Copper River Delta.
4. Investigate duck and goose habitat requirements to guide resource development and Ducks Unlimited habitat enhancement projects.
5. Use radio telemetry to define Tule goose nesting grounds west of Cook Inlet.
6. Establish Canada goose population on Kodiak by transplant.
7. Establish snow goose colonies on the Seward Peninsula or North Slope.
8. Evaluate creation of a waterfowl hunting area on Delta Bison Range.
9. Provide guidance and funding of research projects for University of Alaska graduate students.

atory reports. — For SLA 1978 (HB 960), see §, p. 1154.

SB 278

incorporate the needs of subsistence users of fish and game. (§ 3 ch 151 SLA 1978)

Editor's notes. — As to legislative intent, see § 1, ch. 151, SLA 1978, in the 1978 Temporary and Special Acts and Resolves.

In a memorandum signed April 14, 1981, the governor approved the commis-

sioner's conferral of full division status on the section of subsistence hunting and fishing.

Legislative history reports. — For report on ch. 151, SLA 1978 (HB 960), see 1978 House Journal, p. 1154

Sec. 16.05.100. Fish and Game Fund established. There is created a revolving "Fish and Game Fund," which shall be used exclusively (1) to carry out the purposes and provisions of this chapter or other duties that may be delegated by the legislature to the commissioner or the department; and (2) to carry out such purposes and objectives within the scope of the chapter as may be directed by the donor of any such funds. (§ 17 art I ch 94 SLA 1959)

Opinions of attorney general. — The dedication under this section was created subsequent to the date of the ratification of the Alaska Constitution, art. IX, § 7; hence, there was no protection for the fund under the grandfather clause. However, the fund was protected by the fact that federal law requires dedication of fishing and hunting licenses. 1959 Op. Att'y Gen., No. 14.

The dedication of proceeds of fishing and hunting licenses to the operation of the Department of Fish and Game is required by federal law for participation in federal programs and is therefore authorized by § 7, art. IX, of the state constitution. November 30, 1982, Op. Att'y Gen.

Sec. 16.05.110. Composition of fund. The fish and game fund shall be made up of the following money and other money the legislature appropriates, which shall be deposited and retained in the fund until expended:

- (1) money received from the sale of state sport fishing, hunting, and trapping licenses and special permits;
- (2) proceeds received from the sale of furs, skins, and specimens taken by predator hunters and other employees;
- (3) money received in settlement of a claim or loss caused by damage to the fish and game resources of the state;
- (4) money received from federal, state, or other governmental unit, or from a private donor for fish and game purposes;
- (5) interest earned upon money in the fund;
- (6) money from any other source. (§ 17 art I ch 94 SLA 1959, am § 1 ch 41 SLA 1979)

Effect of amendments — The 1979 amendment substituted "state sport fishing, hunting, and trapping licenses" for "state sport fishing and hunting licenses" in paragraph (1).

discussion of constitutionality under § 7, art. IX, of the state constitution of dedication of interest income to Fish and Game Fund, see November 30, 1982, Op. Att'y Gen.

Opinions of attorney general. — For

Sec. 16.05.120. Disbursement of funds. Upon authorization of the commissioner, disbursements from the fish and game fund shall be paid by the proper state officer on presentation of vouchers signed by the commissioner or an authorized representative, and approved by the proper state officer. (§ 17 art 1 ch 94 SLA 1959)

Sec. 16.05.130. Diversion of funds prohibited. Funds accruing to the state from sport fishing, hunting, and trapping licenses or permit fees may not be diverted to a purpose other than the protection, propagation, investigation, and restoration of sport fish and game resources and the expenses of administering of the sport fish and game divisions of the department. (§ 18 art I ch 94 SLA 1959; am § 2 ch 41 SLA 1979)

Effect of amendments. — The 1979 amendment substituted "sport fishing, hunting, and trapping licenses" for "sport fishing and hunting licenses."

Opinions of attorney general. — The primary, if not the sole, purpose of this section is to make possible the procurement of federal matching money. A provision for nondiversion of funds is a condition precedent to obtaining federal

assistance under 16 U.S.C. §§ 669, 777. 1959 Op. Att'y Gen., No. 10.

A temporary use of money in the fish and game fund under particular circumstances, wherein repayment is to be made pursuant to a contract with the federal government, is not a diversion within the meaning of this section. 1959 Op. Att'y Gen., No. 10.

Sec. 16.05.140. Assent to provisions of federal aid acts. The state assents to the Federal Aid to Wildlife Restoration Act of September 2, 1937 (16 USC, 669-669j), to the Federal Aid in Fish Restoration Act of August 9, 1950 (16 USC, 777-777k), to any amendment, revision or modification of either act, and to any other federal aid act which may be enacted to benefit the state. It is desired that the department participate in the federal aid programs on the same basis as other states. (§ 20 art I ch 94 SLA 1959)

Sec. 16.05.150. Enforcement authority. The following persons are peace officers of the state and they shall enforce this chapter:

- (1) an employee of the department authorized by the commissioner;
- (2) a police officer in the state;
- (3) any other person authorized by the commissioner. (§ 21 art I ch 94 SLA 1959)

Opinions of attorney general. -- Where the military does not assign sufficient personnel to enforce fish and game laws on military reservations, state game officials as well might enforce them, possibly by deputizing state game officials as federal marshals, since 10 U.S.C. 2671(c) makes violation of state fish and game laws a federal offense. 1964 Op. Att'y Gen., No. 2.

Since state fish and game laws operate on a federal military reservation, not only

as federal law but also as state law, both the federal and state officers may enforce these laws. 1964 Op. Att'y Gen., No. 2.

State officers should have full access to military reservations in Alaska, subject to safety and military security requirements, to enforce laws and manage and harvest fish and game resources. 1964 Op. Att'y Gen., No. 2.

There is no provision in the Alaska Statutes or the Alaska Constitution which would operate to deprive the commissioner

of fish and game of his authority to deputize peace officers under this section. However there is nothing to prevent the governor, as a matter of state policy, from subjecting Department of Fish and Game personnel to the qualifications and standards adopted by the Alaska Police Standards Council under AS 18.65.130 — 18.65.290 or from otherwise limiting the commissioner's deputization power. March 29, 1977, Op. Att'y Gen.

Employees of the department and other persons authorized by the commissioner of

fish and game to act as peace officers under this section do not thereby acquire general peace officer authority to enforce all other state criminal laws, except where in enforcing this chapter and regulations promulgated thereunder, circumstances necessitate the exercise of additional law enforcement authority and then only to the extent necessary to enforce that chapter and regulations promulgated thereunder. September 18, 1977, Op. Att'y Gen.

NOTES TO DECISIONS

Applied in *Dye v. State*, Ct. App. Op. No. 125 (File No. 5599), 650 P.2d 418 (1982).

Cited in *Ahmaogak v. State*, Sup. Ct. Op. No. 1857 (File No. 4171), 595 P.2d 985 (1979).

Sec. 16.05.160. Duty to arrest. Each peace officer designated in AS 16.05.150 shall arrest a person violating this chapter, or any regulation made under this chapter, in the peace officer's presence or view, and shall take the person immediately for examination or trial before an officer or court of competent jurisdiction. (§ 21 art I ch 94 SLA 1959)

NOTES TO DECISIONS

Cited in *Schuster v. State*, Sup. Ct. Op. No. 1305 (File No. 2911), 553 P.2d 925 (1976).

Sec. 16.05.170. Power to execute warrant. Each peace officer designated in AS 16.05.150 may execute a warrant or other process issued by an officer or court of competent jurisdiction for the enforcement of this chapter, and may, with a search warrant, search any place at any time. The judge of a court having jurisdiction may, upon proper oath or affirmation showing probable cause, issue a warrant in all cases. (§ 21 art I ch 94 SLA 1959)

Sec. 16.05.180. Power to search without warrant. Each peace officer designated in AS 16.05.150 may without a warrant search any thing or place if the search is reasonable or is not protected from searches and seizures without warrant within the meaning of art. I, sec. 14, Alaska State Constitution, which specifically enumerates "persons, houses and other property, papers and effects." However, before a search without warrant is made a signed written statement by the person making the search shall be submitted to the person in control of the property or object to be searched, stating the reason the search is being conducted. A written receipt shall be given by the

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January 28, 1983

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POSITION PAPER on legislation requiring the Alaska Department of Revenue to collect wholesale price data from Salmon Processors for canned salmon (and other processed forms of salmon) originating in Alaskan jurisdiction.

From: AIFMA COOP., of Naknek, Alaska.

As AIFMA is a Cooperative Marketing Group of Bristol Bay Gillnetters and comprise the single largest such group in Bristol Bay (probably the state); and that the size of the Bristol Bay Red Salmon Production is equal to or larger than the combined total production of red salmon in the rest of Alaska; the ex-vessel price in Bristol Bay will set the standard for red salmon prices elsewhere. Further, the economic value to the state is of such a magnitude that it is in the interest of the State to promote an orderly harvest of the resource. Additionally, because of the price disputes resulting from last minute bargaining tactics of the processors, Bristol Bay has been plagued, in recent years, by lengthy price disputes which have resulted in a under-harvest of the fish and thus an economic loss to the citizens of the State.

It is therefore, held by AIFMA COOP., that the State of Alaska should, in its' best interest, legislate to accommodate the conditions of the price settlement which AIFMA and Nelbro Packing Company arrived at on December 1, 1983 for the Red Salmon Seasons of 1983, 1984, 1985. This agreement appears to have set the standard for settlement with other processors in Bristol Bay and has generated interest in other Alaska Salmon Fisheries.

The key point is for a law to require the Alaska Fish Processors to report to the state their wholesale prices for canned salmon; for a period from August 1 of each year to March 15 of the following year. The length of time of this period is essential in order to obtain statistically significant data, which can be used to base the ex-vessel price. The reporting period under the old law only covered approximately 20% or so of the actual wholesale transactions and was subject to much speculation concerning manipulation of the price. The longer reporting period should, by historic standards cover approximately 55% of the wholesale sales and thus significantly reduce the possibility of market manipulation.

Assuming that the data generated by this legislation is the key to future price settlements throughout Alaska Salmon Fisheries, this