

2848

SRES

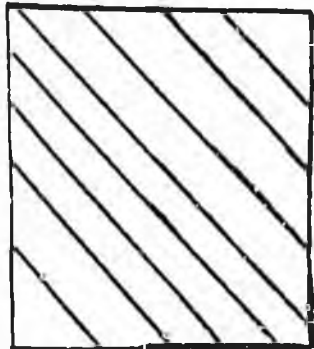
SB

289

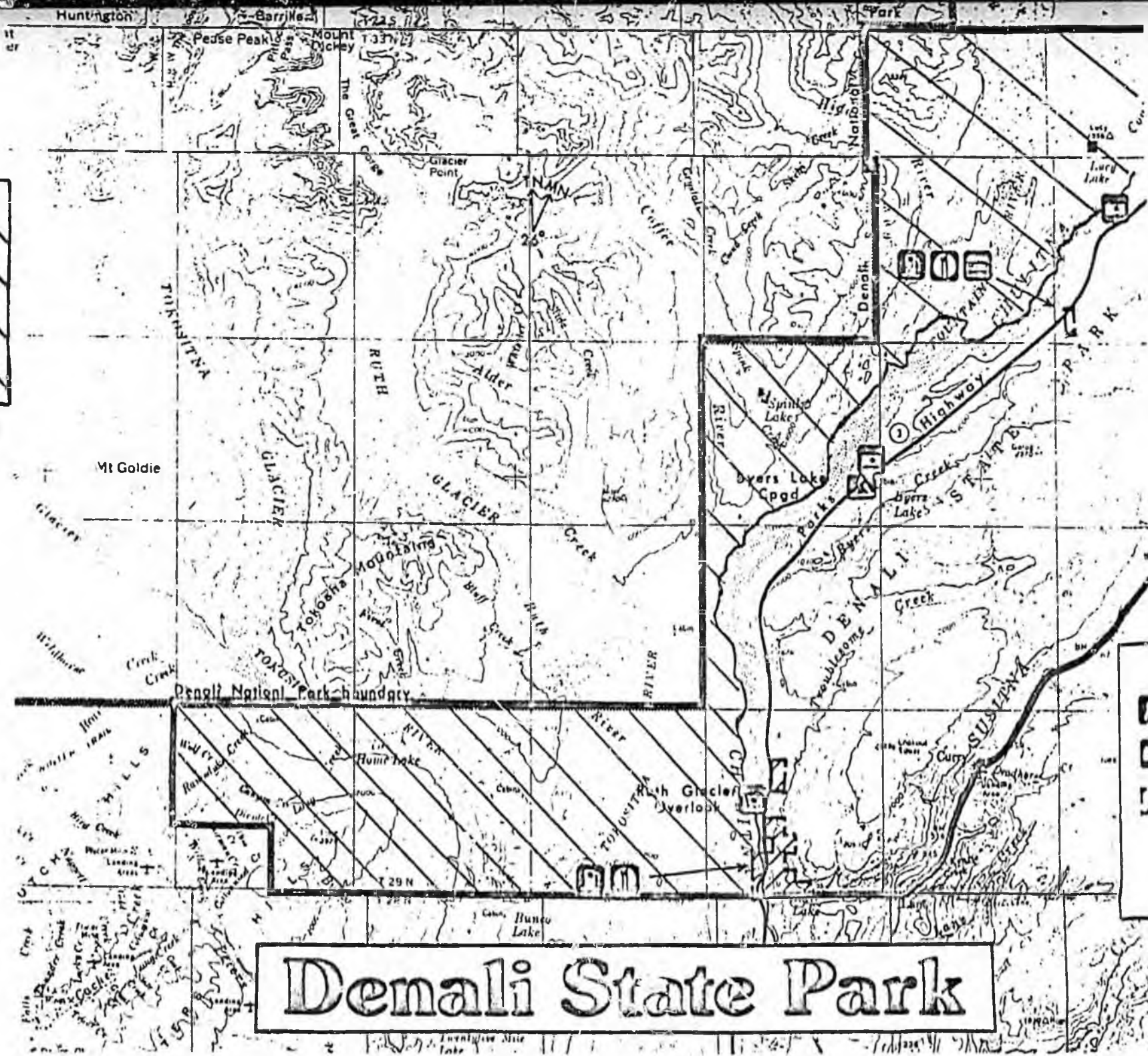
-

SB

301



PROPOSED AREA FOR  
OPENING TO DISCHARGE  
OF FIREARMS



# Denali State Park



# Ombudsman

John B. Chensweth

State of Alaska

August 16, 1982

Darryl Sanford  
SR Box 30318  
Fairbanks, Alaska 99701

RE: Ombudsman Complaints F81-1046 and A82-0534

Reply to:

- 340 K Street, Room 203  
Anchorage, Alaska 99501  
(907) 276-4011
- Pouch W0  
Juneau, Alaska 99811  
(907) 465-4970
- P.O. Box 74358  
Fairbanks, Alaska 99707  
(907) 452-4001

Dear Mr. Sanford:

Complaint F81-1046 concerned firearm discharge regulations in Denali State Park. Complaint A82-0534 is a subsequent, related, complaint.

I have received the following in response to recommendations resulting from investigation of your complaint, F81-1046: (1) Fish and Game Commissioner Ronald Skoog's February 19, 1982 letter; (2) former division of parks director Chip Dennerlein's April 16, 1982 letter; and (3) division of parks chief of operations Sandy Rabinowitch's July 28, 1982 letter.

Commissioner Skoog reported that his department would make serious efforts to more adequately warn the hunting public of the need to check elsewhere (other than the game management map or regulation booklet) for hunting or firearm discharge controls by other agencies. He said that the next issues of the regulations booklet and hunting map would carry warnings to hunters that some land ownership jurisdictions affecting access or use of firearms are not portrayed or mentioned. These publications will also advise hunters to contact these jurisdictions, particularly state parks.

In his April 16 letter to ombudsman assistant Robert Walton, Mr. Dennerlein said the division of parks had taken a number of steps to clarify the "profound confusion" concerning firearm discharge in the state parks. He also agreed with my February 8 findings that there is a need to properly codify hunting and firearms discharge regulations. He said the attorney general had prepared draft regulations correcting the situation.

In his July 28 letter, Mr. Rabinowitch said that the division of parks has posted 11 AAC 12.190 on every bulletin board in Denali State Park, and that press releases will be issued prior to hunting season explaining the existing regulations. He also indicated that the division is working with the Department of Fish and Game in the "Denali Task Force" to present a proposal for the management of game species in Denali State Park to the Board of Game at its next annual meeting. The

DAW TMM  
ADF & G

August 16, 1982

division expects to publish a brochure illustrating the areas of the park open to hunting. Mr. Rabinowitch also mentioned that new regulations are moving forward, although not as fast as anticipated.

Due to these actions, the files in these matters have been closed as partially rectified; I will consider them to be rectified after the Alaska Administrative Code has been clarified with respect to firearms discharge in state parks. If you have any questions, please contact Mr. Walton in Fairbanks.

Sincerely,

A handwritten signature in black ink, appearing to read "John B. Chenoweth", with a long horizontal flourish extending to the right.

John B. Chenoweth  
Ombudsman

JBC:RGW:tmg

S

B

2

9

2

IDENTIFICATION:

BILL NUMBER: SB 292

BILL NAME: Emergency loans for certain miners.

SPONSOR(S): Fahrenkamp

RELATED BILLS PENDING: HB 392

DATE INTRODUCED: 5-9-83

REFERRALS: Resources  
France

INITIAL RESEARCH:

BILL SUMMARY COMPLETED:

SUMMARY BY LEGAL DIVISION:

SPONSOR CONTACTED FOR  
BACKUP MATERIALS:

DEPT. OF LAW SUMMARY:

AGENCY RESPONSE:

FISCAL NOTE:

OTHER INTERESTED SENATORS OR  
REPS. NOTIFIED:

*Withdrawn  
by sponsor*

BACKGROUND RESEARCH:

SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES:

RESPONSES FROM INTERESTED PERSONS/GROUPS:

OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, LAWS:

HEARING PREPARATION:

CHAIRMAN BRIEFED:

DATE AND PLACE SET:

STAFF MEMO TO COMMITTEE:

TELECONFERENCE:

BACKGROUND MATERIAL DISTRIBUTED:

PSA/PRESS RELEASE:

LIST OF WITNESSES:

SUGGESTED AMENDMENTS/COMMITTEE  
SUBSTITUTES DRAFTED:

# STATE OF ALASKA

Bill Sheffield, Governor

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

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

May 3, 1983

Ms. Leah Madonna  
Alaskan Prospectors & Geologists Supply  
504 College Road  
Fairbanks, AK 99701

Re: Delta Smelting & Refining,  
Inc. (Fairbanks) and Delta  
Refining (Richmond, B.C.)

Dear Ms. Madonna:

Your letters of April 20, 1983 to the Attorney General and April 21, 1983 to Governor Sheffield have been referred to me for response. I have discussed this matter at length with people in the Alaska Division of Securities, the Governor's Office and the Attorney General's office, particularly the Consumer Protection Section, and you should be aware that we all recognize and sympathize with the nature and extent of your problems with these companies.

You initially indicate that it is your belief that the State, by permitting Delta Smelting & Refining, Inc. to incorporate and operate in Alaska, has somehow made itself a party to the problem. It should be pointed out, however, that under Alaska law, the State neither approves nor disapproves of a corporation's activities when it permits the corporation to do business, and the incorporation process is merely a method of assuring that the State can identify companies for such purposes as collecting taxes. As a general rule, when private citizens have problems with a particular corporation, it is neither the duty nor responsibility of the State to step in, because that is simply a private matter between the parties.

Our staff is currently conducting an investigation to determine whether Delta Smelting and Refining has any assets remaining in Alaska. If it appears there are no assets available, then any action in the Alaskan courts would obviously be futile. If such is the case, the only recourse would be for creditors to hire a Canadian attorney to represent their interests in the Canadian bankruptcy proceeding.

On the other hand, if there are assets remaining in Alaska, the State will then decide whether it will proceed,

taking into consideration such factors as the number of parties involved, the extent of the harm, the nature of the alleged wrong, the likelihood of success, and primarily the interest of the public which is to be protected. However, if a decision is made for the State to intervene, it would be done on behalf of the public, not the individual investors, who would be responsible for protecting their own interests, presumably through private counsel.

Therefore, whether the State decides to intervene or not, we strongly urge you to employ a private attorney. Were the State to attempt to intervene in this case, the best it could hope for would be a freezing of the assets of the Alaskan corporation. Presumably, creditors of the corporation could seek and obtain the same result through private action for either a temporary restraining order/injunction or through involuntary bankruptcy. Thus, the private individuals are in an equal position with the State, and assuming that there are no overriding public interests at stake, this is a private matter, and it would be more appropriate for the private investors to bring their own personal action rather than use state resources.

Finally, the principal problem appears to be with the Canadian corporation rather than the Alaskan corporation. In that the Canadian corporation has filed bankruptcy under Canadian law, this appears to be a problem for the Canadian courts to resolve. We have discussed this matter with the Superintendent of Brokers, the equivalent of the U.S. Securities and Exchange Commission, in Vancouver, and he has agreed to keep our Securities Division informed of developments in the case. Furthermore, it is his understanding that the Canadian bankruptcy laws are similar to those of the United States, and therefore there should be little risk of the Canadian bankruptcy action removing assets from the Alaskan company. You may wish to contact the Vancouver Superintendent of Brokers' office for further information.

We have also learned that Delta Refining has other subsidiaries in Hawaii, California and the Yukon Territory. At present, we are aware of no action being taken by or on behalf of any of these subsidiaries, indicating that they believe the Canadian bankruptcy proceeding will adequately protect their rights.

I am sorry that we cannot be of further assistance to you. Be assured, however, that should we learn anything further through our ongoing investigation, or should future information indicate that state intervention would be appropriate, the State

Mrs. Leah Madonna

May 3, 1983  
Page 3

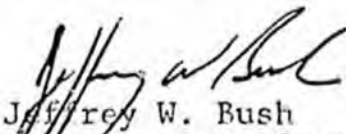
is prepared to reassess its position.

Please feel free to contact me if you wish to discuss this further.

Sincerely yours,

NORMAN C. CORSUCH  
ATTORNEY GENERAL

By:

  
Jeffrey W. Bush  
Assistant Attorney General

JWB:aja

cc: Honorable Bill Sheffield  
Governor

Honorable Bettye Fahrenkamp ✓  
Senator

Honorable Don Bennett  
Senator

Ed Watkins  
Division of Banking & Securities

Connie Sipe  
Assistant Attorney General  
Chief, Division of Consumer Protection  
Anchorage

D. Rebecca Snow  
Assistant Attorney General  
Fairbanks

DEPARTMENT OF COMMERCE &  
ECONOMIC DEVELOPMENT

POUCH D  
JUNEAU, ALASKA 99811  
PHONE: 465-2500

OFFICE OF THE COMMISSIONER

DIVISION OF INVESTMENTS--465-2510

May 10, 1983

Honorable Robert H. Bettisworth  
Alaska House of Representatives  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

SB 292  
withdrawn 5-11-83

Dear Representative Bettisworth:

Thank you for the opportunity to discuss alternatives to HB 392 which would provide emergency operating funds to certain miners.

As discussed with Steve Frank of your office, these mining loans can already be made under existing statutes with the following exceptions:

1. There is virtually no limit on the loan value,
2. collateral is required, and
3. five years' mining/prospecting experience is required.

I believe the intent of your bill is to ensure that operating capital is made available to qualified/affected miners in an expeditious manner.

As stated earlier, I believe the vehicle to do this already exists under current statutes. In addition, I have directed our Fairbanks office to assign a priority to the processing of these loans consistent with the intent of your bill and with the exceptions noted above.

I am also extending loan approval up to \$25,000 to our Fairbanks office for these specific mining loans. This will preclude convening a loan committee and should expedite the loan process. I believe we can process loans under these circumstances within one to two weeks. In addition, at the request of Commissioner Lyon, we intend to publish newspaper ads alerting affected individuals to the services provided by all our regional offices and, in particular, our Fairbanks office.

Honorable Bettisworth

-2-

May 10, 1983

I would like to express my appreciation to you for bringing this sensitive issue to our attention. If I can be of further assistance in this matter, please do not hesitate to contact me.

Sincerely,



Paul B. Arnoldt  
Director

PBA/va1E32

cc: Richard A. Lyon, Commissioner

SB 292

RELATING TO EMERGENCY LOANS FOR CERTAIN MINERS.

SPONSOR: FAHRENKAMP

---

Would allow the Department of Commerce to make emergency loans from the mining loan fund to eligible miners that have entrusted gold, silver, or platinum to Delta Smelting and Refining Co., Ltd. and are unable to obtain the return of the precious metal or reimbursement for its full value.

The loan shall be for operating capital for the 1983 season and must be repaid with accrued interest (annual rate of 10%, compatible with other loans from the mining loan fund) before January 1, 1984. The loan may be from \$1,000 - \$25,000, but may not exceed the value of the metal entrusted to Delta Smelting. Only one loan per miner is allowed; collateral may not be required.

To be eligible for a loan under this section, a miner must be a resident, hold a state mining license, be engaged in mining in the state, and have a working interest in a mine in the state.

Department may adopt regulations<sup>to</sup> implement this section. These regs. are not subject to the Administrative Procedure Act.

This is a direct response to the bankruptcy of Delta Smelting in Fairbanks. The following information is from Dan Barrett of Delta Smelting/Steve Frank of Bettisworth's office:

\$2.3 million in Alaskan names.

140 claims, 100 over \$1,000

80 less than \$25,000

12 between 25,000 and \$50,000

3 between \$50,000 and \$100,000

5 over \$100,000: Au Placer, Inc., Little Creek Mining,

Richard Wilmarth, R.E. Frith, Charles Stent

The Department of Law is currently conducting an investigation to determine whether Delta Smelting and Refining has any assets remaining in Alaska.

5-10-83 Steve Frank: amendment to include collateral

1100 dozen points short of its record close of 1,226.20 last Friday. But new highs were established by such other measures as the Dow Jones average of 20 transportation stocks, up 16.20 at 547.57; the New York Stock Exchange composite index, up .64 at 34.40, and the American Stock Exchange market value index, up 6.72 at 436.81.

### Chrysler to pay debts early

DETROIT — Chrysler Corp. said Thursday that it would pay back \$400 million in federally guaranteed loans next month, seven years ahead of schedule. The announcement triggered a demand by a top United Auto Workers official that contract talks be reopened so Chrysler workers can receive an immediate pay increase. The current labor agreement between Chrysler and the union does not expire until January. But a UAW officer said Chrysler's return to profitability, as reflected in the early loan repayment, justifies a re-opening of the agreement.

### Execs bullish on economy

NEW YORK — Business executives are increasingly confident that the recession is over and that a sustained recovery is under way, a survey said Thursday. Of the 602 executives interviewed by Louis Harris and Associates, a public opinion firm, 77 percent said they expected a "modest" recovery in the next 12 months. Twenty-one percent said they expected a "solid" recovery, the survey said. Only 2 percent foresaw no recovery or a deterioration of economic conditions. Louis Harris, whose firm conducted the survey for InterNorth Inc., told a news conference that 83 percent of the executives polled last December had expected a modest recovery in 1983 and 5 percent expected a solid recovery.

### Judge delays 'milk tax'

COLUMBIA, S.C. — A federal judge Thursday temporarily barred the government from collecting 50 cents for every hundred pounds of milk produced by the nation's farmers. U.S. District Judge Matthew Perry said the injunction will remain in effect until May 25, when he will issue a final opinion on the case filed by the state of South Carolina and seven dairy groups against U.S. Agriculture Secretary John Block. USDA had planned to start charging the country's 250,000 dairy farmers on Sunday. Congress empowered Block to impose the fee to make dairy farmers help pay for government purchases of surplus milk.

### Rich rancher sues Seafirst

SAN ANTONIO, Texas — Clinton Manges, a wealthy south Texas rancher, filed a countersuit in state court against Seattle-First National Bank, seeking \$1.5 billion in damages for a dispute over \$40 million in loans. Manges' filed his suit after Seattle-First National Bank filed a \$100 million suit in federal court Wednesday contending the rancher had defaulted on the loans. The millionaire rancher charged the bank with "misappropriation of funds, improper banking practices, slander and libel."

### AMC to launch China venture

PEKING — American Motors Corp. signed a contract Thursday to establish the first automotive joint venture in China, a move

time Turpin leaves office in September.

Beckwith, a four-year resident of Alaska, retired last year as Alaskan Air Command chief for engineering. Turpin said Beckwith has been "a very active member of the chamber" and served on the group's energy committee.

Waters, a former chamber president who now serves as executive



Wayne Beckwith has been Anchorage Chamber of Commerce

vice president, will begin work establishing an economic development unit of the chamber. Turpin said this could grow into "a n

# Alaska miners hit by Canada smelter default

By ROBERTA GRAHAM  
Daily News business reporter

5/1/83

A Canadian smelting firm was forced into bankruptcy Thursday after an overwhelming majority of creditors — including as many as 300 Alaska miners — voted down the company's plan to reorganize its debts.

The fate of Delta Smelting and Refining Co. Ltd., Richmond, British Columbia, and its Alaska smelting subsidiary in Fairbanks, concerns smaller miners in the state who have \$1 million to \$2.4 million in precious metals on deposit.

Company President David Seed said a run on metal withdrawals by depositors forced the firm to file for bankruptcy.

Tony Liebert, of Campbell Sharp Ltd., Vancouver, and the smelting firm's trustee, said Delta Smelting had between \$500,000 and \$600,000 in its vaults but demand for money exceeded \$3 million.

He said an investigation was launched at the federal and provincial level immediately after the vote to reject the plan to determine if the company violated securities laws.

Liebert said the Royal Canadian Mounted Police Commercial Crime section, and the federal and provincial Departments of Consumer and Corporate Affairs will begin investigating Seed and other company officials to determine whether:

- the company deposited clients' precious metals into a Swiss bank account;
- corporate auditors were negligent; or
- employee bonding rules were violated.

Under Canadian law, creditors must vote to approve a plan before a company is allowed to reorganize its debts. Delta Smelting filed its reorganization proposal — which called for some of its debts to be forgiven — on April 1. Creditors met Wednesday to vote on the reorganization plan.

Liebert said any plan to reorganize — under Canadian law — must pass by a simple majority vote and by 75 percent of the dollar value held by creditors.

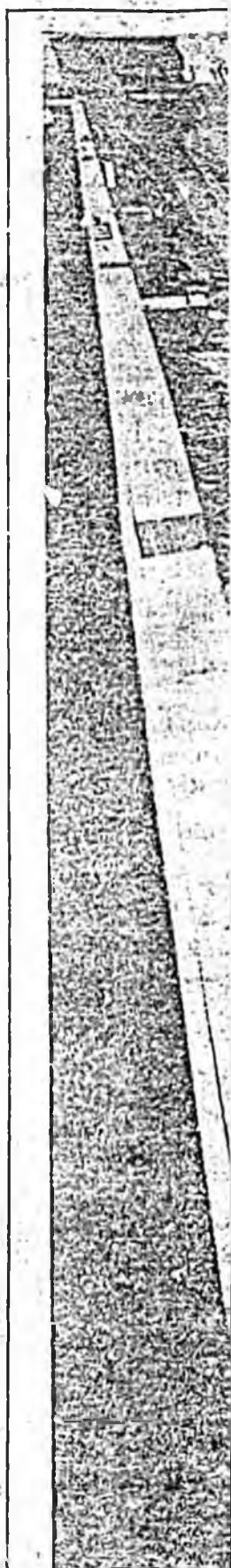
When the votes were tallied, he said, the plan had won the simple majority vote with 479 creditors voting to accept it and 399 voting to reject it. But the plan failed the second test when those holding \$6.65 million rejected it and those with \$2.85 million voted to accept it.

"There were between 400 and 450 people there to testify ... and almost every speaker spoke against the plan," Liebert said. "There were a lot of angry miners there."

"As a result of the vote, we've seized the plant. We'll be winding down operations and looking for a buyer," he said.

The next step will be to investigate corporate

See Page B-9, SMELTER



### Getting in

Leonard Wagner story, \$8 million for completion in Highway at 36th

In February, Agriculture Secretary John Block said a plan would be ready within several weeks. But when a Senate Natural Resources Subcommittee took up the issue less than two weeks ago, Crowell did not appear because no decision had been reached.

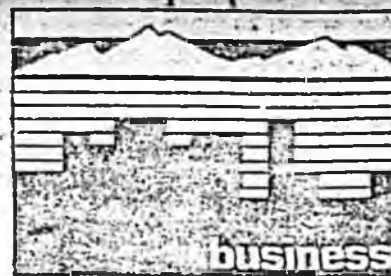
That prompted Sen. Mark Hatfield, R-Ore., and others to blast President Reagan for insensitivity to the economic plight of a region he visited only weeks earlier and pledged to help.

At issue is an economic crisis in Washington, Oregon, California and northern Idaho resulting from the large num-

ber of unprofitable contracts for national forest timber. Those states provide more than half the softwood lumber used in American home construction every year.

When the bottom dropped out of the housing market three years ago, lumber companies in the region, having bid premium prices for the right to federal timber during the frenzied days of the late 1970s building boom, were left holding contracts they could no longer afford to fulfill.

The situation has tied up as much as 16.6 billion board feet of federal timber worth more than \$5 billion and is forcing many of the companies holding those high-priced



contracts to the brink of bankruptcy.

Officials in and out of government acknowledge that if the companies are forced to live up to their contracts, they would be driven out of business and the government left with no revenue from the defaulted contracts.

Congress has been talking about the problem for more

tion  
sim  
pen  
com  
T  
min  
is to  
Cro  
com  
at ti  
B  
sult  
of tl  
cont  
Cro  
mon  
tion  
plan  
coul  
orig  
nate  
tract

## Smelter

Continued from Page B-9

rate proceedings and determine the fate of the company's subsidiary, including the Fairbanks smelting outlet.

Dan Barrett, Fairbanks regional manager, was still in Vancouver and could not be reached for comment.

Sandra Thomas, Delta Smelting's agent in Anchorage, said she was unaware of the vote and declined to comment on the fate of the local office.

But Liebert said it is unlikely that unsecured creditors will recoup more than 10 cents on the dollar invested.

"There's about \$500,000 to \$600,000 in precious metals in the company's vault right now. And there are \$3 million plus in claims against it. Whether the creditors ever get their money back is the question," he said.

Owners of several larger Alaska mining operations said they became suspicious of Delta's operations and decided to pull out the metals they had on deposit.

But hundreds of independent gold miners may be left with nothing, leaving them out in the cold during the 1983 mining season, Liebert said.

manufacturing the finest  
one troy ounce 999.9  
pure gold bars refined  
from Alaska placer  
gold. Available to you  
directly from the refinery.  
No intermediaries.  
No markups.

**Pure Gold  
Pure Alaskan.**

**Oxford**  
Gold and Silver Mining Co.

For information on the quality of our products  
and prices, call 1-800-451-2222.

C  
S  
V  
C  
V



### OPEN BURN PERIOD FOR SPRING CLEAN-UP ANNOUNCED

Open burning for the disposal of small quantities of grass, leaves, weeds and other organic debris will be allowed during a ten (10) day period from May 6, 1983 to May 15, 1983, within the Anchorage Bowl area only. The burn period days are subject to daily approval by both the Anchorage Air Pollution Control Agency and the Anchorage Fire Department.

Hours allowed for open burning will be during daylight hours only.

Burn permits will be required from the Anchorage Fire Department and are available by telephone. The number to call

STATE OF ALASKA  
FISCAL NOTE

Revision Date 1983

I. REQUEST

Bill/Resolution No.: HB 392  
Title: Emergency Loans for Certain Miners  
Sponsor: Representative Bettisworth  
Requestor: \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected: Commerce & Econ. Development  
Program Category Affected: Development  
BRU, Program of Subprogram(s) Affected: \_\_\_\_\_  
Division of Investments

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

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

IV. ANALYSIS: Attach a separate page for analysis

Prepared By: Paul B. Arnoldt Director Phone: 465-2510  
Division: Investments Date: 5/6/83  
Approved by Commissioner: Richard A. Lyon Date: 5/9/83 465-2500  
Department: Commerce & Economic Development

Distribution:

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

FOR: Rep. Bob Bettisworth  
BY: Steve Frank

*not guaranteeing loss -  
took a risk*

WORKING NOTES

EMERGENCY WORKING CAPITAL MINING LOAN PROGRAM

A. QUALIFICATIONS

1. Residents of State of Alaska, Partnerships and Corporations 51% owned by residents.
2. Miner or Mining Company verified by signed affidavit (Notorized) showing location of Mine, and how long they have been there, and signed by one witness.
3. Credit verification.

B. LOAN AMOUNT

100% of amount claimed as a creditor to Delta Smelting & Refining Company, Ltd. Not to exceed \$25,000 and not less than \$1000. (amount must be verified by the list prepared by the trustee in bankruptcy).

C. LOAN PURPOSE - WORKING CAPITAL

1. Repayment principal and interest by 12-31-83.
2. Interest rate - 10% per annum.

*to allow miners \$ to  
get back in field  
this summer*

D. COLLATERAL - NOT REQUIRED

E. SHOW INTENT FOR MINING THIS SEASON

Dan Barrett of Delta Smelting recognized \$2.3 million in Alaskan names. Total should be between \$2.5 and \$3 million. Canadian Dollars.

About 140 claims.

About 100 over \$1,000.00.

80 less than \$25,000.00.

12 between \$25,000.00 and \$50,000.00. 3 between \$50,000.00 and \$100,000.00,  
5 over \$100,000.00.

CLAIMS OVER \$100,000.00

1. Au Placer, Inc.	293M
2. Little Creek Mining	174M
3. Richard Wilmarth	103M
4. Mr. & Mrs. R.E. Frith	109M
5. Charles E. Stout	<u>111M</u>
	790M

*- introduced 4-29-83  
- referred Special Loan Comm.  
& Finance  
- 1st hearing Mon 5-9-83  
5 pm*

REP. BETTISWORTH

HB 392

This Bill is designed to loan temporary operating funds to Miners adversely impacted by the recent bankruptcy of Delta Smelting & Refining Co., Ltd. Many Miners and Mining Companies had gold on deposit and will not be able to resume mining this Spring without a simple, quick source of operating capital. Use of proceeds will be limited to fuel and other supplies necessary to begin this season's mining operations. Equipment and other long term investment will not be eligible for loan funds.

The Bill is designed to provide a simple application process that will be quick and uncumbersome. Time is of the essence, due to the short mining season.

1 IN THE HOUSE

BY BETTISWORTH

2

HOUSE BILL NO. 392

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to emergency loans for certain  
miners; and providing for an effective date."

7

8

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

9

\* Section 1. EMERGENCY LOANS FOR MINERS. (a) In addition to loans  
that may be made under AS 27.09, the Department of Commerce and Economic  
Development may make an emergency loan from the mining loan fund (AS 27.-  
09.010) to an eligible miner or mining business that has entrusted precious  
metal to the Delta Smelting and Refining Company, Ltd., and is unable to  
obtain the return of the precious metal or reimbursement for the full value  
of the precious metal. The emergency loan shall be for the purpose of  
providing operating capital for the miner or mining business in 1983.

16

17

(b) To be eligible for a loan under this section a miner or mining  
business must

18

19

(1) be a resident of the state or a partnership or corporation  
in which a controlling interest is owned by residents of the state;

20

21

(2) hold a state mining license under AS 43.65.010;

22

(3) be engaged in mining in the state; and

23

(4) have a working interest in a mine or mining claim in the

24

state.

25

(c) A loan made under this section

26

(1) may not be for less than \$1,000;

27

(2) may not exceed the value of the precious metal entrusted to

28

the Delta Smelting and Refining Company, Ltd. or \$25,000, whichever is  
less;

29

1 (3) shall bear annual interest at the rate of 10 percent; and

2 (4) must be repaid with accrued interest before January 1, 1984.

3 (d) An eligible miner or mining business may not receive more than  
4 one loan under this section.

5 (e) Collateral or other security <sup>will</sup> [may not] be required for a loan made  
6 under this section.

7 (f) A miner or a mining business that applies for a loan under this  
8 section shall submit an application on a form prepared by the department.  
9 The application shall include

10 (1) a signed and notarized affidavit verifying eligibility for  
11 the loan;

12 (2) the signature of a person who attests to the applicant's  
13 eligibility for the loan and the applicant's intent to use the loan money  
14 for mining in 1983;

15 (3) proof of the value of the applicant's precious metal that  
16 was entrusted to the Delta Smelting and Refining Company, Ltd.; and

17 (4) a statement of the applicant's assets and liabilities.

18 (g) The Department of Commerce and Economic Development may adopt  
19 regulations to implement the provisions of this section. Regulations  
20 adopted under this subsection are not subject to the requirements of the  
21 Administrative Procedure Act (AS 44.62).

22 (h) In this section "precious metal" includes gold, silver, and  
23 platinum.

24 \* Sec. 3. This Act takes effect immediately in accordance with AS C.L.-  
25 10.070(c).

S B

297

SB 297

ESTABLISHING THE LAND CLEARING ACCOUNT IN THE AGRICULTURAL  
REVOLVING LOAN FUND.

SPONSOR: MOSS

---

Establishes a land clearing account within the agricultural revolving loan fund. Loans for clearing land are allowed under the current statute - \$250,000 limit, 8%, maximum 20 year term, Class I-III soils.

SB 298

MAKING A CONTINUING APPROPRIATION OF REPAYMENTS OF THE PRINCIPAL AND INTEREST ON LOANS MADE BY THE ALASKA AGRICULTURAL ACTION COUNCIL FOR LAND CLEARING TO THE LAND CLEARING ACCOUNT IN THE AGRICULTURAL REVOLVING LOAN FUND.

SPONSOR: MOSS

---

Would allow for repayments of principal and interest paid on land clearing loans to the land clearing account. Intent is to remove need for annual legislative appropriations for agriculture.

~~Since loans for land clearing are currently made under the ARLF, wouldn't the principal and interest be automatically returned?~~

# Alaska State Legislature

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



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

## Senate Committee on Resources

### MINUTES

March 21, 1984  
3:16 pm

Senate Finance  
Fifth floor, Capitol

---

### MEMBERS PRESENT

Senator Fahrenkamp, Chairman  
Senator Ziegler, Vice Chairman  
Senator Paul Fischer  
Senator Vic Fischer  
Senator Mulcahy  
Senator Sturgulewski  
Senator Gilman (Subcommittee on Fisheries)

---

### CALENDAR

SB 297, An Act establishing the land clearing account in the agricultural revolving loan fund; and providing for an effective date.

SB 298, An Act making a continuing appropriation of repayments of the principal and interest on loans made by the Alaska Agricultural Action Council for land clearing to the land clearing account in the agricultural revolving loan fund; and providing for an effective date.

SB 417, An Act establishing the Kenai River Special Management Area.

---

### SB 417

Esther Wunnicke, Commissioner, Department of Natural Resources, explained that this bill is the result of recommendations made by the Kenai River Task Force and Legislative Resolve #26, and is supported by the Department as an important step in solving the problems on the Kenai River.

Neil Johannsen, Director, Division of Parks, Department of Natural Resources, explained that the Committee Substitute is the result of meetings with interest groups, property owners, the Kenai Peninsula Borough, and the Kenai legislative delegation. It attempts to solve the problems of conflicting user groups and consolidates management of the area under the Division of Parks.

Senator Mulcahy moved to adopt CS SB 417. There was no objection.

Senator Gilman reviewed the testimony given at the Subcommittee on Fisheries hearings held in Kenai on March 2nd and in Anchorage on March 3rd. He introduced a proposed letter of intent clarifying how the management plan would be developed.

Thomas Boedeker, Attorney for the Kenai Peninsula Borough, spoke in support of the bill as it allows for significant local input.

Bob Sizemore, Alaska Environmental Lobby, Kenai, spoke in support of the bill, but urged more efforts be made to control bank erosion and pesticide use, and to provide for more public involvement.

Senator Mulcahy moved to adopt the letter of intent for CS SB 417 and to move CS SB 417 from committee with individual recommendations. There was no objection.

SB 297

SB 298

Senator Moss introduced members of the Delta II Agricultural Project delegation and explained that legislation is being drafted that would support successful farmers by granting a delay in land payments to those with crops in production.

Charles Trowbridge, Delta II farmer, testified that the farmers are just asking for some "breathing room" on their land payments, and feel they will be successful without further state financing. He discussed their progress in marketing grain in-state.

Dick Jensen, Delta II farmer, felt that many loans had been made to inexperienced farmers.

Sharon Barton, Special Assistant to the Commissioner of Natural Resources, spoke in support of SB 297 and SB 298.

Senator Paul Fischer moved SB 297 and SB 298 from committee with individual recommendations. There was no objection.

The meeting adjourned at 4:14 pm.

## QUESTIONS AND ANSWERS

1. Isn't there already a provision for land clearing loans within the Agricultural Revolving Loan Fund?

Clearing loans may be obtained through the ARLF for amounts up to \$250,000. The maximum term for these clearing loans is seven years which, in terms of farm loans, is relatively short term. The AAAC land clearing loans have 40 year terms. The short term nature of this loan puts a pressure on the farmers at the onset of their farm development.

2. How many farmers will be affected by this bill?

Actually, the agricultural project farmers who already have clearing loans will not be affected at all. They will pay back their loans by the same contractual agreements, whether to the AAAC or the ARLF. The small tract farmer will be the most affected, as previously there was no commitment of funds for land clearing available to them.

3. How much money is currently committed to land clearing loans through the AAAC for the large agricultural projects?

Funds to the new land clearing account would come from the payment of clearing loans from 22 tracts at the Delta I project, 15 tracts at the Delta II project, and 32 tracts at Point McKenzie. The combined amounts of funds appropriated for land clearing has a maximum figure of approximately \$17 million.

4. What are small tract farms?

There are more farmers on small tracts in Alaska than on the larger agricultural projects. Small tracts are made available through state disposal by auction or lottery through the Division of Land Management. Most of these tracts are about 160 acres within a size range of 40 to 640 acres.

5. When will funds become available for land clearing loans in the separate land clearing account?

As money comes in on the payments of clearing loans administered by the AAAC to the agricultural projects, it will become available for recycling to land clearing loans through the clearing loan account in the ARLF. It is the intent of these bills to set up a system for continuing the availability of clearing loans for farmers of the state, without the need for additional appropriations from the state.

S

B

2

9

8

SB 298

AN ACT MAKING A CONTINUING APPROPRIATION OF REPAYMENTS OF THE PRINCIPAL AND INTEREST ON LOANS MADE BY THE ALASKA AGRICULTURAL ACTION COUNCIL FOR LAND CLEARING TO THE LAND CLEARING ACCOUNT IN THE AGRICULTURAL REVOLVING LOAN FUND; REAPPROPRIATING MONEY APPROPRIATED TO THE ALASKA AGRICULTURAL ACTION COUNCIL FOR LAND CLEARING; AND PROVIDING FOR AN EFFECTIVE DATE.

Introduced by Pappy Moss, this bill is designed to make the land clearing account a revolving loan account, so that it will not require future appropriations for land clearing loans. Original bill states that money received as repayments of principal and interest on land clearing loans will be reappropriated to the land clearing account. Finance CS adds that money appropriated to the Ag Action Council that is unexpended or unobligated when the Ag Action Council ceases to exist, shall be reappropriated to the land clearing account in the ag revolving loan fund.

Resources recommended the original version pass (unanimous do-pass, Vic Fischer and Mulcahy absent). Finance Committee had two do-passes, four no-recommendations. Backup is attached to the bill.

-----

# Alaska State Legislature



## State Senate

CHAIRMAN  
SENATE TRANSPORTATION  
COMMITTEE  
SENATE SPECIAL AGRICULTURE  
COMMITTEE  
MEMBER  
HEALTH, EDUCATION AND  
SOCIAL SERVICES  
COMMITTEE  
LEGISLATIVE COUNCIL  
REAA BUDGET OVERSIGHT  
COMMITTEE

SENATOR  
H. PAPPY MOSS  
P.O. BOX 182  
DELTA JUNCTION, ALASKA 99737  
(907) 895-4384

JUNEAU OFFICE:  
POUCH V  
JUNEAU, ALASKA 99811  
(907) 465-4921

### SENATE SPECIAL COMMITTEE ON AGRICULTURE

\*\*\*

MEMORANDUM

February 24, 1984

RE: Senate Bills 297 and 298  
TO: Senator Bettye Fahrenkamp, Chair  
Senate Resources Committee  
FROM: Senator H. Pappy Moss, Chair  
Senate Special Committee on Agriculture

A handwritten signature in dark ink, appearing to read "H. Pappy Moss".

- SB 297 "An Act establishing the land clearing account in the agriculture revolving loan fund; and providing for an effective date."  
SB 298 "An Act making a continuing appropriation of repayments of the principal and interest on loans made by the Alaska Agricultural Action Council for land clearing to the land clearing account in the Agricultural revolving loan fund; and providing for an effective date."

Land clearing is one of the first steps that must be taken in preparing previously unbroken ground for agricultural development. Through the Agricultural Action Council, these loans have been available to help many farmers get their land in to operation. As more farmers purchase land for agricultural development, more assistance in land clearing will be necessary.

In order to reduce, or eliminate, the need for requesting annual appropriations for land clearing loans, these bills propose establishing the land clearing loans as an account in the revolving loan fund, and provide for funds now being paid back on land clearing loans to go into that account.

Also attached is a proposed amendment to Senate Bill 298. This amendment was requested by the Delta Project farmers and is supported by the

Director of the Division of Agriculture and the Executive Director of the Alaska Agricultural Action Council. A five year moratorium on payments due for land clearing is asked for those land owners that have 1000 acres or more, or at least 50% of their tillable acres in production. This moratorium would be available to those land owners who contracted with the state for reimbursement to the state for the cost of land clearing before January 1, 1984. A land owner would be able to apply for the moratorium only if the production limits were reached, only if the land owners themselves brought the land into production, and only until July 1, 1987.

I would like to formally request that Senate Bills 297 and 298 be placed on the Senate Resources Committee as soon as possible.

ranking applications shall include facility need and suitability, public support for construction or development and maintenance of a facility, availability of land, management capacity, alternatives to completion of the facility proposed, redevelopment or rehabilitation of a structure qualifying as an historic property or a building of historic value which is part of an historic district, and cost;

(2) by application of the criteria adopted under (1) of this section, advise the commissioner of commerce and economic development regarding the approval of requests for financial assistance in the construction of cultural facilities submitted in accordance with AS 43.18.500;

(3) at the request of a municipality, provide assistance in the preparation of an assessment of needs and review proposals and plan for construction or development of a cultural facility, for which financial assistance is requested under AS 43.18.500; and

(4) submit an annual report to the commissioner of commerce and economic development and the legislature summarizing its activities and expenses. (§ 3 ch 62 SLA 1979)

Article 16. Alaska Agricultural Action Council.

Section

- 450. Creation of council
- 455. Compensation of members
- 460. Meetings
- 465. Quorum

Section

- 470. Powers and duties of the council
- 475. Agricultural development projects
- 500. Definitions

Termination date. — Section 4, ch. 75, SLA 1979, provides that this article terminates July 1, 1984.

Sec. 44.33.450. Creation of council. (a) There is established in the Department of Commerce and Economic Development the Alaska Agricultural Action Council. The council is composed of five members appointed by the governor. The chairman of the council is to be designated by the governor from among the members.

(b) The council may invite representatives from the United States Soil Conservation Service, the United States Forest Service, or from other federal agencies to participate in the deliberations of the council in an advisory capacity.

(c) The term of a member of the council is four years. Vacancies are filled in the same manner as original appointments, but a member appointed to fill a vacancy serves for the unexpired term of the member he succeeds. (§ 1 ch 75 SLA 1979)

Editor's note: 1979, terminating "Notwithstanding specified for Agricultural 44.33.450(c), the terms of the one member since 30, 1980, on ending June 30, a term ending

Sec. 44.33.450. council who and travel 39.20.

(b) State serve with travel exp

Editor's note: provides that 1, 1984.

Sec. 44.33.450. meetings of the chair

Editor's note: provides that 1, 1984.

Sec. 44.33.450. a quorum. to approve

Editor's note: provides that 1, 1984.

Sec. 44.33.450. has the power (1) adopt its affairs (2) maintain (b) The (1) hold agricultural (2) evaluate agricultural

**Editor's note.** — Section 2, ch. 75, SLA 1979, terminating July 1, 1984, provides: "Notwithstanding the terms of office specified for members of the Alaska Agricultural Action Council in AS 44.33.450(c), enacted in sec. 1 of this Act, the terms of the first appointees shall be one member serving a term ending June 30, 1980, one member serving a term ending June 30, 1981, one member serving a term ending June 30, 1982, one member

serving a term ending June 30, 1983, and one member serving a term ending June 30, 1984."

Section 4 of ch. 75 provides that this article terminates July 1, 1984.

**Legislative history report.** — For adoption of the Free Conference Committee letter of intent on Senate Bill No. 14 (ch. 75, SLA 1979), see 1979 Senate Journal, p. 1138; 1979 House Journal, p. 1373.

**Sec. 44.33.455. Compensation of members.** (a) Members of the council who are not state officers or employees are entitled to per diem and travel expenses provided for boards and commissions under AS 39.20.

(b) State officers or employees appointed as members of the council serve without compensation but are entitled to receive per diem and travel expenses from council funds. (§ 1 ch 75 SLA 1979)

**Editor's note.** — Section 4 of ch. 75 provides that this article terminates July 1, 1984.

**Sec. 44.33.460. Meetings.** The council shall schedule regular meetings during the year, and may hold special meetings upon the call of the chairman or four members of the council. (§ 1 ch 75 SLA 1979)

**Editor's note.** — Section 4 of ch. 75 provides that this article terminates July 1, 1984.

**Sec. 44.33.465. Quorum.** Three members of the council constitute a quorum. An affirmative vote of at least three members is necessary to approve any action of the council. (§ 1 ch 75 SLA 1979)

**Editor's note.** — Section 4 of ch. 75 provides that this article terminates July 1, 1984.

**Sec. 44.33.470. Powers and duties of the council.** (a) The council has the power to

(1) adopt and amend bylaws for the management and regulation of its affairs; and

(2) maintain an office at any place or places in the state.

(b) The council has the duty to

(1) hold public hearings in areas of the state considered for agricultural development;

(2) evaluate the need for farm conservation plans for land under agricultural production in the state;

(3) serve as coordinator for gathering information and data relating to agriculture;

(4) recommend appropriate activities for the promotion of agriculture in the state;

(5) provide technical information and make recommendations to the commissioner of natural resources regarding the classification of state land having a potential for agricultural use;

(6) act as administrator of the Delta agricultural development project and any other agricultural development project authorized under AS 44.33.475;

(7) contract for the clearing, draining and breaking of agricultural land located in the Delta agricultural development project;

(8) contract with the owners of land prepared for agricultural use under (7) of this subsection for reimbursement to the state of the cost of the clearing, draining and breaking of the land;

(9) contract for the construction of access roads in the Delta agricultural development project;

(10) conduct studies and carry out experimental and pilot projects to develop markets for agricultural products produced in the state; and

(11) recommend legislation to the governor to improve agricultural development in the state. (§ 1 ch 75 SLA 1979)

**Editor's note.** — Section 4 of ch. 75 provides that this article terminates July 1, 1984.

**Sec. 44.33.475. Agricultural development projects.** (a) Before January 15 of each year the council shall report to the governor and the legislature concerning the activities of the council during the current fiscal year. The report shall contain recommendations for the development of agriculture in the state during the next fiscal year.

(b) An agricultural development project recommended under (a) of this section may not be implemented unless authorized by law. The report required by (a) of this section shall include recommended legislation which

(1) sets out the type of agricultural development to be accomplished and, if state land is to be developed for agricultural production, describes the boundaries of the land to be developed;

(2) defines specific tasks to be performed by appropriate state agencies to the extent the tasks are identifiable at that time; and

(3) grants to the council sufficient authority to insure cooperation of all state agencies involved in the implementation of the agricultural development project. (§ 1 ch 75 SLA 1979)

**Editor's note.** — Section 4 of ch. 75 provides that this article terminates July 1, 1984.

§ 44.

Se

(1)

(2)

prog

Loop

agric

Ed

provi

1, 198

Secti

501.

502.

503.

504.

Re

for th

the

resp

Depa

and

trans

S

Con

gra

sele

(b

con

Sist

tho

pro

(1

(2

stor

(3

(4

(5

ribl

(6

(7

# Alaska State Legislature

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



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

## Senate

### Committee on Resources

#### MINUTES

March 19, 1984  
3:08 pm

Beltz Room  
Room 211, Capitol

---

#### MEMBERS PRESENT

Senator Fahrenkamp, Chairman  
Senator Ziegler, Vice Chairman  
Senator Eliason  
Senator Paul Fischer  
Senator Vic Fischer  
Senator Mulcahy  
Senator Sturgulewski

---

#### CALENDAR

SB 202, An Act establishing the Yakataga State Forest.

SB 225, An Act creating the Matanuska Valley Moose Range.

SB 297, An Act establishing the land clearing account in the agricultural revolving loan fund; and providing for an effective date.

SB 298, An Act making a continuing appropriation of repayments of the principal and interest on loans made by the Alaska Agricultural Action Council for land clearing to the land clearing account in the agricultural revolving loan fund; and providing for an effective date.

SB 473, An Act establishing the Alaska Fisheries Council; and providing for an effective date.

SB 479, An Act relating to a forest products business loan guarantee program; and providing for an effective date.

---

SB 202

Gary Gustafson, Division of Land and Water Management, Department of Natural Resources, explained the Department's proposed amendment that would provide an opportunity to trade up to 3000 acres of land within the proposed Yakataga State Forest to the Seldovia Native Corporation.

Senator Eliason moved to adopt the Committee Substitute and the proposed DNR amendment. There was no objection. He then moved CS SB 202 from committee with individual recommendations, noting Senator Sturgulewski's abstention for possible conflict of interest. There was no objection.

SB 473

Carol Derfner, Special Assistant to the Governor, Boards and Commissions, testified that the Governor did not encourage the creation of another advisory board on fishery issues, and cited the existence of the mini-cabinet on fisheries, the fisheries task force, and many other local, regional, and federal advisory boards and commissions.

Steve Pennoyer, Deputy Commissioner, Department of Fish and Game, testified that there are already 72 advisory committees that advise the Board of Fisheries on policy issues. The department is opposed to this bill.

Greg Baker, Director, Office of Commercial Fisheries Division, Department of Commerce and Economic Development, testified that the Department agrees with the needs outlined in the bill, but feels the Governor's mini-cabinet on fisheries is serving that function.

Phil Daniel, United Fishermen of Alaska, spoke in support of the bill, citing the need for more industry participation in the Governor's mini-cabinet.

SB 479

Milt Barker, Deputy Commissioner, Treasury Division, Department of Revenue, spoke in support of the Committee Substitute that incorporates the changes recommended by the Department.

Senator Ziegler moved CS SB 479 from committee with individual recommendations. There was no objection.

SB 225

Chuck Hawley, owner of coal leases within the proposed Moose Range, asked for assurances that his leases would not be affected by establishment of the Moose Range.

Richard Ramsey, Aide to Senator Kerttula, testified to the loss of moose habitat due to development, and stressed the support of local residents. The existing language in the bill is intended to include coal mining.

Bob Arnold, Deputy Commissioner, Department of Natural Resources, speaking for the Department of Fish and Game also, spoke in general support of the bill, but indicated that the Department's are not agreed on the boundaries and management for the proposal.

Bill Beaty, Chief of Resource Allocation, Division of Land and Water Management, Department of Natural Resources, explained that the proposed area is currently undergoing an extensive planning and public review process as part of the Susitna area plan, and that several issues in the plan remain unresolved.

SB 297  
SB 298

Senator Moss, sponsor of the bills, explained that they would provide for a separate land clearing account within the Agricultural Revolving Loan Fund and allow repayment of outstanding clearing loans to the account. He proposed an amendment that would grant a 5 year moratorium on repayment of outstanding clearing loans.

The meeting adjourned at 4:27 pm.

# Alaska State Legislature

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



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

## Senate

### Committee on Resources

#### MINUTES

March 21, 1984  
3:16 pm

Senate Finance  
Fifth floor, Capitol

---

#### MEMBERS PRESENT

Senator Fahrenkamp, Chairman  
Senator Ziegler, Vice Chairman  
Senator Paul Fischer  
Senator Vic Fischer  
Senator Mulcahy  
Senator Sturgulewski  
Senator Gilman (Subcommittee on Fisheries)

---

#### CALENDAR

SB 297, An Act establishing the land clearing account in the agricultural revolving loan fund; and providing for an effective date.

SB 298, An Act making a continuing appropriation of repayments of the principal and interest on loans made by the Alaska Agricultural Action Council for land clearing to the land clearing account in the agricultural revolving loan fund; and providing for an effective date.

SB 417, An Act establishing the Kenai River Special Management Area.

---

#### SB 417

Esther Wunnicke, Commissioner, Department of Natural Resources, explained that this bill is the result of recommendations made by the Kenai River Task Force and Legislative Resolve #26, and is supported by the Department as an important step in solving the problems on the Kenai River.

Neil Johannsen, Director, Division of Parks, Department of Natural Resources, explained that the Committee Substitute is the result of meetings with interest groups, property owners, the Kenai Peninsula Borough, and the Kenai legislative delegation. It attempts to solve the problems of conflicting user groups and consolidates management of the area under the Division of Parks.

Senator Mulcahy moved to adopt CS SB 417. There was no objection.

Senator Gilman reviewed the testimony given at the Subcommittee on Fisheries hearings held in Kenai on March 2nd and in Anchorage on March 3rd. He introduced a proposed letter of intent clarifying how the management plan would be developed.

Thomas Boedeker, Attorney for the Kenai Peninsula Borough, spoke in support of the bill as it allows for significant local input.

Bob Sizemore, Alaska Environmental Lobby, Kenai, spoke in support of the bill, but urged more efforts be made to control bank erosion and pesticide use, and to provide for more public involvement.

Senator Mulcahy moved to adopt the letter of intent for CS SB 417 and to move CS SB 417 from committee with individual recommendations. There was no objection.

SB 297  
SB 298

Senator Moss introduced members of the Delta II Agricultural Project delegation and explained that legislation is being drafted that would support successful farmers by granting a delay in land payments to those with crops in production.

Charles Trowbridge, Delta II farmer, testified that the farmers are just asking for some "breathing room" on their land payments, and feel they will be successful without further state financing. He discussed their progress in marketing grain in-state.

Dick Jensen, Delta II farmer, felt that many loans had been made to inexperienced farmers.

Sharon Barton, Special Assistant to the Commissioner of Natural Resources, spoke in support of SB 297 and SB 298.

Senator Paul Fischer moved SB 297 and SB 298 from committee with individual recommendations. There was no objection.

The meeting adjourned at 4:14 pm.

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 23, 1984

SUBJECT: CSSB 298 (Finance)  
TO: Senator Bettye Fahrenkamp  
FROM: *EHA* Linn H. Asper  
Legislative Counsel

You have asked if CSSB 298 (Finance), relating to the appropriation of repayments of principal and interest from loans made by the Alaska Agricultural Action Council, raises constitutional problems. I believe the concern you have arises from the fact that recent Alaska Supreme Court cases, notably State v. Alex, 646 P.2d 203 (Alaska 1982), have implied that retention of repayments of interest in the revolving loan fund of a state loan program would be a dedication of funds in violation of Article IX, Sec. 7 of the Alaska State Constitution. However, the current version of Senate Bill 298 does not raise a dedicated funds question because it appropriates the principal and interest payments. If money is appropriated, even if, as here, it is appropriated on a continuing basis, then it is not dedicated under the meaning of Article IX, Sec. 7. The dedicated funds provision is intended to prevent the reservation of state revenues for specific purposes because that practice avoids the appropriation process central to state budgeting and financial planning. CSSB 298 (Judiciary) exercises the appropriation process rather than avoids it, and thus is not unconstitutional under the dedicated funds provision of the state constitution.

LHA:ojb  
J7/088

S

B

300

SB 300

RELATING TO THE CREATION OF THE CAPITAL AREA HISTORIC PROPERTIES  
ADVISORY COMMISSION.

SPONSOR: FERGUSON

---

Creates the Capital Area Historic Properties Advisory Commission in the Office of the Governor to conduct research and make recommendations for preserving the historical integrity of the capitol and the governor's house in Juneau.

Is a 5-member commission. State historical architect serves ex officio. Other members are 1 Representative, 1 Senator, 2 Governor's appointments. Receive per diem and travel allowances.

Intent is to encourage "capital city spruce up".

S

B

301

IDENTIFICATION:

BILL NUMBER: SB 301

BILL NAME: Establishing a furbearer management fund.

SPONSOR(S): Fahrenkamp

RELATED BILLS PENDING:

DATE INTRODUCED: 5-18-83

REFERRALS: Resources  
Finance

INITIAL RESEARCH:

BILL SUMMARY COMPLETED:

SUMMARY BY LEGAL DIVISION:

SPONSOR CONTACTED FOR  
BACKUP MATERIALS:

DEPT. OF LAW SUMMARY:

FISCAL NOTE:

AGENCY RESPONSE:

OTHER INTERESTED SENATORS OR  
REPS. NOTIFIED:

BACKGROUND RESEARCH:

SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES:

RESPONSES FROM INTERESTED PERSONS/GROUPS:

OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, LAWS:

HEARING PREPARATION:

CHAIRMAN BRIEFED:

DATE AND PLACE SET:

STAFF MEMO TO COMMITTEE:

TELECONFERENCE:

BACKGROUND MATERIAL DISTRIBUTED:

PSA/PRESS RELEASE:

LIST OF WITNESSES:

SUGGESTED AMENDMENTS/COMMITTEE  
SUBSTITUTES DRAFTED:

*Norm Phillips, AK Trappers 452-4755*  
*Jim Kowalsky, TCC 452-8253*  
*Al Jones, ATA*  
*Jim Reiss (Rees), AK Frontier Trappers Assoc. - 745-4600*  
*Larry Voorhees, ATA 479-2992*

*Herb Melchior  
PO Box ADFAG  
for biologist - 456-4369  
456-5156*

*-chair of leg  
comm.*

*2-29-84*

17 species classed as furbearers in the state; 13 species go to the International Fur Market each year.

Main ones: lynx beaver wolverine  
 marten muskrat  
 mink arctic fox Annual pelt value \$5-10 million.  
 otter red fox

State currently has 1 furbearer biologist (stationed in Fairbanks).

FY 84 Research:

Marten	\$35,000	leg. add-on
	<u>\$20,000</u>	federal money
	\$55,000	
Lynx	\$74,000	game division component
	<u>\$15,000</u>	leg. add-on
	\$89,000	

Money from trapping licenses is Constitutionally dedicated to Fish and Game Fund. Article IX, Section 7 reads:

The proceeds of any state tax or license shall not be dedicated to any special purpose, except as provided in section 15 of this article (permanent fund) or when required by the federal government for state participation in federal programs.

Federal Pittman-Robertson funds are available to the state on a matching basis - based on a formula that considers geographic size and population. These funds are derived from a federal tax on guns and sporting equipment.

By statute (AS 16.05.130), monies in the Fish and Game Fund may be used only for "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".

1983 resident license sales:

trapping	1,349
hunt/trap	13,236
hunt/fish/trap	<u>2,723</u>
	17,308

Only 46 nonresident trapping licenses were sold.

License fees (resident only):

trapping	\$10 (was \$3)	Non-resident hunt/trap \$200
hunt/trap	\$22 (was \$15)	
hunt/trap/fish	\$32 (was \$25)	

Combination license price is simply the sum of the individual licenses. ADF&G/Revenue does separate accounting for portion of licenses sold.

**FACT SHEET**

16.05.094

game. (§ 2

Section (a),  
and (c).

the commis-  
sioner's depart-  
ment or depart-

division of

and a sec-  
tion 1959; am

§ 17. — For  
§ 17 (b) 960, see

ing and

information,  
the role of  
the divisions of the

of depend-  
ing;

appropriate

board of  
divisions which  
are, and

divisions on  
the division is

board of  
divisions

statewide  
size and  
§ 151

§ 16.05.110

FISH AND GAME

§ 16.05.150

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

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

**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).

**Sec. 16.05.130. Diversion of funds prohibited.** No funds accruing to the state from sport fishing, hunting, and trapping licenses or permit fees may 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 9; 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."

**Sec. 16.05.150. Enforcement authority.**

**Opinions of attorney general.** — 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 chap-



# ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418  
FAIRBANKS, ALASKA 99706

MAR 14 1983

March 10, 1983

The Honorable Betty Fahrenkamp  
Senator  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

As you know, the Alaska Trappers Association is vitally interested in establishing a Comprehensive Statewide Fur Bearer Management Program and we are willing to help pay the costs of the program.

At our monthly meeting, on March 1, 1983 (with 60 members present), we unanimously passed a resolution to increase the license fees for resident trapping license to \$10.00. That is an increase of over 300 percent, but as long as the funds help go toward a program that will benefit fur bearers, and help trappers get the best value for their pelts, we feel it is worth it!

We realize you can not earmark funds, but feel if the funds are placed in the budget and everyone understands that the purpose of the license increase is to ensure a fur bearer management program, perhaps it will get to the right place. Hopefully you can help us to ensure the funds go toward the intended goal.

The program will be very beneficial to rural areas as well as to those of us who trap from town, and should gain wide support.

We would like to ask you to sponsor legislation for a license increase and hopefully get the entire Fairbanks delegation and any other legislators to co-sponsor, or support it. It is important that we do not get in a fight with other user groups; commercial fishermen, hunters, etc., and hope you can keep others from getting on the license increase bandwagon.

Thanks to your support in the past and that of other Fairbanks legislators, the State's renewable fur resources are beginning to receive proper attention, and our outfit has grown to over 900 members. I reckon that make us the largest active sportsmen/conservation organization in Alaska today. We will ask Representative Robert Bettisworth and Senator Don Bennett to work with us in the House and Senate.

Senator Betty Fahrenkamp

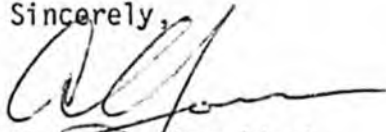
-2-

March 10, 1983

Naturally we will provide you with a detailed outline of our program and will be available at any time to offer assistance, as you suggest we should.

On behalf of the entire membership, and particularly the board I offer our sincere appreciation.

Sincerely,



Al Jones, President

On behalf of Board Members: Norm Phillips, Ron Long, Steve Titus, Jon Gleason, Larry Voorhees, Elaine Long, Gerry Wyse.

cc: Fairbanks House Delegation

# STATE OF ALASKA

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

March 29, 1984

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

Re: CSSB 301 (RES)(Furbearer Management Act)

Dear Senator Fahrenkamp:

This letter is in response to your office's oral request for advice as to the constitutionality of CSSB 301, relating to furbearer management and increasing related license fees. 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. Our analysis for this bill is substantially similar to the analysis we provided your office on CSSB 278, relating to the Waterfowl Stamp Act.

Article IX, section 7, of the Alaska Constitution provides as follows:

The proceeds of any state tax or license 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 301, 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, establishes 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

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

The Honorable Bettye Fahrenkamp  
Chairperson, Senate Resources Committee  
Re: CSSB 301

March 29, 1984  
Page 2

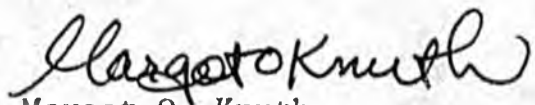
state to pass a law prohibiting the diversion of license fees paid by hunters for any other purposes than restoring wildlife and administering the Fish and Game Department. A regulation promulgated under the Pittman-Robertson Act provides that only those licenses that are for the "express purpose of 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 programs under the Pittman-Robertson Act, and therefore may be dedicated under the state constitution, are those fees expressly required by the state to be paid for the privilege of hunting or fishing for sport or recreation.

Alaska's trapping licenses are not expressly for the purpose of permitting the holder to hunt for sport or recreation, because the license may also be used for commercial trapping. Accordingly, Alaska's trapping licenses do not qualify the state for participation in programs under the Pittman-Robertson Act, by a literal application of 50 C.F.R. § 80.10(c)(1). Nonetheless, the United States Fish and Wildlife Service has concluded that Alaska's trapping licenses do qualify for participation, even though they are not for the express purpose of permitting the holder to hunt for sport or recreation, because of Alaska's unique definition of "trapping." "Trapping" does not refer to the means used to capture the animal, but instead refers to the type of animal taken, i.e., whether or not it is a furbearing animal. 5 AAC 84.050 -- 5 AAC 84.060.

Inasmuch as the federal government will allow Alaska to participate in matching fund wildlife restoration programs if Alaska in turn will dedicate the funds received from the sale of trapping licenses, this dedication of funds is permissible under the Alaska Constitution. We therefore conclude that CSSB 301 does not present any constitutional problems. If you have any questions regarding this, please do not hesitate to contact us.

Sincerely,

NORMAN C. GORSUCH  
ATTORNEY GENERAL

By:   
Margot O. Knuth  
Assistant Attorney General

MOK:dlm

cc: Arthur H. Peterson  
Assistant Attorney General

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU ALASKA 99811  
907 465 3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 13, 1984

SUBJECT: Dedicated funds  
(CSSB 301 (Res))

TO: Senator Bettye Fahrenkamp  
Chairman, Resources Committee

FROM: Richard C. Folta   
Legislative Counsel

It is our opinion that the CS SB 301 dedication of resident trapping license fees to a furbearer management account within the fish and game fund under AS 16.05.100 is compatible with the Alaska Constitution. Article IX, Section 7 allows dedicated funds when required by the federal government for state participation in federal programs.

Dedication of proceeds of Alaska fishing and hunting licenses for the operation of the Department of Fish and Game is required by federal law for participation in wildlife restoration funding in 16 U.S.C. 669. The federal Act's purpose is to insure the perpetuation of wildlife resources for the economic, scientific, and recreational enrichment of the people, which is on all fours with the purpose of the furbearer account to be established under CSSB 301. (See also page 21 of the November 30, 1982 formal Attorney General's opinion on the Fish and Game dedicated fund.)

RCF:ojb  
J4/074

# Alaska State Legislature

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



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

## Senate

### Committee on Resources

#### MINUTES

March 12, 1984  
3:04 pm

Beltz Room  
Room 211, Capitol

---

#### MEMBERS PRESENT

Senator Fahrenkamp, Chairman  
Senator Ziegler, Vice Chair  
Senator Eliason  
Senator Vic Fischer  
Senator Mulcahy

---

#### CALENDAR

SB 301, An Act relating to furbearer management and increasing a related license fee.

SB 411, An Act relating to preferential use of Alaska agricultural products.

---

#### SB 411

Esther Wunnicke, Commissioner, Department of Natural Resources, spoke in support of the bill, which would require state agencies to purchase Alaska agricultural products when competitively priced and available, and in support of the proposed Committee Substitute clarifying which agency would provide inspection certificates.

Senator Vic Fischer moved CS SB 411 from Committee with individual recommendations. There was no objection.

#### SB 301

Bob Hinman, Game Division, Department of Fish and Game, spoke in support of the bill, citing the need for increased fees to provide more funds for fur bearer management.

Martin Richards, Division of Public Service, Department of Revenue, spoke in support of the bill.

Ron Sommerville, Alaska Outdoor Council, testified in favor of increased fees for trappers to fund more fur bearer management.

Ralph Miller, President, Delta Trappers Association, strongly supported the bill.

Floyd Weaver, Delta, recommended including non-resident fees in the bill.

Art Drabeck, Chickaloon, spoke in support of the bill and the need for increased research.

Tim Osborne, Galena, spoke in support of the bill.

Curtis Johnson, Wasilla, supported the proposed increased fees for trappers.

Bob Greene, Wasilla, spoke in support of the bill and recommended funding increased management and education programs.

Mike Pervam, Wasilla, recommended including non-resident trappers and fur buyer license fees in the bill.

Jim MacCracken, Palmer, spoke in support of the bill.

Ron Silas, Subsistence Technician, Tanana Chiefs Conference, Fairbanks, testified that they had not determined the position of bush trappers on the bill.

Norm Phillips, Alaska Trappers Association, Fairbanks, spoke in support of the bill.

Herb Melchior, Furbearer Biologist, Department of Fish and Game, Fairbanks, provided current and projected revenue figures on trappers license fees.

Jim Reese, President, Alaska Frontier Trappers Association, Palmer, spoke in support of the bill.

The meeting adjourned at 4:37 pm.

# 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  
JUNE J, ALASKA 99811  
(907) 465-3834  
(907) 465-3835

## Senate Committee on Resources

### MINUTES

March 14, 1984  
3:00 pm

Beltz Room  
Room 211, Capitol

---

### MEMBERS PRESENT

Senator Fahrenkamp, Chairman  
Senator Ziegler, Vice Chairman  
Senator Eliason  
Senator Paul Fischer  
Senator Vic Fischer  
Senator Mulcahy  
Senator Sturgulewski

---

### CALENDAR

SB 301, An Act establishing a furbearer management fund; and providing for an effective date.

Presentation by Alaska Water Resources Board.

SB 399, An Act relating to trespassing and posting of land.

---

### SB 301

Senator Sturgulewski moved SB 301 from committee with individual recommendations. There was no objection.

### Alaska Water Resources Board

Esther Wunnicke, Commissioner, Department of Natural Resources, introduced members of the Board.

David Vanderbrink, Alaska Water Resources Board, explained that the Board consists of six public representatives and the Commissioners of the Departments of Environmental Conservation and Natural Resources.

Tom Meachum, Water Resources Board, discussed the need for legislation that would outline methods for adjudicating federally reserved water rights.

Peg Tileston, Water Resources Board, informed the Committee of the funding needs of the oil spill contingency fund and of the Water Board itself.

Randy Wanamaker, Water Resources Board, encouraged the State to join the Western States Water Council.

Larry Dutton, Water Policies and Procedures Section, Division of Land and Water Management, Department of Natural Resources clarified that the Western States Water Council is an arm of the Western States Governor's Association and discussed the fees for membership.

Bill Bivins, Federal Energy Management Agency, Dam Safety Division, recommended that the State establish a dam safety program to become eligible for federal funds and to reduce insurance costs.

Esther Wunnicke, Commissioner, explained that DNR has responsibility for dam safety. An inventory funded in FY 84 found at least 10 high hazard dams that need attention.

#### SB 399

Senator Faiks explained that the bill addresses the problems of unwitting trespassers on unposted land by requiring that land be posted with signs containing specific information signs to have certain information.

Gayle Horetski, Assistant Attorney General, answered questions on the State's liability under existing law.

The meeting adjourned at 4:04 pm.

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date 4/9/84

REQUEST

Bill/Resolution No: CSSB 301 (Resources)  
 Title: Establishing a furbearer management fund and effective date  
 Sponsor: Fahrenkamp  
 Requestor: Senate Finance  
 Date of Request: 3/19/84

FISCAL DETAIL

Agency Affected: Revenue  
 Program Category Affected: Revenue Collection & Management  
 BRU, Program or Subprogram(s) Affected: Public Services Division BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	6.0	-	-	-	-
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	- 0 -	6.0	- 0 -	- 0 -	- 0 -	- 0 -
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE *</b>	- 0 -	15.3	29.9	29.1	28.3	27.5

*computer programming*

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	6.0	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	6.0	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

\* Fish & Game Fund

ANALYSIS: Attached.

Prepared By: Martin J. Richard  
 Division: Public Services Division

Phone: 465-2392

Date: 4/9/84

Approved by Commissioner: [Signature]  
 Agency: Department of Revenue

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

Distribution (by Agency preparing fiscal note):

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

APR 12 1984

CSSB 301 (Resources) Analysis  
Public Services Division BRU

This bill would create a furbearer management account within the Fish and Game Fund from fees collected for resident trapping licenses. Revenue estimates are based on additional revenue accruing to the Fish and Game Fund from the price increase in resident trapping licenses minus the 5% license officer commission per AS 16.05.390. In addition to this, the fees for resident trapping licenses currently dedicated to the Game Management Account will be transferred to the new Furbearer Management Account. The following chart shows FY 1985 estimated revenue by license class for the proposed price increase as well as current funds that would be transferred from game management to furbearer management (Please see the explanation under # 3 below for additional losses to the game management account.) Because of the January 1, 1985, effective date, FY 1985 sales are for six months only.

	<u>Estimated Licenses Sold</u>	<u>Trapping Lic. Increase \$ 7.00</u>	<u>Game Management Decrease \$ 3.00</u>	<u>Total \$ Furbearer</u>
Class 3A	1,254	\$ 8,340	\$ 3,574	\$ 11,914
Class 3B	558	3,711	1,591	5,302
Class 5	<u>500</u>	<u>3,325</u>	<u>1,425</u>	<u>4,750</u>
TOTAL	2,312	\$ 15,376	\$ 6,590	\$ 21,966

Sales estimates for the three classes of resident trapping licenses are based on the following sales records and assumptions:

1. AS 16.05.340(a)(3) Class 3A Resident hunting and trapping license

There has been an average increase in sales since FY 1981 of 28 licenses per year. Sales in the base year, FY 1983, were 2,480 licenses.

2. AS 16.05.340(a)(4) Class 3B Resident trapping license

There has been an average decrease in sales since FY 1981 of 149 licenses per year. Sales in the base year, FY 1983, were 1,264.

3. AS 16.05.340(a)(6) Class 5 Resident hunting, trapping and sport fishing license

In the base year, FY 1983, 13,512 people purchased the combination hunting, trapping, and sport fishing license for \$ 25.00. It is assumed that the majority of these people are not trapping but voluntarily pay the extra \$ 3.00 for the trapping portion of this license. It is estimated that with the proposed price increase, the sales of this license will drop to 1,000 each year. The other 12,500 licensees will purchase the Class 4, Resident hunting and sport fishing license instead of the Class 5 license. This will result in an additional loss to the game management fund of \$ 35,625.00 per year (12,500 licenses X \$ 3.00 for current trapping license minus 5% commission.)

ESTIMATED COSTS

Statistical reports and the distribution of receipts to the Sport Fish, Game, and General Funds are done by computer. This bill would require that a new Furbearer Management account be added to the existing programs for distributions and reports. This will require work beyond the regular maintenance of these programs, and will necessitate contracting with someone to update the programs.

Contractual Services      \$ 6,000

TOTAL PUBLIC SERVICES DIVISION COSTS      \$ 6,000

SB 301 FURBEARER MANAGEMENT

We drafted SB 301 so the Fund will consist of legislative appropriations, with intent that they equal 50% of the fees collected for trapping licenses.

AS 16.05.110 allows the FISH AND GAME FUND to accept deposits of money received directly from the sale of fishing, hunting, and trapping licenses (for protection, propagation, investigation and restoration of the resources).

1. Would it be possible to use funds from the Fish and Game fund for the Furbearer Management Program? *yes-16.05.110 sport+fishing, hunting, trapping*

IF YES--

- a. Would that eliminate the need for legislation other than to simply increase the fee?
- b. Would the Fish and Game Fund need to be amended to include furbearer management? Can the fund be amended?
- c. Are the monies from the Fish and Game Fund used solely for administrative purposes? Or can they be used for staffing, research, etc.? *may be used only for protection, propagation, investigation, + restoration of sport+fish+game resources + expenses of administering"*
- d. Are trapping receipts used only for trapping, hunting receipts used only for hunting? Or are all the receipts pooled and drawn upon as necessary? *pooled*
- e. Can the desired goals of the Alaska Trappers Association (ATA) be met simply by increasing the fee? Or is specific legislation that clearly defines the uses of the fund necessary? The ATA has actually outlined projects they'd like Fish and Game to undertake -- is this something that can be legislatively mandated? Supposing a new furbearer division was created -- is there any way to guarantee that they'll even deal with those things ATA think need to be dealt with?

*like Bettsworth's, The additional \$7 per license would go into the Fish + Game Fund.*

IF NO--

- a. Can we "intend" that greater than 50% of fees collected go to the furbearer management fund? *Since fees currently go to Fish + Game Fund, we would be taking money from that fund.*
- b. Will simply relying on 50% of the increased receipts allow adequate funds? License data obtained from the Department of Revenue for 1982 (Koponen, 6/83) indicates that SB 301 (including all forms of resident trapping licenses) would generate only \$160,000 in revenue, resulting in a mere \$80,000 appropriation to the furbearer management fund. Additional revenues generated by including non-resident licenses or by raising the fee to \$20 (as in Bettsworth's HB 410) would still be a far cry from the \$1.2 million the ATA was hoping for.

- c. The disadvantage to this is that more funds may be available through the Fish and Game Fund, as a bill to simply increase the trapping fee -- if supported by trappers statewide -- would easily pass; and future funds would not be subject to legislative appropriation.

CONTACT ADF&G:

- 1. What furbearer staff do you have? (1 biologist?) *Herb Melchior Fairbanks*
- 2. What budget for furbearer management? (\$50,000 FY 83 for furbearer research in Interior)
- 3. What research ongoing? Completed? Planned?
- 4. Documents we have from the ATA mention a Greater Alaska Furbearer Management Plan that was proposed in 1976. Status? *published & distributed. 1980 Bd. Game adopted policy for furbearer mgmt.*
- 5. What is balance of Fish + Game fund? Used in entirety annually & supplemented in operating budget? *went to public review*

CONCLUSION:

ATA's proposal asks for \$1.2 million, with \$700,000 annually in personnel costs. Funds from license receipts (either through the Fish and Game Fund or SB 301) would be inadequate. Should ADF&G also ask for an operating budget increase? In fact, could an increased budget accomplish what SB 301 is attempting to? *Yes - but no direction as to how money should be spent.*

DO:

Contact Norm Phillips, ATA for membership list (send updates as legislation progresses through the Committee process).

Contact Al Jones, ATA (Norm Phillips?) for a copy of the resolution passed 3/1/83 supporting a license fee increase to \$10. (900 members; only 60 voted)

Draft Sponsor Substitute to reflect an increase in combination trapping licenses and in non-resident licenses.

CONTACT DEPARTMENT OF REVENUE:

\* Where are revenues from trapping licenses currently deposited? *Fish + Game Fund*  
(Fish and Game Fund or general fund?)

1982 licenses sold: \$3 trapping  
\$25 hunt/fish/trap  
\$15 hunt/trap  
\$200 nonresident hunt/trap

*Paddy McGuire. 3/7*  
1. few non-resident trapping licenses  
one sold  
2. can buy any combo. license, so wouldnt buy one w/ a trapping segment unless intend to trap  
3. combo licenses rice is simply sum of individual licenses  
4. ADF&G does separate accounting for portions of licenses sold

LEGISLATIVE INTENT:

THE GAME DIVISION BUDGET CONTAINS AN APPROPRIATION IN THE AMOUNT OF \$325,000 FOR THE CONTINUATION OF THE HUNTER SAFETY PROGRAM WITHIN THE DEPARTMENT OF FISH AND GAME.

LEGISLATIVE INTENT:

THE SUM OF \$50,000 IS APPROPRIATED IN THE MISCELLANEOUS LINE TO CONTINUE FURBEARER RESEARCH. FINDINGS DERIVED FROM THIS STUDY WILL BE BENEFICIAL IN FORMULATING LEGISLATION TO BE INTRODUCED IN THE FOURTEENTH ALASKA LEGISLATURE TO FUND FURTHER RESEARCH PAYABLE BY PROGRAM RECEIPTS.

\* \* \* \* \* C. C. ANALYSIS \* \* \* \* \*

OBJECT GROUP	VARIAT!		DESCRIPTION: C. C. (\$8,361.3) VERSUS GOV.AMD. (\$8,771.1)
01 PERS. SERV.	-42.0	-0.8%	DELETE BALANCE OF MOOSE HABITAT CIP <42.0>. 90% OF FY 83 TRAVEL, CIP REDUCTION <23.0>, REDUCE <46.0>.
02 TRAVEL	-134.5	-30.8%	
03 CONTRACTUAL	-544.7	-21.8%	DELETED INFLATION <144.7>, CIP <400.0>.
04 COMMODITIES	-46.7	-15.9%	DELETED INFLATION <16.7>, CIP <30.0>.
05 EQUIPMENT	-16.9	-49.9%	REPLACEMENT EQUIPMENT AT 50%.
08 MISC.	375.0	100.0%	325.0 HUNTER SAFETY PROGRAM, 50.0 FURBEARER RESEARCH.
** TOTALS	-409.8	-4.7%	

NO NEW POSITIONS AUTHORIZED.

LEGISLATIVE INTENT:

INCLUDED WITHIN THE 100 PERSONAL SERVICES LINE ITEM IS \$27,800 TO FUND ONE FISH & GAME TECHNICIAN II POSITION, GAME DIVISION, SOUTHEAST REGION, PCN 2190.

LEGISLATIVE INTENT:

THE GAME DIVISION BUDGET CONTAINS AN APPROPRIATION IN THE AMOUNT OF \$325,000 FOR THE CONTINUATION OF THE HUNTER SAFETY PROGRAM WITHIN THE DEPARTMENT OF FISH AND GAME.

LEGISLATIVE INTENT:

THE SUM OF \$50,000 IS APPROPRIATED IN THE MISCELLANEOUS LINE TO CONTINUE FURBEARER RESEARCH. FINDINGS DERIVED FROM THIS STUDY WILL BE BENEFICIAL IN FORMULATING LEGISLATION TO BE INTRODUCED IN THE FOURTEENTH ALASKA LEGISLATURE TO FUND FURTHER RESEARCH PAYABLE BY PROGRAM RECEIPTS.

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

rehabilitation, fisheries rehabilita-

sive, coordinated e rehabilitation, ate's fisheries for is and revise and

erprise in the of the fisheries

velopment pro- increasing pro- and continental

gislature, con- ents under this fiscal year, not ession. (§ 2 ch

hunting and shall e information, of the role of sidents of the

ent of depen- fishing; appropriate

he Board of ll as which s, users, and

ulations on action is

he Board of egulations

statewide anize and

SB 301

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 I 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

*Edie*

RESEARCH MONEY - FY 84

<u>\$144, 400:</u>	\$50,000	Legislative Add On
	\$20,000	BLM
	<u>\$74,400</u>	Game Division component
	<u>144,400</u>	

research \$ dedicated to MARTEN:	<u>\$55,000:</u>	\$35,000	leg. add on
		<u>\$20,000</u>	BLM
		<u>\$55,000</u>	

research & dedicated to LYNX:	<u>\$89,400:</u>	\$74,400	Game component
		<u>\$15,000</u>	leg. add on
		<u>\$89,400</u>	

144,400

---

TO Rep. Koponen  
 FROM: Deborah Niedermeyer  
 DATE: 6/1/83  
 RE: SB 301 Trapping Management

SB 301 by Fahrenkamp set up a trapping management fund for habitat enhancement, research, trapper education. The bill expects the fund to receive an appropriation equal to at least half the proceeds of trapping license sales, and raises the resident trapping license from \$3 to \$10. I called the licensing section of Dept of Revenue.

1982 licenses (resident only) <sup>1983</sup> <sup>8/24/83</sup>

<del>XXXXXX</del> trapping:	1430	1,349	12,540 ↓ 46 4200 nonresident	see if have updated figures for 1983
hunt/fish/trap:	11,983	13,236		
hunt/trap	2534	2,723		
TOTAL:	15,947	17,308		

revenues generated under SB 301: 160,000  
 minimum expected appropriation 80,000

HB 410, by Bettisworth would raise the trapping license to \$20, raising the minimum expected appropriation under SB 301 to \$180,000.

2376  
 Martin Richard  
 Linda Kocher

# Alaska State Legislature

Representative Niilo Koponen

FAIRBANKS  
Box 252  
Fairbanks, Alaska 99707  
479-6782

JUNEAU  
Pouch V  
Juneau, Alaska 99811  
465-4992

June 1, 1983

Mr. Randall L. Zarnke  
219 Slater Drive West  
Fairbanks, Alaska 99701

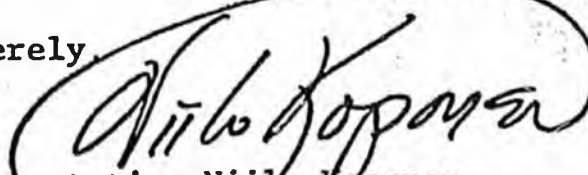
Dear Mr. Zarnke,

Senator Bettye Fahrenkamp recently introduced SB 301, a bill establishing a furbearer management fund. The bill sets up a program of habitat enhancement, trapper education and research similar to what trappers have been suggesting. It raises resident trapping license fees from \$3 to \$10 dollars and states the expectation that the management fund will receive a yearly legislative appropriation equal to at least one half the revenue from license fees.

I support HB 301, but I wonder about the appropriation level. Taking the 1982 license fees as a basis for calculations, I conclude that at \$10 per license, the program would generate a minimum expected appropriation of only \$80,000. That sum would not buy much of a research, education and habitat enhancement program. A license fee of around \$65 would result in a minimum expected appropriation of \$500,000, a much more realistic amount for the program.

Amended or not, though, the bill is a step in the right direction.

Sincerely,



Representative Niilo Koponen

*P.S. HB 410 by Bettisworth raises the license fee  
to \$20 - raising the appropriation to \$180,000  
NK/LMN - any comments? -NK -*



# ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418  
FAIRBANKS, ALASKA 99706

MAR 14 1983

March 10, 1983

The Honorable Betty Fahrenkamp  
Senator  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

As you know, the Alaska Trappers Association is vitally interested in establishing a Comprehensive Statewide Fur Bearer Management Program and we are willing to help pay the costs of the program.

At our monthly meeting, on March 1, 1983 (with 60 members present), we unanimously passed a resolution to increase the license fees for resident trapping license to \$10.00. That is an increase of over 300 percent, but as long as the funds help go toward a program that will benefit fur bearers, and help trappers get the best value for their pelts, we feel it is worth it!

We realize you can not earmark funds, but feel if the funds are placed in the budget and everyone understands that the purpose of the license increase is to ensure a fur bearer management program, perhaps it will get to the right place. Hopefully you can help us to ensure the funds go toward the intended goal.

The program will be very beneficial to rural areas as well as to those of us who trap from town, and should gain wide support.

We would like to ask you to sponsor legislation for a license increase and hopefully get the entire Fairbanks delegation and any other legislators to co-sponsor, or support it. It is important that we do not get in a fight with other user groups; commercial fishermen, hunters, etc., and hope you can keep others from getting on the license increase bandwagon.

Thanks to your support in the past and that of other Fairbanks legislators, the State's renewable fur resources are beginning to receive proper attention, and our outfit has grown to over 900 members. I reckon that make us the largest active sportsmen/conservation organization in Alaska today. We will ask Representative Robert Bettisworth and Senator Don Bennett to work with us in the House and Senate.

Senator Betty Fahrenkamp

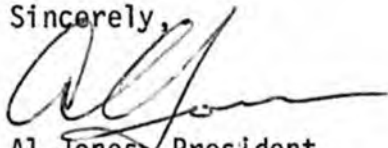
-2-

March 10, 1983

Naturally we will provide you with a detailed outline of our program and will be available at any time to offer assistance, as you suggest we should.

On behalf of the entire membership, and particularly the board I offer our sincere appreciation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Al Jones".

Al Jones, President

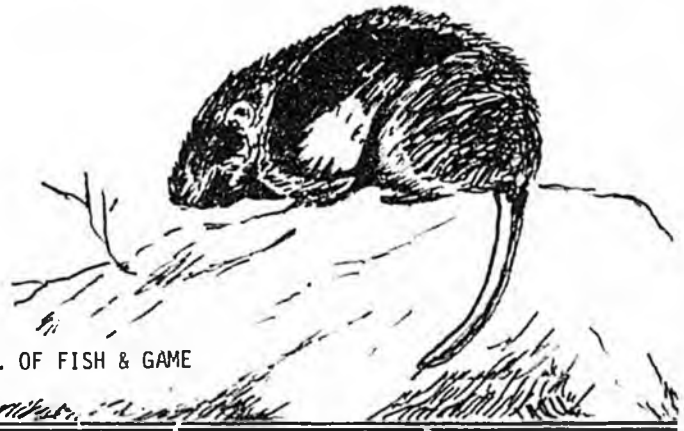
On behalf of Board Members: Norm Phillips, Ron Long, Steve Titus, Jon Gleason, Larry Voorhees, Elaine Long, Gerry Wyse.

cc: Fairbanks House Delegation

# Alaska Tracks

By Herb Melchior

STATE-WIDE FURBEARER BIOLOGIST - ALASKA DEPT. OF FISH & GAME



## FURBEARER CONFERENCE

Interest in Alaska's fur resources is high, if the number of people who showed up to attend the Third Northern Furbearer Conference is any measure of interest. About 90 individuals registered for the Conference, but an estimated 150 or more attended the various sessions.

The Conference took place on March 22 and 23 and was held on the Fairbanks Campus of the University of Alaska. Biologists reported on their latest work on furbearers including beaver, canids (coyotes and fox), lynx, marten, mink, muskrat, river otter, sea otter, and wolverine. There was a session on bears (grizzly and polar) since Canadians treat bears as furbearers and a number of Canadians attended the Conference.

Although all the papers on furbearer species added information to our general knowledge of these critters, some information provoked more interest than did others. For example, many folks were interested in Steve Buskirk's report that marten living in the Susitna River drainage make extensive use of red squirrel nests in the spring and middens in the winter, as resting sites - including those being actively used by squirrels! Since evidence of red squirrels in marten scats was uncommon (the martens were feeding mostly upon mice and voles) it appears that martens benefit by their association with red squirrels. Red squirrel middens would provide martens with protection from both predators (e.g. lynx) and cold temperatures.

The talks on lynx studies were also of special interest to many participants. Richard Ward of Canada reported on movements of lynx during a decline in the hare population. Five of the seven lynx he radio collared left his study area and were retrapped. Two were captured approximately 10 miles from where they were first caught, two were taken approximately 150 miles away, and one was caught approximately 450 miles away! Robin O'Conner reported upon changes in breeding in lynx during a hare "cycle". In the 1960s, our department collected several thousand lynx carcasses from Alaskan trappers, and Robin examined the reproductive data from 3,461 females. The data showed that when hares are abundant, female lynx in their first year can produce offspring, but when hares become scarce, most young females (about 10 months old) can't produce young. Another important set of observations on lynx was reported by Robert Stephenson, who is conducting a Department study on the species near Tok, Alaska. Hares were declining in numbers in the Tok area this past winter, and lynx were found to be preying upon red fox and caribou! Bob has information on four cases of lynx capturing and eating red fox and three cases of lynx taking caribou. He also found evidence that a big tom lynx killed another tom lynx. The information from these three studies suggests that when hares become scarce, lynx move a lot, quit bearing young, and munch on other predators and bigger prey if the opportunity presents itself.

A major concern of both biologists and trappers is - what does all of this mean in terms of lynx management and future harvest levels for trappers? It's a bit too early to say what changes in lynx management should be made, if any, but Ted Bailey expressed concern about the heavy trapping pressure on lynx on the Kenai Peninsula. He presented some information which suggests that heavy trapping pressure (due to lots of trappers and high prices on lynx) during the last decline in hares may explain the lower harvest of lynx now, even though hares are abundant on the Kenai. A couple of researchers who studied lynx in Alberta, Canada for 10 years also suggest that heavy trapping during the years when lynx are low in numbers, could produce fewer lynx during the next high. They suggested that more lynx might be produced in the long run if trappers quit trapping lynx when the lynx and hares are scarce. It's a lot easier to talk about such an idea than it is to put it into practice - in other words, there are some problems with the scheme. Although trappers could voluntarily quit making lynx sets (and some trappers have done this) it's hard to keep lynx out

of sets made for other species such as red fox. Also, lynx pelt prices are still high making the decision to quit setting for the critter that could earn the trapper \$200 to \$300, a tough one. In addition, snowshoe hare and lynx numbers do not reach their peaks and lows at the same time throughout the state. Even areas as little as 50 to 100 miles apart might contain populations in different phases of the "cycle". If most lynx move out of areas with low numbers of hares, as might be the case based on the few data we have from radio collared lynx, then it might not help the lynx population too much if trappers quit making sets for them. It might, however, help the trapper become more efficient by saving him time making sets that would yield few animals. On the other hand, if only a few lynx move away when hares are scarce and a trapper's continued efforts greatly reduced the adult breeders, then not making lynx sets might help the population grow back faster and become larger the next time the hares increase in numbers. The uncertainty as to what is the best thing to do is a reflection of the fact that we really don't yet know enough about what's happening to lynx in Alaska, except in a general sense. We need more specific information, all of which leads me to one of the other exciting things that happened at the Furbearer Conference.

In conjunction with the Conference, over 50 participants spent more than three hours one evening in vigorous discussion of the future needs of furbearer management and research in Alaska. The participants included furbearer managers, other professional wildlife biologists, State and Federal wildlife administrators, fur buyers, trappers, and students.

All participants seemed to agree that, given the cultural, economic, and historical importance of furbearers and their harvest in Alaska, a greatly expanded furbearer management and research effort should be implemented. Participants discussed goals, objectives, specific research needs, and sources of funding for an expanded program.

#### THREE IMPORTANT GOALS FOR SUCH A PROGRAM WERE IDENTIFIED

1 - Maintain and, where appropriate, enhance viable populations of furbearers on Alaska.

2 - Provide for the greatest opportunity to participate in the enjoyment and

(Cont'd. Next Page)

harvesting of furbearers.

3 - Provide for an optimum harvest of furbearers consistent with the sustained yield principle of management.

**IN ADDITION, THE FOLLOWING OBJECTIVES WERE RECOMMENDED**

1 - Identify furbearer resource demands by species and identify desirable population levels.

2 - Manage furbearers for production.

3 - Develop a trapper education program.

4 - Identify and develop a research program that will provide the information needed to meet long-range management goals.

5 - Develop habitat suitability models for each of the major furbearer species.

6 - Develop a greater ecological emphasis in furbearer management and research.

GENERALLY SPEAKING, LITTLE DETAILED INFORMATION EXISTS FOR MOST FURBEARER SPECIES IN ALASKA. CONSEQUENTLY, ANY RESEARCH IS LIKELY TO YIELD USEFUL INFORMATION. HOWEVER, A NUMBER OF SPECIFIC RESEARCH NEEDS WERE IDENTIFIED BY THE PARTICIPANTS. THESE INCLUDE;

1 - Determine the value of Alaska's fur industry and resources.

2 - Identify habitat use by species and evaluate the potential for habitat enhancement.

3 - Develop census techniques for furbearers.

4 - Develop better methods of estimating fur harvests.

5 - Initiate a study on marten.

6 - Continue and expand ongoing lynx studies.

7 - Determine periods of pelt primeness for the major furbearers in Alaska.

#### FUNDING

A lengthy discussion took place on how to fund an expanded furbearer management and research program. One source that stood out as being acceptable to all participants was an increase in trapping license fees. The trapping license fee is currently \$3.00 per year, in the state of Alaska, and the Alaska Trappers Association has recommended an increase in this figure to help fund acceleration of the furbearer management and research effort.

Finally, the participants recommended that a Furbearer Management and Research Advisory Committee be formed to assure periodic review of a new program and, further, that a new program contain a "critical mass of furbearer expertise in Alaska".

It was interesting to me that the discussion of this diverse group of professional biologists, students, administrators, and trappers ended with the identification of goals, objectives, and research needs very similar to those incorporated in the Alaska Trappers Association's recent proposal to the Alaska Legislature. With this similarity in mind, I would like to close this summary of the Conference discussion of furbearer management and research needs by quoting a brief statement given at the meetings by ATA President Al Jones.

"The Alaska Trappers Association feels it is time for our state to initiate an effective, sound, and ongoing statewide furbearer management program. Alaska's history confirms that through the years, fur harvest has contributed significantly, not only to our heritage and self-sufficiency, but also to our economy. With a comprehensive ongoing fur management program, trapping will continue to contribute to industry diversification.

Alaska is the number one producer of lynx, marten, wolf, and wolverine pelts

(Cont'd. Next Page)

nationwide. On pelt value alone, the fur industry contributes \$5 to \$10 million dollars into our state annually. Spin-off markets relating to trapping supplies, food, lodging, air transportation, dog team supplies, and snowmachine distributors, to our knowledge, have never been tabulated.

We do not suggest that game or non-game be curtailed to support furbearer management. Furbearer management should be funded as a separate entity within the Game Division of the Alaska Department Of Fish & Game. Neither do we suggest that general funds simply be appropriated to cover this beneficial project. Trappers are willing to help pay for the program through increased license fees, and we support legislation to that end.

Thank you for this opportunity to comment."

Well, that's it for now. There were many other interesting papers (36 in all) and discussions at the Conference - too many to report on here at one time. A few copies of the published abstracts from the Conference are still available. If you would really like a copy, stop by my office (Alaska Department Of Fish & Game at 1300 College Road - Fairbanks, Alaska, 99701) or drop me a line and I'll send you one.

**Wanna  
Beat 'Em?**

**JOIN  
'Em!**



**MEMBERSHIP APPLICATION**

**ALASKA TRAPPER ASSOCIATION**  
P.O. Box 6418  
Fairbanks, Alaska 99706

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_  
\_\_\_\_\_

PHONE \_\_\_\_\_

DUES  \$15.00 Family or Individual  \$20.00 Foreign  \$1.00 Junior



# ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418  
FAIRBANKS, ALASKA 99706

MAR 14 1983

March 8, 1983

The Honorable Bettye Fahrenkamp  
State Capitol  
Pouch V  
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

The Alaska Trappers Association feels it is time for our state to initiate an effective, sound, ongoing statewide furbearer management program. We earnestly seek your support for this vital project.

Alaska's history confirms that through the years fur harvest has contributed significantly, not only to our heritage and self sufficiency, but also to our economy. With a comprehensive ongoing fur management program trapping will continue to contribute to industry diversification.

Alaska is the number one producer of lynx, marten, wolf and wolverine pelts nationwide. On pelt value alone, the fur industry contributes 5 to 10 million dollars into our state annually. Spin off markets relating to trapping supplies, food, lodging, air transportation, dog team supplies, and snow machine distributors, to our knowledge have not been tabulated.

We do not suggest that game or non-game programs be curtailed to support fur bearer management. Fur bearer management should be funded as a separate entity within the game division of the Alaska Department of Fish and Game. Neither do we suggest that you simply appropriate general funds to cover this beneficial project. Trappers are willing to help pay for the program through increased license fees and we support legislation to that end. Although we would prefer this program be implemented in its entirety within one year, we have structured the program so that if necessary, it can be initiated in stages extended over a two year period.

We have enclosed a brief synopsis of our proposed program and would appreciate hearing your views on this project. If you feel it is necessary or beneficial to hold hearings on this matter or meet with representative from the Trappers Association, we will be available at your convenience. Thank you for your time and concern.

Sincerely,

Al Jones  
President

AL:et  
Enclosure

IV. REQUIRED STAFFING NEEDS:

Ten positions which include 1 statewide furbearer management coordinator, 4 regional furbearer biologist/management supervisors, 3 full-time researchers and appropriate clerical staff including data control and secretarial help.

Salaries	\$ 800,000
General Operating Budget	400,000
TOTAL	<u>\$1,200,000</u>
	=====

Specific projects to be undertaken which will help Alaska realize its full potential in furbearer harvest value include:

- 1) Felt care and marketing information educational programs designed to assist Alaska's trappers to obtain top value for the resource.
- 2) Involvement by knowledgeable State biologists in State and Federal regulatory process enabling fur harvest needs to be recognized.
- 3) Determine sociological and economical value of the fur harvesting industry to the State of Alaska.
- 4) Creation of area biologists in locations of highest fur production or potential production including:
  - a) Bristol Bay (Game Management Units 9 and 17)
  - b) Yukon-Kuskokwim Delta (Game Management Unit 18)
  - c) Central Kuskokwim - Yukon Area (Game Management Units 19 and 21)
  - d) Upper Yukon (Game Management Unit 25)
  - e) Kobuk-Upper Koyukok Area (Game Management Units 23 and 24)
- 5) Instigate and coordinate priority furbearer research including coordinating with the University of Alaska Extension Service and University Furbearer Research, several specific statewide research programs.
  - a) SOUTHEAST ALASKA:
    - i) River Otter Movements and habitat utilization.
    - ii) Marten - Forest practices relationships.
  - b) SOUTHCENTRAL ALASKA:
    - i) Kenai wolf research program.
    - ii) Effects of trapping on lynx populations.
  - c) INTERIOR/ARCTIC ALASKA:
    - i) Development of lynx population estimation techniques.
    - ii) The relationship of fire history to furbearer populations and harvest.
    - iii) Ecology of marten in Interior Alaska.
  - d) WESTERN/NORTHWESTERN ALASKA:
    - i) Develop criteria to estimate number and population status of beavers in Lower Yukon-Kuskokwim Region.

V. CONCLUSION:

We are sending to the Senate and House Resource Committees, full and detailed outlines for their review.

NP:et  
03/08/83



# ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

## OUTLINE OF FURBEARER PROGRAM

### I. BACKGROUND:

In Alaska, 17 species of mammals are classified as fur animals, 13 of these species annually enter the International fur trade. The Alaska Department of Fish & Game estimates 5 to 10 million dollars of revenue to Alaska residents from fur sales annually. This estimated value does not reflect the additional value to residents resulting from the manufacture of fur products. The estimated 5 to 10 million dollars earned by Alaskan trappers is new money spent in Alaska. In calendar year 1982, 27,829 residents were licensed to trap in our state.

With the exception of wolves, the Department of Fish & Game has not conducted in depth furbearer research for more than ten years. There is no long term coordinated research effort designed to meet present and future management needs. The existing furbearer program is understaffed and underfunded.

### II. OVERALL MANAGEMENT GOALS:

- 1) To provide for optimum harvest of furbearers.
- 2) To provide the greatest opportunity to participate in hunting and trapping furbearers.

### III. MANAGEMENT GUIDELINES:

- 1) Promote efficient trapping methods.
- 2) Maintain trapping seasons during periods of pelt primeness, consistent with population levels.
- 3) Ensure continued trapping in State/Federal parks and wildlife refuges, in light of increased regulations.
- 4) Encourage proper preparation of furbearer pelts to maximize fur values.
- 5) Encourage land use practices that enhance productive fur bearer habitat.
- 6) Maintain hunting seasons on selected furbearer species, with seasons not necessarily limited to the period of primeness and with restrictive bag limits.
- 7) Maintain restrictive trapping seasons and bag limits on beaver based upon current beaver population levels.
- 8) Improved data management to handle and interpret current furbearer harvest information.
- 9) Initiate useful furbearer research programs.



# ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

A FURBEARER PROGRAM FOR ALASKA

## BACKGROUND

Fur has been an important renewable resource to Alaska since man first occupied it. For 150 years or more, fur has been important both commercially and personally to Alaska's residents. Alaskan furs were bartered for other goods across Bering Straits even before Russian traders arrived. In the 1800's, currency began to replace most bartered goods as the major medium of exchange for furs but both methods of exchange remain to this day. However, today most of Alaska's fur production is sold either as raw pelts or as home crafted products, with as much as 60% or more being exported to the lower 48 states and other countries. As an export, fur provides important revenue to Alaska. In addition, trapping Alaska's furbearers continues a long tradition and lifestyle that is an important cultural activity in this State that benefits both rural and urban Alaskans. Trapping teaches a person to become a good observer, independent, and self sufficient - qualities that have always been respected by Alaskans. The program outlined here is designed to provide a greater opportunity for Alaskans to harvest furbearers by acquiring and disseminating the information necessary to improve fur production and increase the value of Alaska's renewable fur resources.

In Alaska, 17 species of mammals are classified as fur animals; 13 of these species annually enter the International fur trade. The Alaska Department of Fish and Game estimates the sale of raw pelts to these 13 species has brought in 5 to 10 million



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418  
FAIRBANKS, ALASKA 99706

dollars of revenue to Alaskans each year for the past several years (Appendix A). This estimated value does not include the additional value to residents resulting from the manufacture of products (parkas, hats, mittens, dolls, etc.) from these furs nor the dollar equivalent in food value that Alaskans get when they consume the animals or use parts of the animals for dog food, bait, or handicrafts. It also does not include the "multiplier effect" of trappers spending the money they earn with businesses throughout the State.

In calendar year 1982, 27,829 residents were licensed to trap ~~in~~ Alaska. This number does not include an unknown number of individuals under 16 years of age who trap.

The current Department program consists of 1 Statewide Furbearer Biologist (GRIII level) with partial support (shared with d-2 work) of a Fish and Game Technician III for 8 months of this year only. Clerical support is provided by staff of the Region III, Division of Game. In addition, some Game Division area biologists devote a small proportion of their time and annual operating budget to evaluating the status of furbearers in their areas and estimating the harvests of selected species. Except for aerial, fall beaver food cache surveys conducted on some drainages in a few areas of the State, no techniques have been developed for censusing and estimating furbearer populations in Alaska.

With the exception of wolves (classified by the Board as both a furbearer and big game species), the Department has not conducted furbearer research for more than 10 years. The



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

Department's role in furbearer research has largely consisted of advice and logistic support for University of Alaska graduate students who have conducted short term projects on selected species of furbearers from time to time. There is no long term coordinated research effort designed to meet present and future management needs. This situation exists because the Department has given furbearer work a lower priority than work on big game species (See Appendix B) and there has been insufficient staffing and funding to do both. Last year the legislature provided \$50,000 to initiate furbearer research by ADF&G in Interior Alaska. Using this money as operational funds and reassigning an existing game biologist to furbearer research, ADF&G was able to initiate 2 studies in Interior Alaska; a lynx radio telemetry project and a project examining fire-furbearer relationships through interviews with trappers who are and have in the past, trapped in areas after wildfires. These are the first furbearer research projects to be conducted and funded by ADF&G in approximately 12 years. Continuation of these studies depends upon the Division of Game budget being funded at a continuation level or higher.

In addition to a very limited (1 year funding only) research effort, the existing furbearing program is severely hampered by a totally inadequate data management system for handling data on furbearers, especially harvest information. At this time, it appears likely that the fur program will not have the equipment and computer programs it needs to implement an improved data



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418  
FAIRBANKS, ALASKA 99706

management system by the 1983-84 trapping season unless specific funding for this is provided.

Although the Alaska Trappers Association has offered classes on trapping in Fairbanks for several years and occasionally individual trappers have taught a short trapping course in other areas of the State, unlike many other states and nearly all Canadian provinces, Alaska lacks a Statewide trapper education program. In a survey of states by the Woodstream Corporation made in spring 1982, 45% of the 38 states that responded indicated they have some form of Trapper Education program. Another 24% indicated they are planning Trapper Education programs. Of the programs in place, most are primarily operated by the states, but in some states, the programs are primarily operated by private groups. Local Trapper Associations have been involved in the development and support of these programs. The purpose of these programs is to provide both prospective and existing trappers with information on trapline management (e.g., biological information, business aspects, being efficient, etc.), humane and efficient capture and killing techniques, good pelt care procedures and grading of fur, and options for marketing furs. Trappers who have been through these state and provincial trapper education programs ~~usually~~ usually find they make more money from their lines because they have learned ways of being more efficient and they get more money for their fur. Both trapper and ADF&G staff in all major regions of Alaska have expressed an interest in developing a trapper education program for Alaska.



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 66418

FAIRBANKS, ALASKA 99706

To summarize, the existing furbearer program is understaffed and underfunded and as a result has a limited management capability, no coordinated plan for long-range furbearer research, an archaic and essentially inadequate data management system, and no trapper education program even though furbearers contribute an estimated 5 to 10 million dollars in annual revenue to Alaskans (raw pelt value alone) and an additional, but unknown value, in food, clothing, and handicrafts together with other, secondary "multiplier effects" in the economy.

### PROGRAM GOALS

In 1976, the Alaska Department of Fish and Game published for public review proposed Alaska Wildlife Management Plans. These plans and subsequent revisions included a "Greater Alaska Furbearer Management Plan." This plan recommended the adoption of the following goals and guidelines for furbearer management in Alaska:

### PRIMARY MANAGEMENT GOAL

- ° Provide for an optimum harvest of furbearers.

### SECONDARY MANAGEMENT GOAL

- ° To provide the greatest opportunity to participate in hunting and trapping furbearers.

### EXAMPLES OF MANAGEMENT GUIDELINES

- 1) Promote efficient and humane trapping methods.
- 2) Maintain trapping seasons during periods of pelt primeness, consistent with population levels.
- 3) Ensure continued trapping in State/Federal parks and wildlife refuges, in light of increased regulations.



# ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

## APPENDIX F

Pittman - Robertson/Matching Dollar Allocation in FY1983.

SPECIES	P-R RESEARCH	S & T	TOTAL	RANK
MOOSE	\$ 326,800	\$ 861,370	\$1,188,170	1
CARBON	293,150	585,575	878,725	2
BROWN/GRIZZLY BEAR	207,638	382,840	590,478	3
GOAT	188,040	181,492	369,532	4
WOLF*	87,600	205,908	293,508	5
DEER	111,524	128,632	240,156	6
SHEEP	62,000	170,502	232,502	7
BLACK BEAR	67,900	154,336	222,236	8
MUSKOXEN	16,600	51,473	68,073	9
BISON	--	48,299	48,299	10
ELK	--	17,970	17,970	11
WOLVERINE*	--	418	418	12
	<u>1,361,252</u>	<u>2,788,815</u>	<u>4,150,067</u>	
MEANS	113,437.67	232,401.25	345,838.92	
<u>FURBEARERS</u>				
*WOLF	87,600	205,908	293,508	
*WOLVERINE	--	418	418	
<u>ALL OTHER FURBEARERS</u>				
OTTER	3,250	260,554	263,804	
(± 17 species classified fur 3,250 (otter)			15,327)	
(			)	
(± 13 species economy fur 3,250 (otter)			20,043)	

\* Classified both as Big Game and Fur Animal.

Appendix A. -1

1980-81 Reported Fur Exports, Estimated Harvest, and Estimated Raw Pelt Value

SPECIES	REPORTED EXPORTS	ESTIMATED HARVEST	AVERAGE PELT PRICE <sup>e</sup>	ESTIMATED VALUE
Beaver	7,366	11,341 <sup>b</sup>	43.00	487,663
Coyote	NA	150 <sup>c</sup>	99.00	14,850
Lynx	2,483	3,296 <sup>b</sup>	235.00	774,560
Marten	24,345	36,053	38.00	1,370,014
Mink	14,937	22,120	49.00	1,083,500
Muskrat	57,546	85,220	4.00	340,880
Otter (Land)	1,448	2,381 <sup>b</sup>	44.00	104,764
Red Fox <sup>a</sup>	8,002	11,850	90.00	1,066,500
Red Squirrel	619	917	1.40	1,284
Weasel (Ermine)	228	338	1.40	473
White Fox (Arctic)	2,060	3,051	33.00	100,683
Wolf	NA	740 <sup>b</sup>	255.00	188,700
Wolverine	NA	571 <sup>b</sup>	171.00	97,641
TOTALS		178,028		\$5,631,892

<sup>a</sup> Includes blacks, cross, and silvers.

<sup>b</sup> Number sealed (tagged).

<sup>c</sup> Lacking export data for coyotes, this is an educated guess.

<sup>d</sup> Average winter price paid at Seattle Fur Exchange except for squirrels and weasels which are based on Canadian fur auction prices.



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

- 4) Encourage proper preparation of furbearer pelts to maximize fur values.
- 5) Encourage land use practices that enhance productive furbearer habitat.
- 6) Maintain hunting seasons on selected furbearer species, with seasons not necessarily limited to the period of primeness and with restrictive bag limits.
- 7) Maintain restrictive trapping seasons and bag limits on beaver based upon current beaver population levels.
- 8) Improved data management to handle and interpret current furbearer harvest information.
- 9) Initiate useful furbearer research programs.



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

Department's staff and long-term funding to permit the development and maintenance of a long-term, coordinated furbearer research program, develop materials for and implement a statewide trapper education program, and develop an improved data base management system for furbearers so the Department of Fish and Game can meet its constitutional and stated policy goals of maintaining furbearer populations on a sustained yield basis and provide for an optimum harvest of furbearers to meet the needs of Alaskans throughout the State.

### PERSONNEL/OPERATING NEEDS

Since development of an adequate Statewide Furbearer Program will take some time, this proposal recommends increasing staff and funding in 2 phases.

### PHASE I -- STAFFING

- 1) Continuation of existing staff funding requested in current Game Division budget:
  - a) Statewide Furbearer Biologist -- Primary current duties include liaison with other Divisions in ADF&G, other state agencies, and federal agencies; review and coordination of furbearer management statewide; identification and facilitation of furbearer research needs statewide furbearer data management system; development of trapper education materials, and responding to public requests for information.



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

- b) Interior Furbearer Research Biologist -- Continuation of this assignment is contingent upon Game Division receiving funding at existing or higher levels. Currently engaged in research on lynx and fire-furbearer relationships.
- 2) New Positions. Nine New Positions Requiring Authorization and Funding are Requested:
  - a) Statewide Furbearer Coordinator -- This position would oversee and coordinate Statewide furbearer management, furbearer research, furbearer data management and trapper education programs. Directly supervise Statewide Furbearer Biologist. In cooperation with Regional Research Coordinators, identify and plan long-range furbearer research programs. In cooperation with Regional Management Coordinators, review and update furbearer management plans.
  - b) Assistant Statewide Furbearer Biologist -- Assist Statewide furbearer biologist in duties mentioned above under 1(a), especially development and distribution of Trapper Education materials.
  - c) Interior Furbearer Research Biologist -- Conduct continuing furbearer research and initiate new furbearer assistant furbearer research biologist.
  - d) Southeast Furbearer Research Biologist -- Initiate furbearer research in Southeast Alaska.



## ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418

FAIRBANKS, ALASKA 99706

- e) Three Fish and Game Technicians -- One to assist basic Statewide Furbearer Management; one to assist Interior Furbearer Research Biologists; and one to assist Southeast Furbearer Research Biologist.
- f) Data Control Clerk -- This position is needed to handle Statewide furbearer harvest data processing.
- g) Clerk Typist -- Provide clerical support for the Statewide furbearer program staff.



# ALASKA TRAPPERS ASSOCIATION

P.O. BOX 60418  
FAIRBANKS, ALASKA 99706

## PHASE I -- FUNDING

### Staff:

Statewide Coordinator	\$ 66,000
Assistant Fur Biologist	43,000
Interior Research Biologist	56,000
Southeast Research Biologist	50,000
Two F&G Technicians (Interior)	66,000
One F&G Technicians (Southeast)	30,000
Data Control Clerk	30,000
Clerk Typist	<u>28,000</u>
TOTAL STAFF	<u>\$369,000</u>
STATEWIDE MANAGEMENT OPERATIONS	<u>100,000</u>
RESEARCH OPERATIONAL:	
Southeast Otter Study	25,000
Southeast Marten Study	35,000
Interior Lynx Study	45,000
Interior Fire/Furbearer	20,000
S.C. Wolf/Louse Study	<u>30,000</u>
TOTAL RESEARCH	<u>\$155,000</u>
TOTAL PHASE I - FUNDING	\$624,000