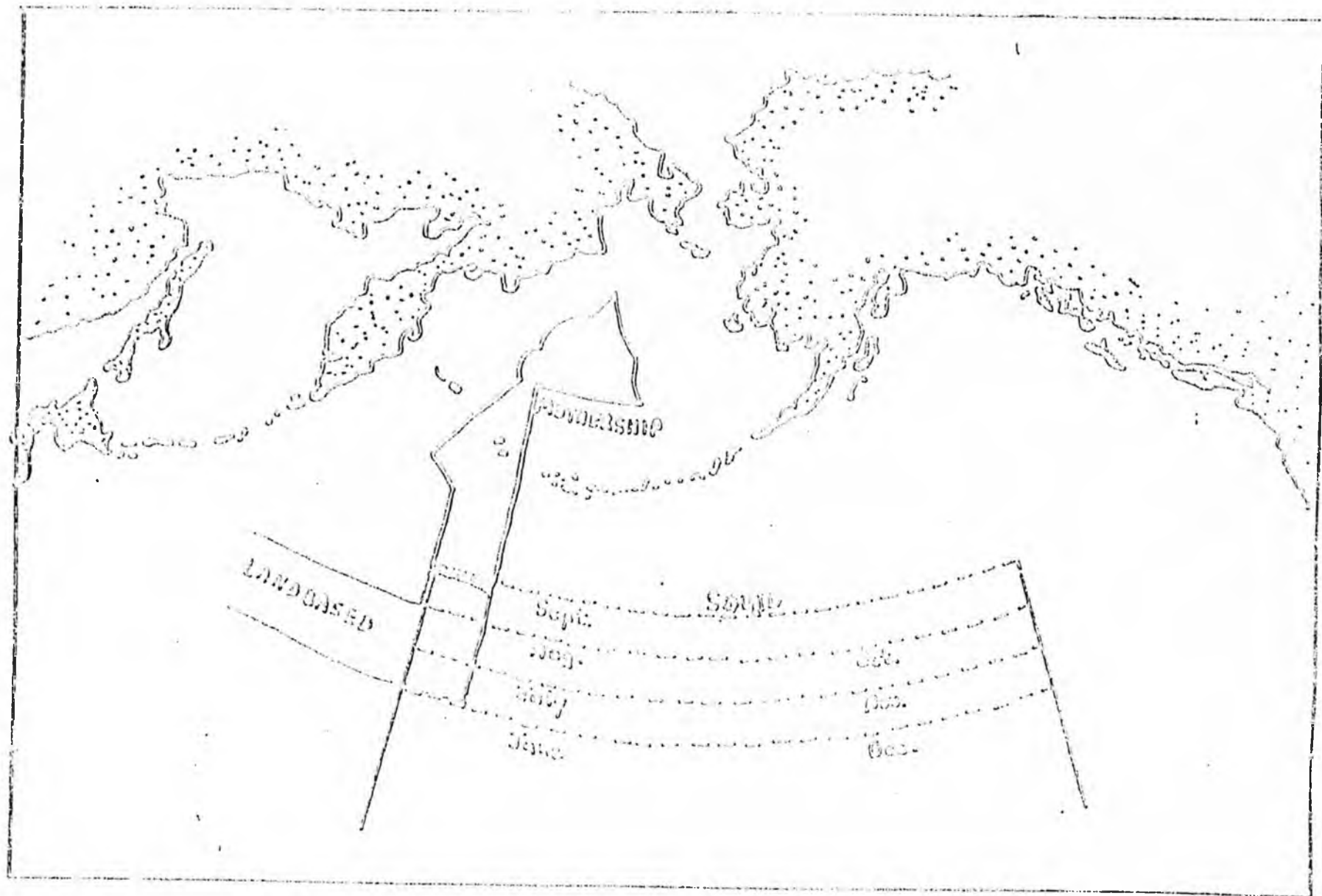


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MAP 3
Japanese Squid Fishery



with their enforcement.

with the Japanese squid fishery regulations. Similarly
in general, we, at this stage, have no major questions

salmon.

this place to determine the presence or absence of
research efforts to test fish in the area occupied by
area, and; (3) that where possible, we radiotelemetry
press for better data on catch and effort by time and
current management scheme; (2) that we continue to
should be that: (1) they adhere to and enforce their
Our position on the Japanese squid fishery

not been very comprehensive.

in very low volume. These observations, however, have
appeared to be for crew members personal use, and that
revealed any retention of salmon except what has
Observation of vessels landing squid in Japan have not

is not very good in this fishery.

outside the Japanese prescribed areas, that enforcement
We know from observation of some squid vessels fishing

temperature.

our knowledge of salmon distribution relative to water
their fisheries, salmon catches would be minimal, based on

- ° There is a problem with derelict gear from all gillnet fisheries that has been the subject of recent workshops, but no final solution.

Taiwanese "Squid" Fishery

Dramatic growth has occurred in this fishery. It has gone from 12 vessels in 1980 to 140 vessels in 1983. Since the Taiwanese are not part of any formal international body (such as INPPC) with the United States and do not have formal diplomatic relations with the United States; there has been no standard mechanism for exchange of data. We have some data on catch effort and area of fishing, but it is not complete or consistent by year.

This fishery obviously targeted to some degree on salmon in both 1983 and 1984. In 1983, reports received in the United States indicated that some 50-60 Taiwanese vessels switched from squid to target on salmon and in the latter part of the season may have landed as much as 100 tons of salmon per boat. Apparently these salmon were mostly pink and chum salmon, presumably of Asian origin. Steps were taken to encourage Japan to ban imports of salmon to Japan from Taiwan. These efforts supposedly met with a varying amount of success.

In 1984, the Taiwanese announced their intention of prosecuting a directed high seas salmon fishery supposedly in areas similar to the western parts of the Japanese landbased and mothership fisheries. A storm of controversy ensued and the United States, was successful in getting Japan and Korea to ban import of salmon from Taiwan. No specific data on catch effort and location of harvest has been provided us for this summers' fishery, either for squid effort or salmon. One industry estimate was that up to 4 million salmon may have been taken. Probably most of these were of Asian origin, but undoubtedly North American salmon were present in the catch.

The Taiwanese have recently presented a proposal to the United States government on the conduct of their squid fisheries in response to the U.S. concerns. They are willing to adopt a series of domestic regulations that they believe will reduce salmon harvest of North American stocks to an acceptable level. We have reviewed this proposal, both in the form discussed at the council meeting in Sitka and in the final document recently presented to the State Department, in Washington, D.C. We believe this to be a major step in the right direction, but the measures proposed are not adequate.

° We believe that the Taiwanese should adopt the same restrictions that the Japanese government has in place for their squid fishery. Of particular importance is that the northern boundary of this fishery be kept south of the colder waters normally inhabited by salmon, in the same way the Japanese squid fishery is required to do. We believe that retention of salmon of east or west of 170° east should be prohibited. Our North American salmon occur to the west of 170° east and to allow their retention would be inconsistent with our desire to move directed high seas salmon fisheries completely off the high seas back within each nations 200-mile zone. Moreover, vessel licensing, documentation of gear identification, which are all parts of the Japanese regulations, should also be adopted by the Taiwanese.

We should also demand better data on catch and effort by time and area in this fishery.

° Further discussions on the Taiwanese proposal are ongoing in Washington, DC with our State Office and congressional delegation. They may suggest modifications of their proposal along the lines suggested above.

Korean Squid Fishery

This fishery has a minor amount of effort compared to either the Taiwanese or Japanese fisheries and does not receive as much attention as the other two. We have no documentation that this fishery is targeting on or taking significant numbers of salmon incidentally. As a matter of fact, we have very little information on the fishery catch, effort or area of fishing.

We need to obtain better information on the Korean squid fishery and should request that this information be provided through the appropriate diplomatic channels. If necessary, the request for this type of information should be tied to the allocation process in the North Pacific Fisheries Management Council.

It seems appropriate that Korea should be requested to adopt the same regulations that govern the Japanese high seas squid fishery, including the non-retention of salmon. Although they are not a party to the International North Pacific Fisheries Commission or other international fisheries conventions, they must come to the United States for joint venture and directed groundfish fisheries within our fisheries

conservation zone. Adoption of the Japanese regulatory scheme for squid fishery should be made part of the total package.

Incidental Salmon Harvests in Joint Ventures
and Foreign Groundfish Fisheries

The aggregate harvest of salmon, particularly chinooks, in the various groundfish fisheries off Alaska is substantial. Although it varies by year, incidental harvests in the Gulf of Alaska, largely in association with pollock fisheries, probably average 20,000 to 50,000 salmon per year (mostly chinook). Harvests in the Bering Sea are probably the same order of magnitude. In 1984, it is estimated that 76,000 salmon (mostly chum) were taken incidentally in Bering Sea foreign and joint ventures trawl fisheries. Although foreign fisheries salmon harvests have been reduced by agreement with the North Pacific Council, domestic and joint venture salmon harvests are not clearly regulated. The aggregate chinook incidental harvest in the Gulf and Bering Sea may be over 75,000 fish in some years.

The state should continue to pursue with the Federal Government the need to collect better statistics on this salmon by-catch and to explore means to reduce it.

Governor's Presentation at October 9
Senate Hearings on Pelagic Gillnetting

Mr. Chairman, I want to thank you for the opportunity to testify on the issue of high seas pelagic gillnetting. This issue is of vital importance to the conservation and management of our marine resources, but even more importantly, it is vital to the economic and social well-being of Alaskans.

The interception of Alaskan salmon on the high seas by the pelagic gillnets of the landbased and mothership fleets of Japan costs the citizens of our state approximately 20 million dollars per year in lost harvest opportunity. This massive economic loss is made even more severe by the fact that it disproportionately falls on the citizens of western Alaska, and particularly the Arctic-Yukon-Kuskokwim region, which is one of the most economically depressed regions in the United States. The average annual individual income of fishermen in the Arctic-Yukon-Kuskokwim is only about \$5,000. Additionally, because of their low cash income, citizens of this area are extremely dependent on these salmon resources for subsistence use.

In addition to the conservation/allocation concerns for our salmon fishery, these high seas fisheries are also destructive to other marine resources such as marine birds and marine mammals. The number of these animals destroyed

by high seas gillnets, both when fishing and when lost at sea, is staggering.

The legal justification for this foreign fishing is found in the International North Pacific Fisheries Convention (INPFC). The treaty, first signed in 1952, by the United States, Canada, and Japan, established a line at 175° W. longitude in the north Pacific Ocean and Bering Sea as the eastern limit of Japanese fishing. The United States, at that time, thought the line would be an effective division point between stocks of Asian origin and stocks of North American origin. Subsequent research, conducted under the auspices of INPFC, conclusively proved that this was not true, and in fact, massive interceptions of North American, primarily Alaskan, salmon were occurring each year. The INPFC required concurrence of all three national sections to implement any change in the so-called abstention line. Consequently, for 26 years, these interceptions continued over the protest of the United States.

Upon the enactment of the Magnuson Act in 1976, the INPFC, which allowed a foreign fishery on our domestic salmon stocks in our fisheries conservation zone, automatically came into conflict with domestic law. Under the terms of the Magnuson Act, the INPFC had to be renegotiated, and this was done in 1978. From the U.S. perspective, the new protocol was negotiated in order to allow the Japanese to

continue its harvest of Asian salmon on the high seas without impacting Alaskan (and Canadian) stocks. The result was the movement of the Japanese fleets westward towards the Asian coast and out of what were known at that time to be the most important interception areas, particularly those areas affecting Bristol Bay sockeye salmon. Future relationships regarding groundfish harvests off our coast and pressure by the Soviets to reduce the Japanese salmon quota probably contributed to the success of this renegotiation.

This 1978 renegotiation of the convention moved the abstention line ten degrees farther to the west (an average of 450 miles). The Japanese mothership fishery was allowed to continue fishing in the far western part of our fisheries conservation zone in exchange for concessions made on the high seas outside of the zone. There is no doubt that this movement substantially reduced interceptions of North American salmon, but it did not eliminate them.

While the renegotiation in 1978 was a step in the right direction, it was not intended by the United States, or the State of Alaska, to be the end of the journey toward rational management of Alaska's salmon stocks. That goal was, and continues to be, an end to interception of North American salmon on the high seas. These fish stocks are fully utilized and intensely managed. The State of Alaska,

alone, spends over \$40 million annually on management and enhancement of its salmon resources. The salmon fishery forms the backbone of our largest industry and is the basic sustenance of life in many of our rural communities.

Alaska has had a long and productive relationship with Japan. Our fisheries resources have supplied Japanese markets, and we believe this relationship is beneficial to both our country and theirs.

However, we cannot accept a situation under which resources managed and nurtured by our citizens are harvested for gain by others without our direct involvement or agreement. The magnitude of the impacts is difficult to assess accurately, due to the mixed stock nature of the fishery, ~~drop~~ dropout ✓ deadloss from gillnets and resource damage from derelict gear. Enforcement is extremely difficult, and catch reporting accuracy in some of these fisheries is problematic with regards to both species and area of catch. This makes an annual management regime responsive to regional needs unlikely.

While a great deal of research has been done on the continent of origin of salmon in the high seas fishing areas, every new study reveals interception impacts we previously had not imagined. Research conducted since the renegotiation of INPFC in 1978 shows that the Japanese

landbased and mothership fisheries still intercept a significant number of Alaskan salmon. Last fall, in Alaska, the publication of a study, funded jointly by the State and federal government and conducted by the University of Washington caused considerable furor. That study concluded that not only western Alaska chinook were being intercepted, but also chinook from central Alaska, southeast Alaska, and British Columbia. While Japanese scientists may debate the exact level of these interceptions, every new study simply confirms that the interceptions are worse than previously expected. The only answer is to develop a specific stock management plan that ensures that these salmon of North American origin return to Alaskan waters to benefit Alaskans instead of being intercepted by Japanese fishermen on the high seas.

Historically, the Japanese salmon fisheries were coastal and concentrated on Asian salmon. When Japanese fishery operations were forced to leave Soviet soil, they moved offshore. In addition, Japan's own natural salmon runs were depleted by overfishing and habitat destruction, forcing the Japanese industry to look elsewhere for a new source of fish. The logical solution was to move further offshore where the same salmon, often as immatures, could be harvested.

From our viewpoint, any high seas fishery is wasteful and a poor management alternative. However, if Japan and the U.S.S.R. agree on such management of Asian stocks, that is their concern. The Japan-Soviet agreement has moved Japanese fleets further offshore, out of the Soviet zone and even out of major high seas areas outside their zone, causing the Japanese to expand their effort in areas where North American salmon occur, and resulting in our involvement in the issue.

At the same time its Asian fleets were being moved offshore, Japan was working to become a world leader in aquaculture. Japan's hatchery-bred salmon runs are the envy of many nations, with coastal harvests of hatchery salmon now exceeding the total harvests by the high seas salmon fleets. These hatchery returns did not exist when the high seas fleets first put to sea. If maintenance of Japanese high seas ~~fisheries~~ ^{fishery fleets} is a high priority, as has been claimed, why are they not given access to their own resources? Obviously, the answer is that Japanese coastal fishermen and their cooperatives are no more receptive to high seas interceptions of their managed stocks than are Alaskans to theirs.

This is the situation we face: to catch Asian salmon under an Asian salmon agreement, and under a fee schedule quota system for Asian salmon, the Japanese fleets fish in the

U.S. zone, the central Bering Sea, and areas to the east of 160° longitude in the north Pacific. These areas would not be necessary to catch Japan's Asian salmon catch quota, except that Japan has agreed with the U.S.S.R. to stay out of the most logical areas to harvest Asian salmon.

The time has come to phase out this anachronistic approach to salmon management. Japan claims it is not harvesting Alaskan salmon on purpose, but only to claim its share of Asian salmon based on a historical right to these stocks. Since there is a Japanese fishery in the U.S. zone, but not in the Soviet zone, these arguments have apparently not persuaded the Soviet government. All three countries recognize the legitimate right of the state of origin to manage its anadromous resources, even on the high seas. The time has come to match these legal principles with action.

We are sympathetic to the economic dependence of Japanese high seas salmon fishermen in this fishery created by years of Soviet agreements and under the INPFC. We believe a phased approach to eliminating interceptions is acceptable to give Japan time to seek a more Asian-oriented salmon fishery regime from the Soviets, or the movement of Japan's fleets into alternative fisheries. This process must not, however, be allowed to drag on indefinitely. We believe that there are solutions to allow continued harvest of Asian stocks without significant interception of North American

salmon, but they will require considerable change in the present arrangement including movement of Japanese fleets farther to the west.

Towards this end, the United States this year has initiated bilateral discussions with the government of Japan on ways to reduce or eliminate North American interceptions. To date, the Japanese have not responded with any constructive proposals or actions which they are willing to take to eliminate these interceptions. While further talks are scheduled, continued adamant refusals to recognize our concerns and our legal authority to manage these stocks must be taken into account when considering other cooperative programs with Japan on the harvest and development of the non-salmon fisheries off our coast. As Japan is the largest harvester of groundfish resources from the continental shelf off Alaska, further allocations of these other fisheries to Japan should certainly take into account Japanese cooperation, or the lack of it, on the salmon interception issue.

I must emphasize that the high seas interception of Alaskan salmon resources is one of the most aggravating political issues in Alaska. We continue to get communications on almost a daily basis from Alaskan fishermen complaining about high seas interceptions. Progress must be made toward

solution of this issue. The economic well-being of many of our residents is at stake.

Thank you for this opportunity to express our views.



Official Business

Alaska State Legislature

House of Representatives

Special Committee on Fisheries

Pouch V
Juneau, Alaska 99811

Phone:
(907) 465-4924

January 24, 1986

The Honorable George Shultz
Secretary of State
Main State Department Building
2201 C Street NW
Washington, D.C. 20520

Dear Mr. Secretary:

The House Special Committee on Fisheries and other members of the Alaska House of Representatives are extremely disappointed at the collapse of bilateral negotiations with Japan on the high-seas interception of Alaska salmon.

Despite the best efforts of the state and federal governments to convince the Japanese that the interceptions represent a serious foreign policy issue, the Japanese government and fishing industry apparently are refusing to negotiate in good faith.

Our concern is compounded by the Japanese threats to impose sanctions against U.S. seafood imports. We find this situation particularly distressing since Japan is a most important trading partner with both the U.S. and Alaska. The possibility of Alaska seafoods being embargoed is of great concern to all Alaskans, but our resolve in the interception issue is not lessened by threats.

The State of Alaska has been extremely careful to manage its commercial fisheries to avoid interceptions of salmon stocks destined to Japan, even though many of these fish pass through our waters. At the same time, the Japanese have been allowed to catch and purchase billions of pounds of groundfish in our 200-mile zone each year.

Last May, members of the Alaska Legislature approved a resolution urging the federal government to withhold allocations of groundfish from the Japanese if they should fail to negotiate in good faith on the interception issue. This position was endorsed by the North Pacific Fishery Management Council in December when it recommended a withholding of all groundfish allocations to the Japanese until progress has been made in the salmon interception talks.

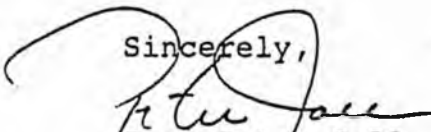
Honorable George Shultz
January 24, 1986
Page Two

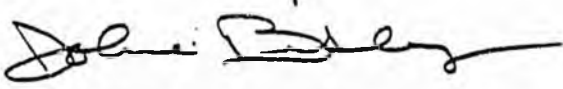
We believe that now is the time for the United States to hold firm on the interception issue. We urge you to withhold the Japanese groundfish allocations until real progress has been accomplished toward a cutback in the high seas take of Alaska salmon by Japan's high-seas gillnet fleets.

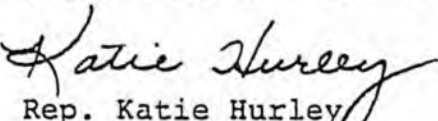
Furthermore, we endorse Governor Sheffield's proposal to deduct 10,000 metric tons of groundfish already allocated to the Japanese as an expression of the U.S. dissatisfaction with the breakdown of the negotiations. These 10,000 ton penalties should continue on a monthly basis until the Japanese return to the bargaining table.

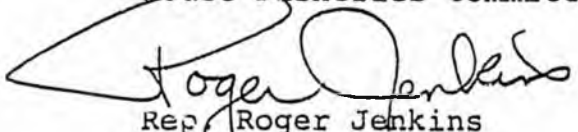
In conclusion, Mr. Secretary, we urge you to withhold all further groundfish allocations to the Japanese until the salmon interception issue is resolved.


Sincerely,

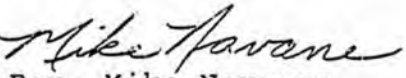

Rep. Peter Goll
Chairman
House Fisheries Committee

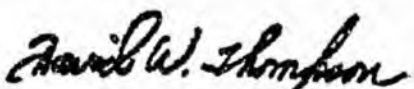

Rep. John Binkley
Member
House Fisheries Committee


Rep. Katie Hurley
Member
House Fisheries Committee

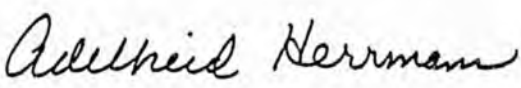

Rep. Roger Jenkins
Member
House Fisheries Committee

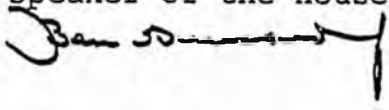

Rep. Andre Marrou
Member
House Fisheries Committee


Rep. Mike Navarre
Member
House Fisheries Committee

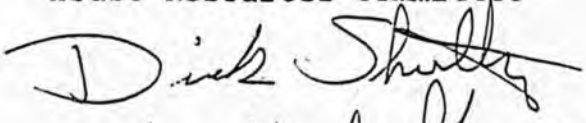

Rep. Dave Thompson
Member
House Fisheries Committee

Rep. Ben Grussendorf
Speaker of the House


Rep. Adelheid Herrmann
Co-Chairman
House Resources Committee


Rep. Richard Shultz
Co-Chairman
House Resources Committee




Hi Uncle George

Honorable George Shultz
January 24, 1986
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F. Kay Wallis
Rep. F. Kay Wallis

Al Adams
Rep. Al Adams

Bette Cato
Rep. Bette Cato

Virginia Collins
Rep. Virginia Collins

Mike Davis
Rep. Mike Davis

Steve Frank
Rep. Steve Frank

Max Gruenberg, Jr.
Rep. Max Gruenberg, Jr.

Niilo Koponen
Rep. Niilo Koponen

Terry Martin
Rep. Terry Martin

Mike W. Miller
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Fritz Pettyjohn
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Marco Pignalberi
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Steve Rieger
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John Sund
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Robin Taylor
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Jack Fuller
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Ronald J. Larson
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M. Mike Miller
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Drue Pearce
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Randy Phillips
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Pat Pourchot
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John Ringstad
Rep. John Ringstad

Mike Szymanski
Rep. Mike Szymanski

Rick Uehling
Rep. Rick Uehling

RESOLUTION 11-22-85-05
ESKIMO WALRUS COMMISSION

WHEREAS, the Eskimo Walrus Commission is made up of 17 walrus hunting communities from Northern, Northwestern, and Western Alaska; and

WHEREAS, the villages are depending on the renewable resources, like salmon and marine mammals to sustain their needs and to acquire their livelihood; and

WHEREAS, the Bering Sea is used by the marine mammals for breeding, pupping and is a prime habitat; and

WHEREAS, the foreign and American fisheries in the Bering Sea, within the 200 mile limit, has a high salmon fisheries and interception, both with salmon and marine mammals, with no penalties and no rules;

NOW THEREFORE BE IT RESOLVED THAT the State of Alaska and the United States government make restrictions so the foreign incidental catch for salmon fisheries and the take of marine mammals be zeroed out and that domestic fisheries for salmon be reduced to a level that do not affect the coastal residents and that marine mammals are not taken.

ATTEST:

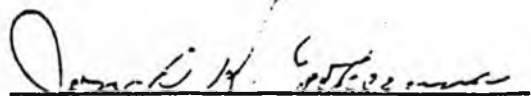

Jonah K. Tokeinna, Chairman

Table 7. Economic impact to the western Alaskan commercial fisheries from Japan's highseas salmon gillnet fisheries, 1983.

Species	Catch estimates		Exvessel Value (1)	First Wholesale Value
	Japanese	Intercepted		
Chinook	265,000	100,000	5,886,000	11,183,000
Sockeye	2,483,000	427,000	4,121,000	7,831,000
Coho	1,419,000	355,000	3,041,000	5,778,000
Chum	5,476,000	44,000	229,000	435,000
Total	9,643,000	926,000	13,277,000	25,227,000

(1) Calculated using yield per pound multiples from INPFC Document 2558 and inshore price per pound data

Note 1. Western Alaska interceptions were derived from figures for the United States by applying factors of 0.5 for chinook, and 1.0 for the sockeye, coho and chum data of Table 8.

Note 2. Salmon originating from the drainages of the Arctic, Yukon Yukon and Kuskokwim (A-Y-K) contribute only part of the western Alaska totals which also include salmon from Bristol Bay. Very roughly, 67% of the chinook, 0.05% of the sockeye, 67% of the coho and 80% of the chum of western Alaska come from A-Y-K drainages.

Table 8. Economic impact to the United States commercial fisheries from Japan's highseas salmon gillnet fisheries, 1983.

Species	Catch estimates		Exvessel Value (1)	First Wholesale Value
	Japanese	Intercepted		
Chinook	265,000	200,000	11,772,000	22,366,000
Sockeye	2,483,000	427,000	4,121,000	7,831,000
Coho	1,419,000	355,000	3,041,000	5,778,000
Chum	5,476,000	44,000	229,000	435,000
Pink	15,632,000	?	?	?
Total	25,275,000	1,026,000	19,163,000	36,410,000

(1) Calculated using yield per pound multiples from INPFC Document 2558 and inshore price per pound data

MEMORANDUM

TO: Representative Herrmann
FROM: Janet Fries
DATE: May 3, 1985

RE: ADDITIONAL INFORMATION ON SALMON INTERCEPTION BY FOREIGN FLEETS

The April 25 memorandum on salmon interceptions prepared by the House Research Agency presents a somewhat low estimate of the number of Alaska salmon intercepted by foreign fleets in the U.S. Fishery Conservation Zone (FCZ) off the coast of Alaska and on the high seas. The following information should be taken into account, when evaluating this data.

With the growth of the joint venture fleet in the FCZ, in which U.S. trawlers are delivering groundfish to foreign processors, an increasing number of salmon interceptions has been reported in recent years. In 1984, the total number of salmon intercepted in foreign and joint venture trawl operations in the FCZ, all of which are estimated to be of Alaska origin, was 144,200. This is up from an estimated 56,600 reported for 1983 in the House Research Agency (HRA) report; thus, the rate of reported salmon interceptions in the FCZ has more than doubled in one year. This increase may be due, in part, to an increase in reporting by joint ventures over foreign fishing vessels, indicating that the actual number of interceptions is even higher than this. The majority of those fish that were intercepted in the Bering Sea were chums, while the majority of those intercepted in the Gulf of Alaska were king salmon. Table 1 shows the breakdown of these figures.

Table 1.

Estimated Numbers of Salmon Intercepted by Joint Ventures and Foreign Fishing Operations in the Fishery Conservation Zone off Alaska in 1984¹

	Bering Sea	Gulf of Alaska	Total
Joint Ventures	60,573	58,900	119,473
Foreign Trawlers	12,627	12,100	24,727
TOTALS	73,200 (mainly chums)	71,000 (mainly kings)	144,200

1. Source: Jim Glock, North Pacific Fishery Management Council. Telephone communication, 5/3/85.

MEMORANDUM
May 3, 1985
PAGE TWO

In addition, the estimates given in the HRA report for the Japanese high seas fishery may be conservative, due to the potential inaccuracy of reporting by the Japanese. Also, as noted in the report, estimates do not include those salmon intercepted by the Taiwanese and other foreign fishing fleets, which may be considerable.

When evaluating these figures, it is important to look at them in comparison to the Alaska statewide salmon catch. The current interception estimates of Alaska king salmon by the Japanese high seas salmon fisheries² and the trawl fisheries³ in the FCZ, combined, is approximately 350,000. That⁴ is about 42% of the statewide king salmon catch of 830,000 king salmon⁴ in 1983. This represents a significant loss of a valuable resource to every salmon user group in the state.

2. Using 1983 estimates, since 1984 estimates are not yet available.
3. Using 1984 estimates.
4. Using 1983 figures, since 1984 figures are not yet available.

MEMORANDUM
May 3, 1985
PAGE TWO

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When evaluating these figures, it is important to look at the historical perspective, as well. In 1980, an estimated 734,000 salmon were caught in the high seas by the Japanese mothership fleet alone, 50% of which were determined to be of western Alaska origin. That figure represents more salmon than the entire western Alaska salmon catch for 1980. While the mothership interceptions have been reduced somewhat, through international negotiations, they still represent a significant loss of a valuable resource to every user group in the state.

The current interception estimates of Alaska king salmon by the Japanese high seas salmon fisheries² and the trawl fisheries³ in the FCZ, combined, is approximately 350,000, i.e. 42% of the statewide king salmon catch of 830,000 king salmon in 1983.

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ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

April 25, 1985

MEMORANDUM

TO: Representative Peter Goll

FROM: Katherine Hazard *KH*
Legislative Analyst

RE: Salmon Interception by Foreign Fleets
Research Request 85-321

You requested information about the economic value of Alaska-bound salmon intercepted by the foreign fishing fleets. You asked specifically for: 1) the estimated ex-vessel value of the intercepted fish based upon the average weight and price per pound of commercially caught salmon; 2) the estimated wholesale value of the intercepted fish; 3) the estimated revenue which would accrue to the State of Alaska through the Fisheries Business Tax if these fish were processed in Alaska; and 4) the area of origin and number, by species, of salmon intercepted by the foreign fishing fleets.

Steve Pennoyer and Charles Meacham Jr., of the Department of Fish and Game, provided information for these estimates. They are preparing a table of their calculations which will be forthcoming.

SUMMARY

Estimates of the economic loss to Alaska from interception of Alaska-bound salmon by Japanese mothership and landbased driftnet fisheries are:

Ex-vessel value	\$ 16.1 million
First wholesale value	\$ 30.5 million
Fisheries Business Tax Loss	\$643,000

The ex-vessel values for all salmon sold to processors in 1983 was \$320.6 million. The first wholesale value for salmon in the state in 1983 was \$726.4 million. Thus the estimated loss from interception of salmon is approximately 5 percent of the ex-vessel value, and approximately 4 percent of the first wholesale value.

INTRODUCTION

The calculations of estimated losses are based solely on Japanese mothership and landbased driftnet fisheries interceptions. Estimates of the number of Alaska-originating salmon intercepted by the foreign fishing fleets are incomplete because much of the information is still unknown. The greatest number of salmon are caught by the Japanese mothership (MS) and Japanese landbased driftnet (LB) fisheries. It is for these two fisheries that the most data are available. There are two other fisheries of relevance; the Taiwanese fishery and the foreign and joint-venture trawlers.

Very little is known about the number of salmon caught by the Taiwanese fishery. There is no information on the species composition or origin of these fish. Foreign and joint-venture trawlers caught an estimated 19,700 chinook, 36,400 chum and 400 other salmon during 1983. Mr. Meacham said that although there are no data on the origin of these fish, probably all of them are Alaska-bound.¹ Nothing is known of the size or age composition of these fish, so for several reasons, there is not currently a reliable means of calculating how many of these fish could, if not intercepted, be caught by Alaska fisheries.

According to Mr. Meacham,² estimates of salmon catches in 1983 for the North Pacific foreign fleets were:

Japanese mothership	9.4 million
Japanese landbased	15.8 million
Taiwan	3.5 to 4 million
Foreign and Joint- Venture Trawlers	56,500

¹An outline entitled "High Seas Salmon Interception Fisheries", included in the packet of information submitted to us with your research request, had incorrect figures listed for intercepted salmon. The outline had no source listed. Steve Pennoyer, of the Department of Fish and Game, said that 16,000,000 is the number of salmon caught by the Japanese landbased fisheries, and 8-9,000,000 is the number of salmon caught by the Japanese mothership fisheries. These are not the number of intercepted fish. He did not know the origin of the data for the Taiwanese and Other fisheries.

²Charles Meacham, Alaska Department of Fish and Game in Anchorage: Telephone number, (907) 267-2112.

JAPANESE MOTHERSHIP AND LANDBASED DRIFTNET FISHERIES

Number Caught

Estimates of the number of salmon caught by Japanese mothership and landbased driftnet fisheries fleets are listed in Table 1. These catch data are reported in the International North Pacific Fisheries Commission documents.

Number Intercepted

Estimates of the number of salmon intercepted are also shown in Table 1. The interception figures for sockeye are based on the mean percentage intercepted of the total catches for the years from 1978 to 1981, in which studies were done. These percentages were applied to the 1983 sockeye catch to derive an interception estimate. Estimates for chinook are based on studies done from 1982-84 by the Fisheries Research Institute on contract to Fish and Game.³

Mr. Meacham provided estimates of the number of chums intercepted by the MS fisheries, but there are no estimates of chum intercepted by the LB fisheries. However, Dr. Harris said that essentially none of the chum caught by the LB fisheries are of North American origin.

Although total catch figures are available from the International North Pacific Fisheries Commission documents, there are no estimates of the number of pinks intercepted. Mr. Meacham and Dr. Harris both said that an insignificant amount of the pink salmon caught by the Japanese fleets are of North American origin.

Dr. Colin Harris of the Fisheries Research Institute at the University of Washington, would not make estimates of the number of cohos intercepted.⁴ He said that significant numbers are taken by the mothership fishery, but he did not know of a reliable way to estimate the numbers. Mr. Meacham provided rough estimates of cohos intercepted.

³Rogers, Donald E. et al. 1984, "Origins of Chinook Salmon in the Area of the Japanese Mothership Salmon Fishery", FRI-UW-8408, Final Report to the Alaska Department of Fish and Game, Contract No. 84-0152, Fisheries Research Institute, School of Fisheries, University of Washington, Seattle, Washington.

⁴Dr. Colin Harris, Fisheries Research Institute, University of Washington, (206) 543-7281.

Dr. Harris also stated that most of the cohos intercepted by the LB fleet are of western origin. He said, however, that many of the Bristol Bay cohos are unexploited anyway, so that it would be hard to say that cohos intercepted by the Japanese fleet yield an economic loss to Alaska. For this reason cohos are excluded from the values reported in the summary on page one of this memorandum.

Area of Origin

Studies by the Fisheries Research Institute provide estimates of the area of origin for chinook salmon caught by mothership and landbased driftnet fisheries. In 1983, an estimated 200,000 Alaska-bound chinook salmon were intercepted by the Japanese MS and LB fisheries. Of these an estimated 75,000 (37%) were from western Alaska stocks, 106,000 (53%) from central Alaska and 19,000 (9.5%) were of Southeast Alaska or British Columbian stocks.⁵

According to Dr. Harris, the great majority of the 427,000 sockeye, 44,000 chum and the cohos intercepted by the Japanese fleets are of western or central Alaska origin.

Estimated Loss of Salmon to Alaska Due to Interception

An estimated 1,099,000 salmon of Alaska origin are intercepted by Japanese mothership and landbased fisheries. To calculate the pounds of salmon available inshore if these salmon had not been intercepted, the natural mortality, drop-out rate and growth rate must be applied to the numbers intercepted. Together these factors comprise the yield loss multiplier.⁶

Natural Mortality: Not all of the fish caught on the high seas would have survived to return to Alaska waters, particularly since many of the fish intercepted are immature and would have several years on the high seas before returning to their origin.

⁵The Bristol Bay area is in the Central Region, as classified in the Alaska 1983 Catch and Production Commercial Fisheries Statistics, Statistical Leaflet No. 36.

⁶These factors and the formula are described by Richard J. Major in greater detail in the International North Pacific Fisheries Commission Document 2558.

Drop-out Rate: The drop-out rate accounts for fish which are caught in the Japanese fisheries nets, but drop-out as the nets are hauled in. These salmon die as part of the fishery, but are not included in the catch figures. For the drop-out rate, a multiplier of between 1.33 and 2.00 is used by Fish and Game.

Growth Rate: Many salmon caught on the high seas are immature. The growth rate accounts for the estimated increase in size between the time the salmon are caught on the high seas and the time they would have been caught if allowed to progress to inshore waters.

The formula used by Fish and Game is:

interception number x mean wt. on high seas for each species x yield loss multiplier = total lbs. available inshore.

This formula yields the estimated total pounds of salmon that would be available inshore. These figures are presented in Table 2. Because, as indicated by Dr. Harris, interception of cohos may have no economic effect on the Alaskan fishery, two sets of calculations were made: one without intercepted cohos and one including intercepted cohos.

There is an estimated loss of 10.14 million lbs. of chinook salmon. Assuming that 90 percent of these are of western or central origin, 9.12 million lbs. of the intercepted chinook were from this region. In 1983 the commercial catch of chinook in central and western Alaska was 11.06 million lbs.

There is an estimated loss of 5.85 million lbs. of sockeye; 296.11 million lbs. were landed by the commercial fleet in central and western Alaska in 1983. For chum, an estimated .72 million lbs. were intercepted by the Japanese fleet; 68.49 million lbs. were landed by the commercial fishery in western and central Alaska.

Ex-vessel Value

The ex-vessel value was calculated by multiplying the estimated number of pounds of each species by the statewide average price in 1983.⁷

⁷Alaska 1983 Catch and Production Commercial Fisheries Statistics, Statistical Leaflet No. 36, December 1984, Alaska Department of Fish and Game.

Wholesale Value

The wholesale value was calculated by multiplying the ex-vessel value by 1.9. The prices to fishermen and the wholesale values vary from year to year. In 1983, the wholesale value for all salmon was 2.26 times greater than the ex-vessel value. Prices to fishermen were low in 1983, and the ratio was higher than usual. Between 1978 and 1983 the ratio has varied from 1.88 to 2.26.

Fisheries Business Tax

The Fisheries Business Tax on salmon ranges from 3 percent to 5 percent of the ex-vessel value, depending upon how the fish are processed. It is not possible to estimate how fish currently intercepted by foreign fleets would be processed if allowed to progress to Alaska waters. Based on the estimates of ex-vessel values, revenue from the Fisheries Business Tax would range from \$482,452 to \$804,086.

In 1983, revenue from the Fisheries Business Tax was \$20,516,686. In 1984 revenue from the Fisheries Business Tax was \$18,979,226. The mean estimated value of lost revenue is 3.3 percent of the mean revenue from 1983 and 1984.

* * * * *

Time constraints for completion of this memorandum precluded more detailed analysis and literature review. Statistics for 1984 are not currently compiled, but could be obtained through further research effort. Please let us know if you have further questions or would like a more detailed analysis.

KH

Attachments

Table 1. Total Catches and Interception of Salmon by Japanese Fleets in Thousands of Fish -- 1983

Species	Japanese Mothership Only		Japanese Landbased Only		Japanese MS and LB		% of Total Catch Intercepted
	Intercepted	Total	Intercepted	Total	Intercepted	Total	
sockeye	336	1,655	91	828	427	2,483	17.2
chinook	67	87	133	178	200	265	75.5
chum	44	3,081	0	2,395	44	5,476	0.8
pink	0	4,324	0	11,308	0	15,632	0.0
coho	74	297	354	1,122	428	1,419	30.2
total	521	9,444	578	15,831	1,099	25,275	4.3

Source: Department of Fish and Game.

Prepared by the House Research Agency, April 1985

Table 2

Estimated Value of Salmon Intercepted by Japanese Mothership and Landbased Driftnet Fisheries

	Salmon Loss in Pounds			Mean Price Per Pound	Ex-vessel Value	Wholesale Value
	MS	LB	Total			
Sockeye	4,680,000	1,172,000	5,852,000	.70	\$ 4,096,000	\$ 7,782,400
Chinook	3,001,000	7,134,000	10,135,000	1.16	11,756,600	22,337,540
Chum	716,000	NA	716,000	.60	229,120	435,328
Coho	1,162,000	3,907,000	5,069,000	.60	3,041,000	5,777,900
Subtotal (w/out cohos)	8,397,000	8,306,000	16,703,000		\$16,081,720	\$30,555,268
Total (w/ cohos)	<u>9,559,000</u>	<u>12,213,000</u>	<u>21,772,000</u>		<u>\$19,122,720</u>	<u>\$36,333,168</u>

Source: Department of Fish and Game.

Prepared by the House Research Agency, April 1985

JAPANESE FISHERIES

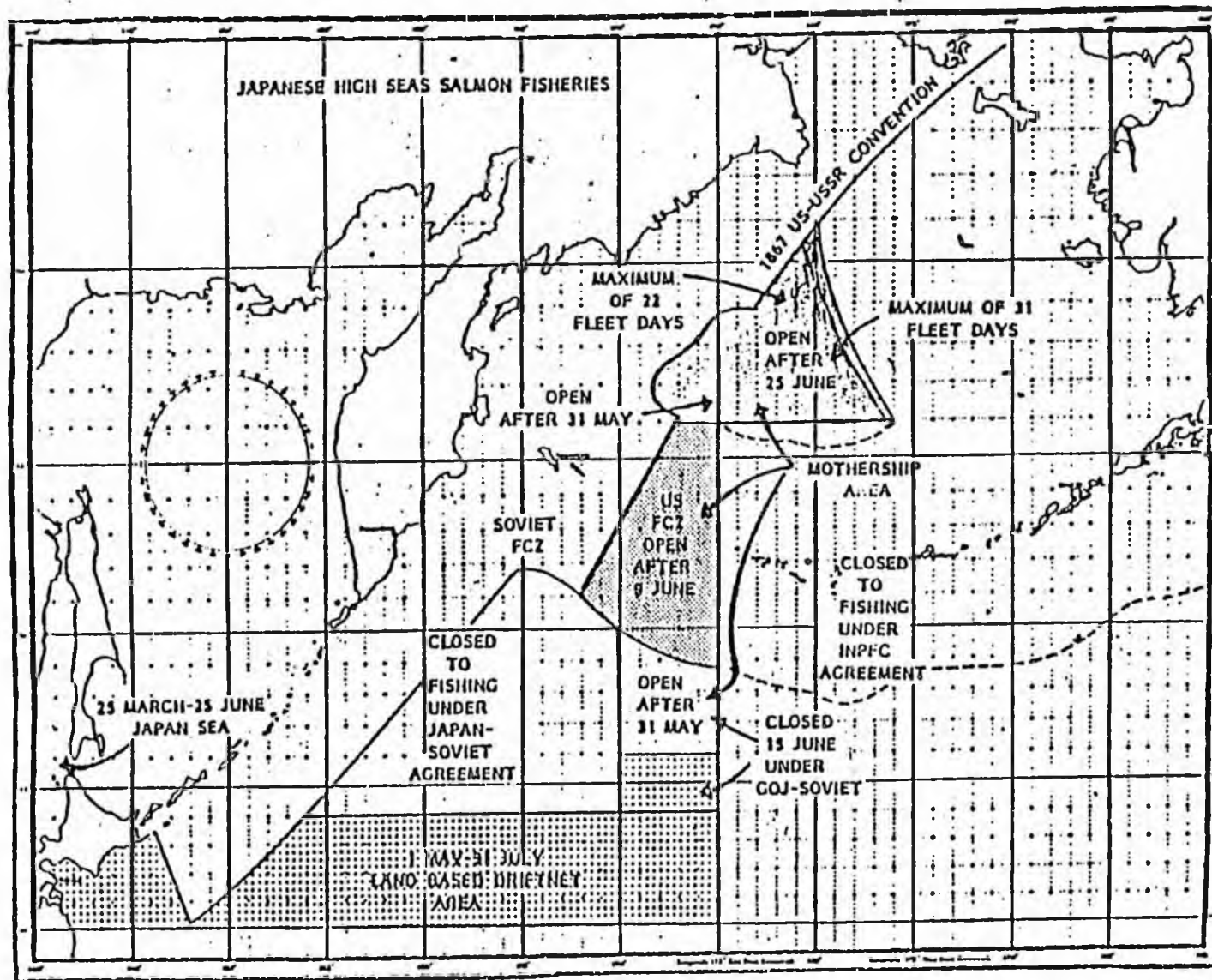
	SQUID GILLNET	SALMON LANDBASED GILLNET	SALMON MOTHERSHIP GILLNET
VESSELS	534	209	172
MESH SIZE	4 1/2 INCH	4 1/2 INCH	4 1/2 INCH
MILES NET (APPROX.)	10,000	² 3,000	1,500
SEASON	JUNE-DEC.	MAY-JULY	JUNE-JULY
CATCH (1981)	82,000 TONS SQUID	16 MILLION SALMON	10 MILLION SALMON

Table . Salmon catch (in thousands) by the Japanese mother-ship (MS) and landbased driftnet (LB) fisheries, 1957-1984.

Year	Sockeye		Chinook		Chum		Pink		Coho		Total	
	MS	LB	MS	LB	MS	LB	MS	LB	MS	LB	MS	LB
1957	20,000	494	31	33	11,908	4,081	27,881	35,551	442	526	60,358	40,685
1958	12,026	888	46	45	18,787	9,155	15,546	24,833	3,393	785	49,798	35,706
1959	9,125	832	68	42	12,859	9,045	18,856	35,129	1,423	1,178	42,331	46,226
1960	12,879	1,601	180	113	10,517	8,684	1,885	20,129	962	1,346	26,423	31,873
1961	12,998	1,173	31	79	6,128	6,104	3,263	34,559	284	1,454	22,704	43,369
1962	10,590	154	122	124	6,372	7,577	1,139	14,021	1,532	1,289	19,755	23,165
1963	8,903	18	87	102	5,858	7,538	6,732	31,255	1,895	1,492	23,475	40,405
1964	7,097	108	410	195	8,641	8,956	2,281	17,247	3,535	1,624	21,964	28,130
1965	12,038	159	185	93	6,036	8,330	4,429	29,142	1,177	1,913	23,865	39,637
1966	7,254	703	208	112	8,562	11,848	2,553	16,032	469	1,458	19,046	30,153
1967	8,087	2,566	128	110	6,837	11,078	7,781	23,051	226	1,329	23,059	38,134
1968	6,373	2,769	362	88	8,107	8,457	3,823	15,899	898	1,421	19,563	28,634
1969	5,935	2,495	554	83	7,721	4,908	6,972	23,610	1,306	3,328	22,488	34,424
1970	6,944	2,966	437	101	9,638	6,585	1,726	13,403	180	2,259	18,925	25,314
1971	3,554	3,026	206	134	9,968	6,250	8,202	16,977	454	2,373	22,384	28,760
1972	3,184	3,711	261	103	13,373	8,598	3,795	14,839	614	2,421	21,421	29,672
1973	2,613	3,308	119	162	7,857	7,614	12,018	20,650	989	3,794	23,596	35,528
1974	2,282	3,155	361	186	9,283	12,179	7,756	11,242	1,085	3,559	20,767	30,321
1975	2,171	2,969	162	135	7,367	11,480	14,654	15,347	356	3,550	24,710	33,481
1976	2,266	3,291	283	201	10,436	10,646	7,207	10,879	828	2,751	21,020	26,690
1977	1,508	1,289	93	146	5,996	6,230	9,100	15,041	79	1,722	16,778	24,428
1978	1,882	1,292	105	210	3,802	3,488	1,853	7,846	609	2,512	8,251	15,349
1979	2,186	756	126	161	3,277	2,661	3,405	11,190	281	1,199	9,275	15,349
1980	2,412	787	704	160	3,098	2,697	561	11,612	656	1,205	7,431	16,461
1981	2,224	859	88	190	2,539	2,509	4,094	11,292	615	1,209	9,560	16,059
1982	1,738	723	107	165	3,217	2,930	1,654	11,035	1,183	1,201	7,899	16,054
1983	1,655	828	87	178	3,081	2,395	4,324	11,308	297	1,122	9,445	15,831
1984	1,597	305	82	92	3,276	2,214	1,430	9,727	786	894	7,170	13,233

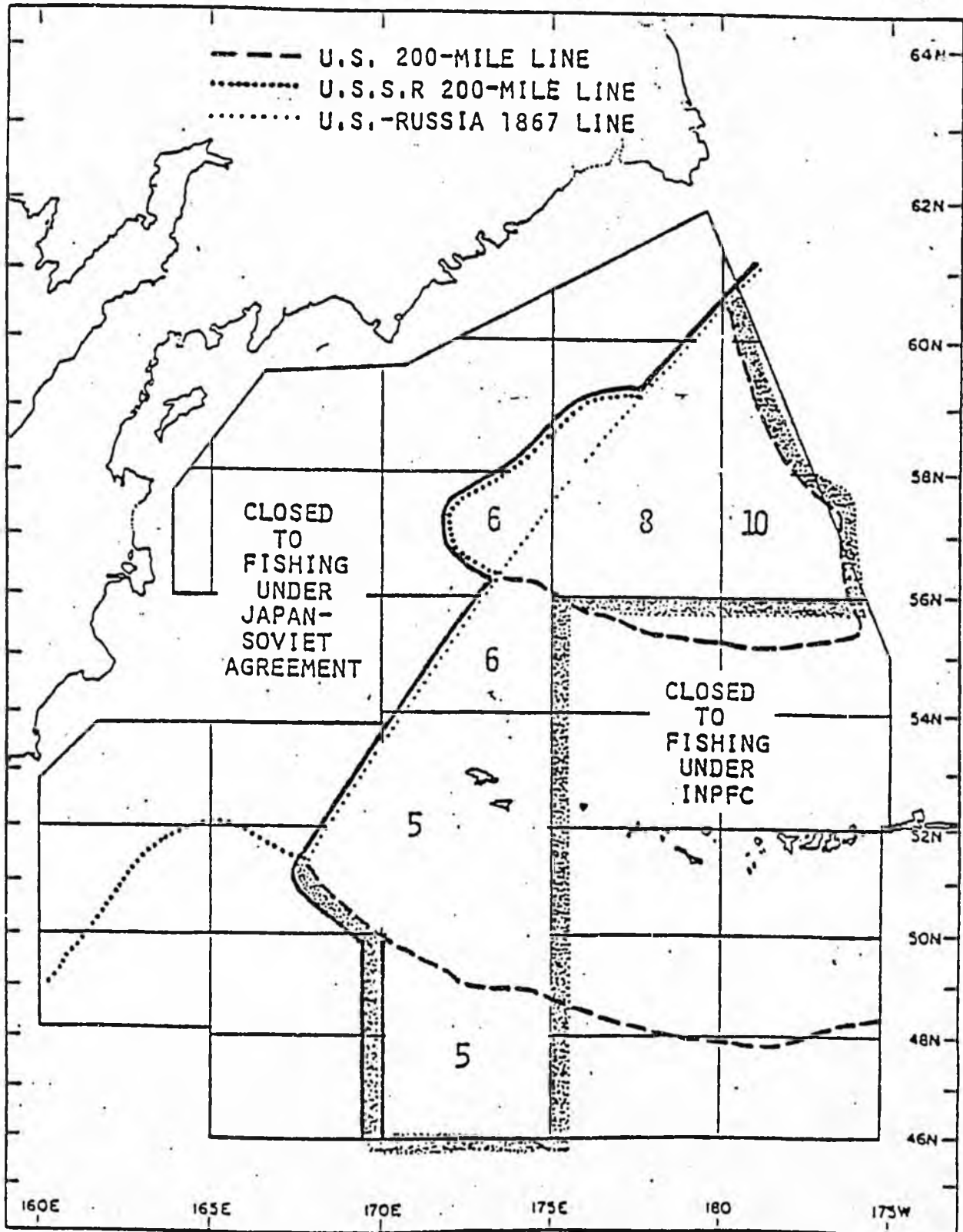
MAP 1

Annex C - Map of the Japanese High-Sea Salmon Fishery

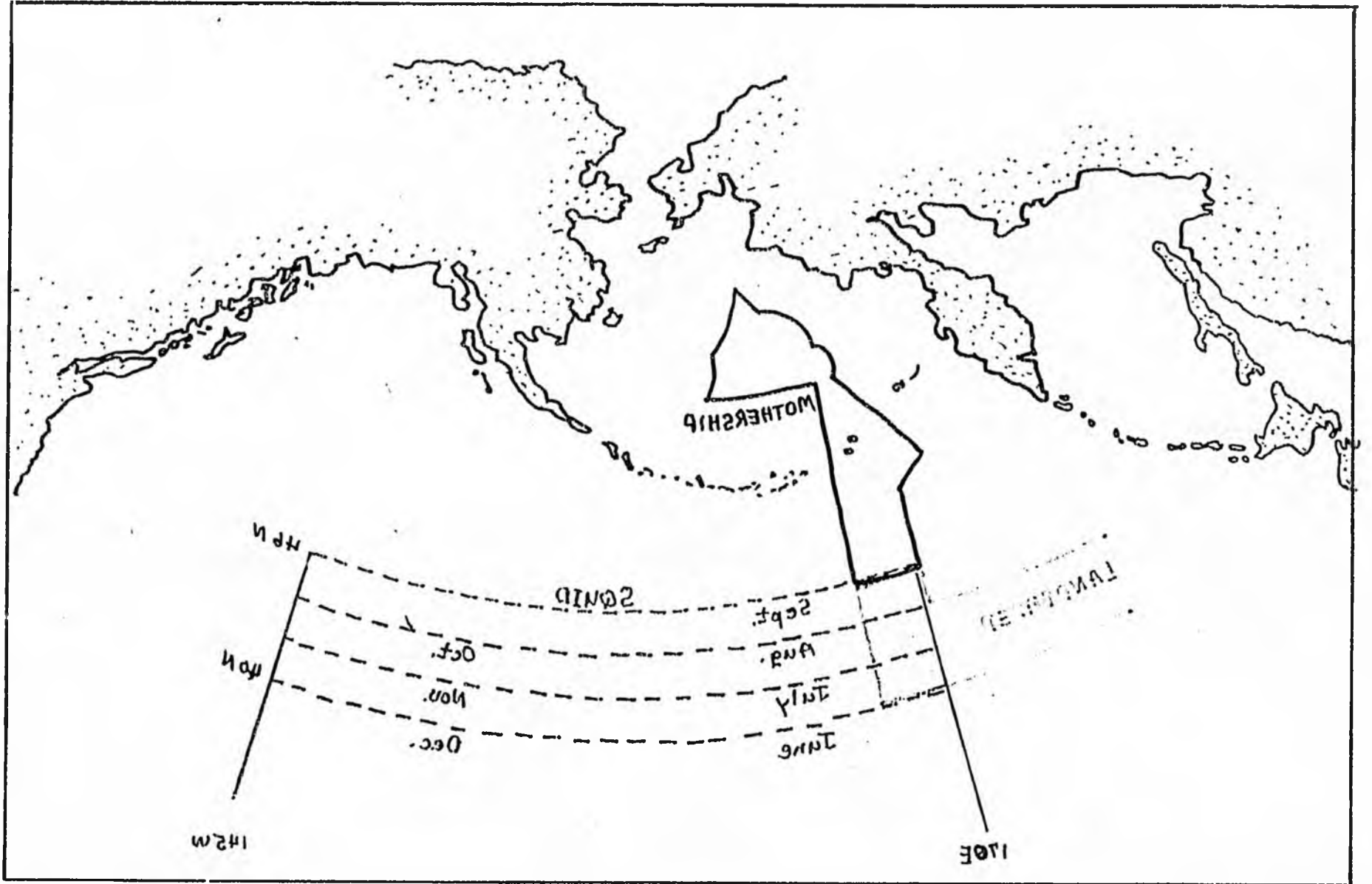


MAP 2

JAPANESE MATERNITY FISHING AREAS



INPFC SUBAREAS



Introduced: 5/3/85
Referred: Resources

1 IN THE SENATE

BY SACKETT

2

SENATE JOINT RESOLUTION NO. 27

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the interception of Alaska

6

salmon on the high seas.

7

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

8

WHEREAS Alaska's salmon represents one of the state's most important
9 renewable resources; and

10

WHEREAS more than 40,000 people are employed in commercial fish pro-
11 cessing and harvesting jobs in the state during the salmon season, and
12 thousands of other people in the transportation and service industries in
13 the state benefit from this economic activity; and

14

WHEREAS the Alaska commercial salmon industry contributes millions of
15 dollars annually to state and local government treasuries through taxes,
16 assessments and fees, and salmon fishing and processing represent the
17 economic backbone of many coastal communities in the state; and

18

WHEREAS salmon is a mainstay in the diets of state residents who
19 harvest the great fish by rod and reel, net, and fishwheel for personal and
20 family consumption; and

21

WHEREAS recreational fishing for salmon is an experience enjoyed by
22 most state residents each year; and

23

WHEREAS an estimated 1,099,000 salmon originating in the state were
24 harvested on the high seas by Japanese fishing fleets during 1983; and

25

WHEREAS these high seas interceptions deprived state residents of
26 commercial fishing opportunities valued at \$16,100,000 to fishermen, and
27 \$30,500,000 to seafood processors; and

28

WHEREAS this lost opportunity cost the state treasury between \$482,452
29 and \$804,086 in lost fisheries business tax revenue alone; and

1 WHEREAS the interception figures include 106,000 chinook salmon from
2 South Central Alaska stocks, more than the combined catches of recreation;
3 al, commercial and subsistence fishermen in Cook Inlet in 1983; and

4 WHEREAS Japanese fishermen catch billions of pounds of fish and shell-
5 fish in the state's 200-mile fishery conservation zone each year;

6 BE IT RESOLVED that the Alaska State Legislature respectfully requests
7 the U.S. Department of State to immediately begin negotiations that will
8 lead to complete elimination of high seas interceptions of salmon of Alaska
9 origin; and be it

10 FURTHER RESOLVED that the Alaska State Legislature respectfully
11 requests U.S. Congress to adopt amendments to the Magnuson Fishery Conser-
12 vation and Management Act preventing nations that intercept Alaska-bound
13 salmon on the high seas from receiving allocations to harvest groundfish in
14 the United States' 200-mile fishery conservation zone.

15 COPIES of this resolution shall be sent to the Honorable Ronald
16 Reagan, President of the United States; the Honorable George Schultz,
17 Secretary of State; the Honorable Robert Dole, U.S. Senate Majority Leader;
18 the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Repre-
19 sentatives; and to the Honorable Ted Stevens and the Honorable Frank
20 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative,
21 members of the Alaska delegation in Congress; to Mr. William Gordon, assis-
22 tant administrator for fisheries, National Marine Fisheries Service; and to
23 Mr. James Campbell, chairman, North Pacific Fishery Management Council.

Introduced: 5/2/85
Referred: House Special Committee
on Fisheries and Resources

1 IN THE HOUSE

BY GOLL

2 HOUSE JOINT RESOLUTION NO. 43

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 Relating to the interception of Alaska
6 salmon on the high seas.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS Alaska's salmon represents one of the state's most important
9 renewable resources; and

10 WHEREAS more than 40,000 people are employed in commercial fish pro-
11 cessing and harvesting jobs in the state during the salmon season, and
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13 the state benefit from this economic activity; and

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15 dollars annually to state and local government treasuries through taxes,
16 assessments and fees, and salmon fishing and processing represent the
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19 sentatives; and to the Honorable Ted Stevens and the Honorable Frank
20 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative,
21 members of the Alaska delegation in Congress; to Mr. William Gordon, assis-
22 tant administrator for fisheries, National Marine Fisheries Service; and to
23 Mr. James Campbell, chairman, North Pacific Fishery Management Council.
24
25
26
27
28
29



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith

Signature of Camera Operator

9/5/89

Date

HJR

70

H/C

**HOUSE
COMMITTEE REPORT**

(9)

Date referred: 4/1/86

FURTHER REFERRALS: JUDICIARY

DATE: April 9, 1986

The RESOURCES Committee has considered HJR 70

Relating to placer mining in the state.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with _____ same title
- _____ new title

and recommends _____

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note
- First

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Shultz Dick Shultz

Cato Bette Cato

Miller M.W. Miller

Pearce Rue Pearce

Edelheid Herrmann, Do Not Pass
Herrmann Needs to be updated

Kay Wallis needs to be
Wallis rewritten

Dick Shultz
Co-Chairman Shultz

ALEX SHADURA

PRESENTATION BEFORE THE
JOINT HOUSE AND SENATE FINANCE SUBCOMMITTEE
FEBRUARY 27, 1986

I AM HERE BEFORE YOU TODAY BECAUSE I AM DISTRESSED AND CONCERNED WITH THE DIRECTION THE STATE IS TAKING WITH REGARD TO ECONOMIC DEVELOPMENT.

ECONOMIC GROWTH REQUIRES INVESTMENT IN THE FUTURE.

CONTINUED ECONOMIC GROWTH IS ESSENTIAL FOR THE WELL-BEING OF THE STATE OF ALASKA AND ITS PEOPLE. WE HAVE ALL THE BASIC RESOURCES NECESSARY FOR ECONOMIC GROWTH AND THERE IS NO REASON WHY ALASKA CANNOT SUSTAIN ITS GROWTH HAVING ALL THE INGREDIENTS AND ESSENTIALS.- IN ORDER FOR RESOURCES TO BE DEVELOPED TO SUSTAIN ECONOMIC GROWTH, THEY MUST BE NURTURED AND SOMETIMES INJECTED WITH A STIMULANT. THE STIMULUS CAN BE FROM A DISCOVERY THROUGH RESEARCH. RESEARCH AND ENHANCEMENT ARE ESSENTIAL TO RESOURCE DEVELOPMENT.

BEING A CONCERNED AND DEDICATED CITIZEN OF ALASKA, MY INTERESTS ARE WIDE-SCOPED. FISHERIES PRODUCTS PROCESSING, MARKETING, FARMING OF BOTH LAND AND SEA, RURAL DEVELOPMENT, MINING, CONSTRUCTION, URBAN DEVELOPMENT, ALASKA NATIVES' AFFAIRS, HEALTH AND SOCIAL PROBLEMS, INCLUDING DRUG AND ALCOHOL - I HAVE BEEN INVOLVED IN ALL.

MY CONCERN TODAY IS WITH THE REDUCED EFFORT OF THE STATE TO SUSTAIN A CONTINUED RESEARCH AND ENHANCEMENT PROGRAM FOR OUR FISHERIES. I UNDERSTAND THE BUDGET CONSTRAINTS AND CONTINUED PRESSURE TO REDUCE COST OF GOVERNMENT. THE UNCERTAINTY BECAUSE

OF OUR DEPENDENCY ON A RESOURCE IN WHICH THE STATE OF ALASKA HAS LIMITED CONTROL.

I NEED NOT REMIND YOU THAT THE FISHING INDUSTRY FOR MANY YEARS WAS THE PRINCIPAL INDUSTRY IN ALASKA, AND MANY YEARS HENCE IT PROBABLY WILL BE AGAIN IN THE NUMBER ONE POSITION. I HAVE RECENTLY HEARD MANY ACCOLADES ABOUT THIS INDUSTRY THAT IT IS THE SECOND LARGEST INDUSTRY OF THE STATE WITH A VALUE OF 700 MILLION DOLLARS TO THE ECONOMY. THE FISHING INDUSTRY ALSO EMPLOYS MORE PEOPLE THAN ANY OTHER INDUSTRY IN ALASKA AND MANY COMMUNITIES ARE IMPACTED AND DEPENDENT ON THIS INDUSTRY.

WHY THEN, WHEN A SYSTEM IS FUNCTIONING WELL AND PROGRESSIVELY IMPROVING, DOES IT HAVE TO BE INTERFERED OR TAMPERED WITH? ISN'T THERE AN AXIOM: TO LEAVE THINGS THAT ARE GOING WELL - LEAVE WELL ENOUGH ALONE."

THE FISHERIES RESOURCE IS HEALTHY TODAY BECAUSE MANY PEOPLE DURING THE EARLY DAYS OF STATEHOOD MADE GREAT EFFORTS. THEY WORKED HARD TO IMPROVE AND ENHANCE THE RESOURCE BY WHATEVER MEANS NECESSARY.

FIRST, THEY CONCENTRATED ON BRINGING TO OUR STATE GOVERNMENT HIGHLY QUALIFIED FISHERY MANAGERS AND SCIENTISTS TO DEVELOP A RESEARCH AND MANAGEMENT PLAN FOR THE RESOURCE. PARALLEL TO THIS WERE THE CITIZENS WHO SAW WHAT HAD TO BE DONE AND THEN DID IT, EVEN TO THE POINT OF PERSONAL SACRIFICE.

TOGETHER WITH SENATOR FRANK PERATROVICH (SECOND PRESIDENT OF THE STATE SENATE), SENATOR OWENS OF KODIAK, MR. DEGNAN OF UNALAKLEET, I SAT ON THE FISHERIES COMMITTEE OF THE FIRST

DEMOCRATIC STATE CONVENTION HELD IN NOME IN 1960. WE WROTE A NUMBER OF RESOLUTIONS WHICH I WAS PRIVILEGED TO PRESENT TO THE CONVENTION. THE PRIME RESOLUTION WAS TO DEVELOP A RESEARCH AND ENHANCEMENT PROGRAM FOR OUR FISHERIES. SINCE THAT TIME, I HAVE SAT TOGETHER WITH JOHN WIESE OF CORDOVA AND OTHERS ON A NUMBER OF SUCH COMMITTEES AND THERE WAS ALWAYS A RESOLUTION FOR THE RESEARCH AND ENHANCEMENT OF OUR FISHERIES.

WE ALSO RECEIVED HELP THROUGH VARIOUS CONGRESSIONAL LEADERS WHERE A SIMILAR PROGRAM WAS INVOKED IN THE U.S. CONGRESS. ALASKA FISHERIES WERE BLESSED BY THE SUPPORT OF SENATORS SALTONSTALL, JOHN KENNEDY, BOB BARTLETT, ERNEST GRUENING, MIKE GRAVEL, TED STEVENS, "SCOOP" JACKSON, WARREN MAGNUSON AND REPRESENTATIVE RALPH RIVERS. SENATOR MAGNUSON OF THE STATE OF WASHINGTON WAS A REAL FRIEND OF THE ALASKA FISHING INDUSTRY.

IN ORDER TO ACCOMPLISH WHAT WE WERE ADVOCATING REQUIRED FUNDING. SINCE ONLY LIMITED REVENUE WAS AVAILABLE THROUGH OIL REVENUE AND OTHER SOURCES, FUNDING THROUGH BONDING WAS ENACTED. DURING THE EGAN ADMINISTRATION THE ISSUE OF FISHERY RESEARCH AND ENHANCEMENT WAS PLACED ON THE BALLOT AND THE VOTE WAS HEAVILY FOR ENACTMENT. PARALLEL TO THIS WAS A PROGRAM INTRODUCED BY OUR CONGRESSIONAL DELEGATION WITH THE SUPPORT OF THE OREGON AND WASHINGTON SENATORS FOR FISHERIES RESEARCH AND ENHANCEMENT.

THESE WERE THE FUNDING SOURCES THAT HELPED OUR FISHERIES INDUSTRY DEVELOP TO A 700 MILLION DOLLAR INDUSTRY.

WE CANNOT UNDO THIS GREAT EFFORT BY SO MANY, IN THE DESIRE TO PROMOTE A SAVINGS ACCOUNT AND DIVIDEND PROGRAM. WE

MUST CONSIDER ALL THE ASPECTS OF OUR PRESENT AND FUTURE WELL-BEING. WHAT IS NECESSARY TO HOLD FOR A RAINY DAY, IF AND WHEN OUR STATE INCOME FALTERS? SHOULD WE SALT IT ALL AWAY SO THAT IT IS UNAVAILABLE NOW, OR SHOULD WE USE SOME OF IT FOR FURTHER DEVELOPMENT OF OUR RESOURCES WHICH WILL ULTIMATELY LEAD TO FUTURE ECONOMIC GROWTH.

I MAINTAIN THAT SUCH A USE OF STATE INCOME MAY BRING EQUAL OR HIGHER RETURN THAN ANY INTEREST FROM STOCKS OR BONDS.

PROGRAMS IN LIMNOLOGY AND LAKE FERTILIZATION SHOULD BE CONTINUED. TO BREAK THE CONTINUITY WOULD LEAVE A VACUUM IN THE ENHANCEMENT PROGRAM. OTHER ENHANCEMENT PROGRAMS SUCH AS THE ONES AT PORT GRAHAM, ENGLISH BAY, DESIRE LAKE AND PAINT RIVER SHOULD BE GIVEN CONSIDERATION AND BE INCLUDED IN THE APPROPRIATIONS OF THIS FOURTEENTH LEGISLATURE. ANY INVESTMENTS INTO THESE PROGRAMS WOULD BE RETURNED MANY FOLD AND IN ADDITION WOULD PROVIDE FISHING OPPORTUNITY FOR COMMERCIAL, SPORTS, AND SUBSISTENCE FISHERIES IN THE LOWER COOK INLET.

I AM ASKING THAT THE REDUCTIONS TO THE F.R.E.D. (FISHERIES RESEARCH AND ENHANCEMENT) DIVISION BE RECONSIDERED BY THE DIRECTOR OF F.R.E.D. AND THE COMMISSIONER OF THE ALASKA DEPARTMENT OF FISH AND GAME. THESE PROGRAMS ARE ESSENTIAL TO THE CONTINUING DEVELOPMENT AND PROGRESS OF THE FISHING INDUSTRY.

I WISH TO THANK THE MEMBERS OF THIS COMMITTEE FOR LISTENING TO MY PLEA.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date : _____

REQUEST

Bill/Resolution No. : HJR 70
 Title : Relating to placer mining
in the state.
 Sponsor : House Resources Committee
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected : _____
 BRU : _____

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

- CAPITAL						
-----------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : House Resources Committee Staff
 Division : _____

Phone : 465-3715
 Date : _____

Approved by Commissioner : *Dick Shultz*
 Agency : Representative Dick Shultz

Date : April 9, 1986

Distribution (by Agency preparing fiscal note):

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

DEAN K. DUNSMORE
REGINA R. BELT
Land and Natural Resources Division
Department of Justice
Room F-249, Mail Box 69
701 "C" Street
Anchorage, Alaska 99513-0067
(907) 271-5452

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

SIERRA CLUB, NORTHERN ALASKA)
ENVIRONMENTAL CENTER,)
WILDERNESS SOCIETY, BIRCH)
CREEK VILLAGE COUNCIL, MINTO)
VILLAGE COUNCIL, GOLOVIN)
TRADITIONAL COUNCIL, NUNAM)
KITLUTSISTI, and CENALIULRIIT)
COASTAL MANAGEMENT DISTRICT,)

Plaintiffs,)

v.)

MICHAEL PENFOLD, Director of)
the Alaska State Office of the)
Bureau of Land Management;)
DONALD P. HODEL, Secretary)
of the Interior; ROBERT F.)
BURFORD, Director of the)
Bureau of Land Management;)
DONALD E. RUNBERG, Acting)
District Manager of the Fair-)
banks District Office of the)
Alaska State Office of the)
Bureau of Land Management;)
WAYNE A. BODEN, District Man-)
ager of the Anchorage District)
of the Alaska State Office)
of the Bureau of Land Manage-)
ment; DEPARTMENT OF THE)
INTERIOR and BUREAU OF LAND)
MANAGEMENT,)

Defendants.)

Case No. A86-083 Civil

STIPULATION

WHEREAS, plaintiffs Sierra Club, et al. and defendants Michael Penfold, et al. desire to bring the claims asserted in the plaintiffs' pending motion for a preliminary injunction to a fair interim resolution that provides a framework under which mining can occur in the 1986 mining season, while at the same time providing for expeditious final resolution of the claims asserted by plaintiffs;

WHEREAS, defendants Michael Penfold, et al., hereinafter referred to as BLM, have agreed that they are or will be doing the following for the 1986 mining season commencing immediately:

A. Procedures Governing Plans of Operations

1. Prior to approving a plan of operations, pursuant to 40 C.F.R. § 3809.1-6, BLM will prepare an environmental assessment of the plan of operations, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 and its implementing regulations set forth in 40 C.F.R. Part 1500.

2. Prior to approving a plan of operations, BLM will prepare a subsistence evaluation of the plan of operations pursuant to the requirements of § 810 of the Alaska National Interest Lands Conservation Act (ANILCA), 16 U.S.C. § 3120.

3. Within ten (10) working days after approving a plan of operations in 1986, BLM shall serve, at no cost to plaintiffs, upon plaintiffs' counsel copies of the following

documents except for confidential information as provided in 43 C.F.R. § 3809.5:

- (a) The plan of operations;
- (b) The environmental assessment of the plan of operations;
- (c) The subsistence evaluation of the plan of operations; and
- (d) If not previously provided to plaintiffs, all correspondence and documents in BLM's possession that are related to the plan of operations, including the letter of approval.

B. Procedures to Insure Reclamation

1. Between May 1, 1986 and September 30, 1986, BLM shall conduct an on-site inspection of every mining operation operating pursuant to a plan of operations.
2. Between May 1, 1986 and September 30, 1986, BLM shall conduct an on-site inspection of every mining operation operating pursuant to a notice of operations.
3. During the on-site inspections, BLM shall inspect whether the operator is reclaiming disturbed areas in compliance with the reclamation requirements set forth in 43 C.F.R. § 3809.1-3(d).
4. During the on-site inspections, if the operator disturbed, since January 1, 1981, the same or adjacent areas of public lands while conducting mining operations in prior years, BLM will inspect whether the operator reclaimed the previously disturbed areas in compliance with the

reclamation requirements set forth in 43 C.F.R. § 3809.1-3(d).

5. If the inspection shows that the operator either is not fully complying or has not in the past fully complied with the reclamation requirements of 40 C.F.R. § 3809.1-3(d), BLM will issue a notice of noncompliance to the operator pursuant to 43 C.F.R. § 3809.3-2(d). However, no notice of noncompliance need be issued if past noncompliance has been corrected by the time of inspection.

6. Within two (2) weeks after the period for correction of the noncompliance specified in the notice of noncompliance has expired, if BLM has not received photographic proof of corrective action, or has not determined by on-site or aerial inspection that the operator has corrected the noncompliance, or has not been notified by another federal or State agency that the noncompliance has been corrected, BLM will take the following actions:

- (a) If the operator is operating under a plan of operations, BLM will require that the operator correct the noncompliance and post a bond in an amount equal to the cost of completing the unperformed reclamation and the reclamation of the future operations proposed under the plan of operations before recommencing operations; and
- (b) If the operator is operating under a notice of operations, BLM will require that the

operator correct the noncompliance, file and obtain approval of a plan of operations, and post a bond in an amount equal to the cost of completing the unperformed reclamation and the reclamation of the future operations proposed under the plan of operations before recommencing operations.

7. BLM will prepare a written report of its inspections, which reports where applicable will report on the items listed in 43 C.F.R. § 3809.1-3(d)(4), and report on compliance with 43 C.F.R. § 3809.1-3(d)(3).

8. BLM will also prepare a written report on any follow-up inspections conducted pursuant to paragraph 6. Each report will describe the steps taken by the operator to correct the noncompliance, and will state whether the steps taken adequately corrected the noncompliance.

9. At each operation subject to an on-site inspection, BLM will test for compliance with the federal and State standards for settleable solids. BLM will not take these tests if these tests are simultaneously being conducted by either the Environmental Protection Agency (EPA) or the Alaska Department of Environmental Conservation (ADEC). The entry by BLM is not intended by the members to this agreement to provide the basis for enforcement action against miners without independent investigation and inspection by EPA, ADEC or any other person.

10. BLM shall record the results of the tests in reports. These reports shall be provided to the EPA and to the ADEC.

11. If EPA or ADEC should issue a notice of violation, notice of noncompliance, other form of administrative order which finds, or if EPA or ADEC should commence a civil action based on a finding, that a mining operator operating under either a notice of operations or an approved plan of operations has violated applicable federal or State water quality standards, and if EPA or ADEC informs BLM of the issuance of such administrative orders or notices, or the commencement of such civil actions, BLM will issue a notice of noncompliance to the same operator pursuant to 43 C.F.R. § 3809.3-2(d).

12. If the operator does not correct the noncompliance within the period provided for correction, BLM shall also take the additional steps set out in paragraph 6.

13. If for any mining operation within a wild and scenic corridor or on a tributary to a wild and scenic river any of the settleable solids' tests taken pursuant to paragraph 9 show suspected noncompliance with water quality standards, BLM will immediately report this to EPA and ADEC and ask that these agencies give priority to and conduct an inspection to determine if such violations are occurring.

14. If within two (2) weeks after the period for correction of noncompliance specified in the notice has

expired the operator has not corrected the noncompliance, BLM will take the additional steps set out in paragraph 6.

C. Procedures Governing Access

1. If existing access is adequate and feasible, BLM will exercise its authority under 43 C.F.R.

§ 3809.3-3(b) to require all operators under a notice of operations to use the existing access.

2. If existing access is not adequate and feasible, BLM will exercise the authority of 43 C.F.R. § 3809.3-3(b) to require operators under a notice of operations to construct new access, if practicable, within an existing transportation or utility corridor.

3. BLM will send back as incomplete, pursuant to 43 C.F.R. § 3809.1-3(c)(3), any notice which indicates that any operator will construct any new access routes where that notice does not describe the construction including the location of the access routes to be constructed and the equipment to be used and measures to prevent unnecessary or undue degradation. If the construction involves slopes which require cuts on the inside edge in excess of three (3) feet, BLM will pursuant to 43 C.F.R. § 3809.1-3(c)(3) require the operator to consult with BLM over the most appropriate access route location.

D. Long-Term Camping Permits

1. Prior to approving a long-term camping permit for a mining operation within the Fortymile National Wild and Scenic River corridor, BLM shall prepare an

environmental assessment of the camping permit pursuant to NEPA, 42 U.S.C. § 4321 and its implementing regulations set forth in 40 C.F.R. Part 1500.

2. If BLM issued long-term camping permits for mining operations within the Fortymile National Wild and Scenic River corridor for camping in 1986 prior to the signing of this stipulation, BLM shall stay all activities under the permits until it prepares an environmental assessment.

3. Within ten (10) working days after issuing a long-term camping permit for a mining operation within the Fortymile National Wild and Scenic River Corridor in 1986, BLM shall serve, at no cost to plaintiffs, upon plaintiffs' counsel copies of the following documents:

- (a) The permit issued;
- (b) The environmental assessment prepared on the permit; and
- (c) If not previously provided to plaintiffs, all correspondence and documents in BLM's possession that are related to the permit including the application for the permit.

E. Documentation

BLM has agreed to provide, at regular two-week intervals throughout 1986, plaintiffs' counsel with copies of the following documents except for confidential information as provided in 43 C.F.R. § 3809.5:

- (1) The notices received by BLM;

- (2) All correspondence and documents in BLM's possession that are related to the notices;
- (3) The reports produced by BLM pursuant to paragraphs 7, 8 and 10 of section B.

BLM will not charge plaintiffs for any of these documents, nor will BLM charge Sierra Club Legal Defense Fund for any documents previously provided pursuant to Freedom of Information requests relating to BLM's regulation of mining in Alaska.

WHEREAS, upon being informed of the foregoing commitments by BLM, plaintiffs have agreed that their Motion for Preliminary Injunction may be withdrawn,

WHEREAS, the parties are in agreement that this action should be handled as expeditiously as possible,

IT IS HEREBY STIPULATED that:

1. Plaintiffs' Motion for Preliminary Injunction is withdrawn without prejudice;

2. Plaintiffs and defendants shall follow the following briefing schedule:

By April 14, 1986 Plaintiffs shall file and serve their motion for summary judgment or partial summary judgment.

By April 14, 1986 Defendants shall serve their initial written discovery, if any, on plaintiffs.

By May 14, 1986 Defendants shall file and serve

their response to plaintiffs'
motion for summary judgment.

By May 14, 1986

Plaintiffs shall file and serve
their response to defendants'
Motion to Dismiss filed on March
12, 1986.

By May 30, 1986

Plaintiffs shall file their reply,
if any, to defendants' response to
plaintiffs' motion for summary
judgment.

By May 30, 1986

Defendants shall file and serve
their reply, if any, to plaintiffs'
response to defendants' Motion to
Dismiss.

3. That any party may move to modify or extend any date in the foregoing briefing schedule for good cause, including discovery responses which do not permit adequate briefing of the motion for summary judgment or motion to dismiss.

4. Plaintiffs shall not, in their motion for summary judgment, seek injunctive relief to be effective for the 1986 Alaska mining season.

DATED: April 4, 1986

Respectfully submitted,
*Dean K. Dunsmore per telephonic
authorization for*

PHILIP BARNETT

Attorney for Plaintiffs

DATED: 4 April 1986

Dean K. Dunsmore
DEAN K. DUNSMORE

Attorney for Federal Defendants

IT IS SO ORDERED this _____ day of _____, 1986
at Anchorage, Alaska.

U.S. DISTRICT COURT JUDGE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 4th day of April, 1986, a copy of the foregoing STIPULATION was served by United States mail, first class, postage paid, to the following counsel of record:

Philip S. Barnett
Sierra Club Legal
Defense Fund, Inc.
Suite 321
419 Sixth Street
Juneau, AK 99801

James D. Linxwiler
Joseph J. Perkins, Jr.
GUESS & RUDD
Suite 700
510 L Street
Anchorage, AK 99501

Ronald A. Zumbrun
Robin L. Rivett
James S. Burling
Fred A. Slimp II
Pacific Legal Foundation
555 Capitol Mall, Suite 350
Sacramento, CA 95814

Millard F. Ingraham
Suite 920
601 West Fifth Avenue
Anchorage, AK 99501

Ray D. Gardner
HARTIG, RHODES, NORMAN,
MAHONEY & EDWARDS
717 "K" Street
Anchorage, AK 99501

Bonita R. Dotter
BONITA R. DOTTER
Secretary
Land & Natural Resources Div.
Department of Justice
Anchorage, Alaska



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

9/5/89
Date

HJR

71

COMMITTEE REPORT

JUDICIARY

(9)

Date referred: 4/1/86

FURTHER REFERRALS: FINANCE

DATE: April 15, 1986

The RESOURCES Committee has considered HJR 71

Proposing amendments to the Constitution of the State of Alaska creating the Alaska research development endowment."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with _____ same title
- _____ new title

and recommends _____

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note *Supp 117*
 - new fiscal note
 - zero fiscal note

SIGNING DO PASS:

Shultz *Dick Shultz*

Jenkins *James J. Jenkins*

Pearce *John Pearce*

Sund *John Sund*

Miller(NP) *M.W. Miller*

SIGNING OTHER RECOMMENDATIONS:

Adelheid Herrmann No Rec

Bette Herrmann No Rec

David W. Thompson NO REC

Dick Shultz
Co-Chairman Shultz

Introduced: 4/2/86
Referred: Resources, Judiciary
and Finance

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 HOUSE JOINT RESOLUTION NO. HJR 71

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating the
7 Alaska research development endowment.

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

9 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
10 is amended to read:

11 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or
12 license shall not be dedicated to any special purpose, except as
13 provided in section 15 and section 17 of this article or when required
14 by the federal government for state participation in federal programs.
15 This provision shall not prohibit the continuance of any dedication
16 for special purposes existing upon the date of ratification of this
17 section by the people of Alaska.

18 * Sec. 2. Article IX, Constitution of the State of Alaska, is amended
19 by adding a new section to read:

20 SECTION 17. ALASKA RESEARCH DEVELOPMENT ENDOWMENT. At least
21 one-third of all royalties and royalty sale proceeds from North Slope
22 natural gas received by the state shall be deposited in the Alaska
23 research development endowment. All income from investment of the
24 endowment shall be deposited in the Alaska research development endow-
25 ment. Appropriations may not be made from the Alaska research devel-
26 opment endowment except for the conduct of research as provided by
27 law.

28 * Sec. 3. The amendments proposed by this resolution shall be placed
29 before the voters of the state at the next general election in conformity

1 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
2 tion laws of the state.

Alaska State Legislature

STEVE FRANK

DISTRICT 20A
Finance Committee

1125 Sunset Drive
Fairbanks, Alaska 99701
(907) 452-3421



While in Juneau
P. O. Box V
Juneau, Alaska 99811
(907) 465-3709

House of Representatives

MEMORANDUM

TO: House Resource Committee Members
FROM: Representative Steve Frank
DATE: April 15, 1986
RE: Alaska Research Development Endowment
HCR 71 & HB 705

HCR 11, approved by the legislature last year, set the stage for the introduction of HCR 71 and HB 705 creating the Alaska Research Development Endowment (ARDE).

Under HCR71, ARDE is designed to be a vehicle to determine and fund the necessary research to meet the challenge of Alaska's future. The idea is to constitutionally dedicate to research a small percentage of our total resource revenues, specifically our natural gas resources north of the Brooks Range, most of which are not currently being developed.

The Alaska Research Development Corporation, which would be created by the passage of HB705, would identify those projects which could unlock the knowledge necessary for the development of the state's natural resources, preserve the heritage and culture of Alaska's people and conduct research necessary to protect the health and welfare of the people of our state.

The scope of ARDE's efforts would be directed toward the entire state, not just the Arctic region, as the Federal Arctic Science and Policy Act is. ARDE would dovetail the Federal Act as well as compliment research currently being done through the University of Alaska's Organized Research. As envisioned, ARDE could be a significant future funding source for the University's research projects related specifically to Alaska.

The Corporation's Board of Directors would be composed of eleven members, four each from the business community and academic community, and three with professional recognition in government, in addition to the Governor and the president of the University of Alaska as ex officio members. The board would employ a limited staff to aid in grant determination and administration. The Corporation would be subject to the Executive Budget Act providing the Legislature with an annual review, much in the same way we review the budget of the Alaska Permanent Fund Corporation.

Offered: 3/13/85
Referred: Rules

Original sponsors: Boucher, Ringstad,
Gruenberg, et al

1 IN THE HOUSE BY THE HEALTH, EDUCATION AND
2 SOCIAL SERVICES COMMITTEE
3 CS FOR HOUSE CONCURRENT RESOLUTION NO. 11 (HESS)
4 IN THE LEGISLATURE OF THE STATE OF ALASKA
5 FOURTEENTH LEGISLATURE - FIRST SESSION
6 Relating to the University of Alaska
7 Foundation.
8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 WHEREAS art. VII, secs. 4 and 5 and art. VIII, secs. 1 and 2 of the
10 Constitution of the State of Alaska call for the promotion and protection
11 of public health, providing for the public welfare, the settlement of lands
12 and the development of resources, and the utilization, development, and
13 conservation of all state natural resources; and
14 WHEREAS although the Arctic Science and Policy Act of 1984 is commend-
15 able and its passage long overdue, the Act focuses on federal interests and
16 priorities solely and it is directed only at part of the state; and
17 WHEREAS the economic viability of the state, the well-being of its
18 inhabitants, and the promise of a reasonable future for coming generations
19 depends upon the support of applied and fundamental research directed at
20 specific Alaskan problems; and
21 WHEREAS these physical, biological, medical, and social problems are
22 only partially, or not at all, addressed by conventional sources of support
23 resulting in significant gaps in both scientific and technical research
24 endeavors;
25 BE IT RESOLVED that the Alaska State Legislature commends and supports
26 the University of Alaska Foundation in its endeavors to forecast research
27 needs and to find and fill the gaps in the current research effort, and be
28 it
29 FURTHER RESOLVED that the Alaska State Legislature encourages the
University of Alaska Foundation to seek support for long-term and stable

1 funding for this research.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date : _____

REQUEST

Bill/Resolution No. : HJR 71
 Title: Proposing amendments to the Constitution of the State of Alaska creating the Alaska Research Development Endowment.
 Sponsor: House Finance
 Requestor: House Finance
 Date of Request: 4/9/86

FISCAL DETAIL

Agency Affected: Alaska Research Development Endowment
 BRU: opment Endowment
 Components : _____

Endowment.

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE		(800.0)	(800.0)	(800.0)	(800.0)	(800.0)
---------	--	---------	---------	---------	---------	---------

FUNDING : (Thousands of Dollars)

GENERAL FUND		800.0	800.0	800.0	800.0	800.0
FEDERAL FUNDS						
OTHER						
TOTAL		800.0	800.0	800.0	800.0	800.0

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary This bill dedicates 1/3 of all state royalties and royalty sale proceeds from North Slope natural gas to the Alaska Research Development Endowment. Currently, approximately \$2.4 million is received by the state from those sources. Consequently, \$800.0 would be dedicated. (2.4 million ÷ 3 = \$800.0)

Prepared by: Representative Steve Frank Phone: 465-3706
 Division: Resources Committee Chairman Date: 4/9/86

Approved by Commissioner: *Dick Schultz* Date: 4/16/86
 Agency: _____

Distribution (by Agency preparing fiscal note):

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